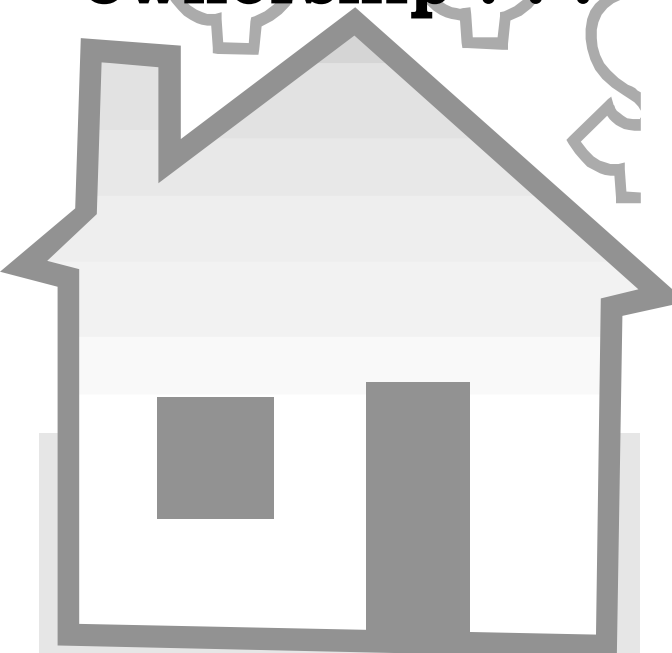


**For decades, a major part of the American dream has been home ownership . . .**




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*Your help in spreading the word will be most appreciated!*



**Generations of Americans have come to trust in the idea that they could own a place to raise their families . . .**

**... but for a growing number of people, that dream is turning into a nightmare.**

## ***Did you know?***

- People are losing their homes to well-designed “loan servicing” scams that cannot be stopped without enormous legal expenses - and making payments on time does not prevent it from happening.
- There are companies in the mortgage business that are deliberately keeping some borrowers from taking advantage of lower interest rates by reporting fraudulent credit data to the major credit bureaus.
- The foreclosure industry is booming, and the “make money in real estate” and “cash-flow” seminars are creating a market that makes it even *more* profitable for a lender to foreclose, especially if there is any equity in the home.
- Anyone who decides they want to get into that business can obtain your credit history *without* your permission - in fact, you don’t even have to be notified.
- Companies are deliberately labeling borrowers’ loans as “Sub-Prime” in order to set rates higher than necessary and apply Private Mortgage Insurance policies, even when the borrower could qualify for lower rates.
- The FTC and HUD were investigating one of the worst cases (Fairbanks Capital), but the industry has used their enormous financial leverage and lobbying power to minimize the fine and penalties as well as prevent new legal and regulatory roadblocks from being put in their way.
- Tens of *billions* of dollars in legal fees are being added to consumer loans - taking money out of the pockets of people and paying it directly to the hundreds of attorney firms around the country that specialize in processing these foreclosure schemes. Many of these fees are illegal, and some courts have put a stop to the practice, but not many.

***So, is anyone doing something about it?***

***Yes, and no.***

- ***Yes*** - Many of the victims of these scams are engaged in a truly grass-roots effort to warn people: ***It could easily happen to you if your mortgage gets sold to one of these servicing companies - and you cannot stop those sales.***

Those who have the financial resources to engage their own attorney have filed suits and won many cases, and there are several class-action cases working their way through the courts system. But most of the victims weren’t that fortunate and the class action suits will take many months, perhaps a year or more to settle.

- ***No*** - although there were formal investigations underway at the Federal, the likelihood of the administration publicizing something that could put a dent in the brightest spot in our troubled economy (home ownership) is low. With the damage from the stock market and huge corporate scandals still ringing in politicians’ ears, they probably don’t want another one coming out until after the 2004 elections.
- ***Yes*** - A handful of politicians have spoken out and sought to bring these kinds of companies to justice, but nowhere near enough have become public supporters of real reform.
- ***No*** - These companies are well connected and represented by lobbyists, Wall Street and industry organizations that donate millions to election campaigns. They have been able to thwart oversight and new laws and regulations by threatening to choke off the source of money to make loans. They have been extremely effective.
- ***Yes*** - The Internet has provided the tools people need to not only spread the alarm but to learn how to protect themselves and their property – for more information go to:

[www.msfraud.org](http://www.msfraud.org)

All you have to lose is your house!

