



FOR IMMEDIATE RELEASE

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ATTN: *Finance/Consumer Interest/Lifestyle/Real Estate Reporters*

Mayor Antonio R. Villaraigosa, City Officials and NeighborWorks America Unite at City Hall to Fight Loan Modification Scams in Region

Event to coincide with the launch of a new national campaign that provides at-risk homeowners with important information to combat new wave of fraudulent activity sweeping the nation

What: A partnership of local, state and national government agencies, nonprofit organizations and financial institutions will gather on the steps of City Hall to launch a national public education campaign designed to help homeowners protect themselves against loan modification scams, find trusted help and report illegal activity to authorities. To celebrate the launch of "Loan Modification Scam Alert" campaign, the partnership will also designate November as "National Loan Modification Scam Awareness Month."

Who: Confirmed Participants (additional participants to come):
Antonio R. Villaraigosa, Mayor of Los Angeles
Eileen Fitzgerald, Chief Operating Officer, NeighborWorks® America
Lori Gay, President and CEO, Los Angeles Neighborhood Housing Services, Inc.

When: Monday, October 26, 2009; 9:00-10:00 a.m.
Formal Program: 9:00-9:30 a.m., including Q&A
Interviews: 9:30 -10:00 a.m.

Where: Los Angeles City Hall
The South Steps
200 N. Spring St
Los Angeles, CA

Rain Location: The Mayor's Conference Room, 3rd Floor

LOAN MODIFICATION SCAM

ALERTTM

1-888-995-HOPE(4673) www.LoanScamAlert.org

Note: One-on-one interviews available with event participants, including Eileen Fitzgerald and Lori Gay. Photo opportunities to follow, including campaign street teams distributing campaign materials in neighborhoods at high risk for scam activity throughout the Los Angeles area. Street team destinations to be announced at event.

About the Loan Modification Scam Epidemic in Los Angeles

National foreclosure rates are at an all-time high of 7.97 percent and Los Angeles is the hardest hit with the highest number of homes in foreclosure in the nation. Many LA homeowners are turning to loan modification or foreclosure “rescue” companies for help, often paying them a fee, only to realize they have been scammed. In fact, Attorney General Edmund G. Brown Jr.’s office recently reported receiving more than 2,500 complaints against loan modification consultants and their businesses in 2009 – a dramatic jump from 2008, when less than 200 complaints were filed.

About the Campaign

To combat loan modification scams, Congress asked NeighborWorks® America to launch a national public education campaign designed to empower homeowners to protect themselves against loan modification scams, find trusted help and report illegal activity to authorities.

NeighborWorks® America is working with national, state and local partners on the ground and 235 community-based affiliates. Together, we will alert thousands of homeowners in communities at high risk for scam activity through real-life scam stories, fliers, postcards, e-cards, posters, print advertising, local PSAs, events, word of mouth and social media activity.

All national campaign materials urge homeowners who are contacted or deceived by a scam artist to report it immediately by calling 1-888-995-HOPE(4673) or visiting www.LoanScamAlert.org. The hotline and Web site also connect homeowners to free guidance from a HUD-approved counseling agency.

About NeighborWorks® America

NeighborWorks® America creates opportunities for people to improve their lives and strengthen their communities by providing access to homeownership and to safe and affordable rental housing. Since 1991, we have assisted nearly 1.2 million low- to moderate-income families with their housing needs. Much of our success is achieved through our support of the NeighborWorks network — more than 230 community development organizations working in more than 4,400 urban, suburban and rural communities in all 50 states, the District of Columbia and Puerto Rico. In the last five years, NeighborWorks organizations have



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generated more than \$15 billion in reinvestment in these communities. NeighborWorks® America is the nation's leading trainer of community development and affordable housing professionals.