

WHAT: Tour of Property blighted by mortgage foreclosures

WHO: Ohio Attorney General Mike DeWine

WHERE: 102 Raymond Ave
Mansfield, Ohio

WHEN: Friday, Feb 10
3:00 PM



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DeWine Announces Settlement With Major Loan Servicers Foreclosure-Related Assistance Coming for Ohioans

(COLUMBUS, Ohio)—Ohio Attorney General Mike DeWine today announced that Ohio is part of the joint federal-state settlement of \$25 billion with five of the nation's largest mortgage servicers over foreclosure abuses, fraud, and unacceptable mortgage practices.

"This settlement will provide much-needed relief to Ohio homeowners and communities and help our state to recover from the destruction left behind from the mortgage financing crisis," said Attorney General DeWine.

Ohio's estimated share of the settlement is \$335 million and can be broken down into four major areas for relief:

- Ohio borrowers will receive an estimated total of \$102 million in benefits from loan term modifications and other direct relief.
- Ohio borrowers who lost their home to foreclosure from January 1, 2008 through December 11, 2011 and suffered servicing abuse would qualify for part of an estimated total of \$44 million in cash payments.
- The value of refinanced loans to Ohio's "underwater" borrowers would be an estimated total of \$90 million.
- The Ohio Attorney General's Office will receive an estimated \$97 million to help with foreclosure prevention, revitalizing neighborhoods by getting rid of blighted properties, assistance to Ohio families who have experienced or are on the brink of foreclosure and the investigation and prosecution of mortgage rescue scam artists.

The settlement is with the following mortgage servicers: Ally, Bank of America, Citi, JPMorganChase and Wells Fargo. Borrowers should contact these mortgage servicers to obtain more information about specific loan modification programs and whether they qualify under the terms of this agreement.

Ohio was particularly hard hit by the foreclosure crisis, and many communities are struggling with abandoned properties that detract from the value of existing housing. New foreclosure filings in Ohio totaled 85,483 in 2010, with one foreclosure filing in 2010 for every 59 housing units. Many Ohioans are also "underwater" with nearly one in three mortgage holders owing more on their mortgage than their home's value.

Attorney General DeWine today announced categories for using the \$97 million that will be allocated

to his office when the settlement funds are finally dispersed following a court order.

MOVING OHIO FORWARD

Helping homeowners, families and communities recover from the foreclosure crisis.

ATTORNEY GENERAL GRANT PROGRAM FOR ABANDONED/VACANT PROPERTY DEMOLITION – \$75 MILLION

One of the necessary components of Ohio's economic recovery is ridding our communities of the blight of abandoned homes. These vacant properties are a drag on our recovery, inhibiting the growth of our neighborhoods. They create a toxic breeding ground for crime. And, they depress the value of the remaining homes in that neighborhood.

"I am very pleased today to commit \$75 million to the creation of a grant program through my office that will provide communities with much-needed funding to remove the blight and give our neighborhoods a chance to prosper," said Attorney General DeWine.

While an exact total of abandoned homes is not available, conservative estimates place the number of vacant and abandoned properties in Ohio in need of immediate demolition at 100,000.

ATTORNEY GENERAL GRANT PROGRAM FOR OHIO FAMILIES – \$20 MILLION

The Attorney General's Office will make available \$20 million for a grant program to provide assistance to families and individuals who are at risk of foreclosure or have already lost their home. The plan is to use these resources to fund creative and innovative proposals from non-profit organizations and local government entities to address the needs of citizens who have suffered because of the foreclosure crisis and to help them get back on their feet, with priority given to projects that target assistance to more vulnerable populations, including children, persons with disabilities, the elderly, veterans, and homeless.

ATTORNEY GENERAL ECONOMIC CRIMES DIVISION – \$2 MILLION

Two million dollars will be set aside to expand the Economic Crimes Division of the Ohio Attorney General's Office. These funds will be used to go after these criminals who perpetrate foreclosure rescue and debt relief scams on Ohioans. In addition, some of this money will be used to provide training on these scams to law enforcement and prosecutors around Ohio. These funds will also be used to increase our consumer education efforts to help Ohioans avoid becoming victims of financial fraud and to safely manage their credit and mortgage debts.

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Barbara Walter
Chairman
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