Foreclosure Rescue Scams: How to Protect Yourself

Introduction

When you fall behind on your mortgage, you may feel desperate and scared. That's exactly when scammers strike. They promise quick fixes, guaranteed results, or "inside connections" with banks—but in reality, they are just looking to take your money, steal your home, or trick you into signing away your rights.

The truth is:

- No one can guarantee they will stop your foreclosure.
- Legitimate help never starts with pressure or upfront fees.
- You always have options—but you must work with your lender or with a HUD-approved housing counselor, not strangers who contact you out of the blue.

We've seen these scams over and over. The best way to fight them is with knowledge.

How Foreclosure Rescue Scams Work

Scammers know homeowners in distress feel vulnerable. They often:

- Target public records: Foreclosure filings are public, so scammers know exactly who is behind.
- Send letters, postcards, or emails that look official (sometimes copying government logos).
- Make direct calls or door-to-door visits, claiming to be from a "foreclosure relief agency."
- Offer impossible promises like stopping your foreclosure overnight or cutting your mortgage in half.
- Pressure you to sign documents quickly—sometimes tricking you into signing over your deed.

- Charge large upfront fees for “help” you never receive.

Checklist: Red Flags of Foreclosure Rescue Scams

Use this checklist to protect yourself. If you see any of these, stop immediately and seek real help.

Guaranteed Promises

- “We guarantee we can stop your foreclosure.”
- “We can reduce your payment by 50%.”

Upfront Fees

- Asking for thousands of dollars before doing anything.
- Demanding payment in cash, wire transfer, or gift cards.

Pressure Tactics

- “You must sign today.”
- “Don’t talk to your bank, we’ll handle it.”

Deed or Title Transfer

- Asking you to sign over your deed or title “temporarily.”
- Promises that you can “rent back” your own home.

Fake Legal Help

- Claiming to be an attorney without providing a bar number.
- Giving legal advice without proper licensing.

Government Imposters

- Using names like “Federal Mortgage Relief Center” or fake HUD logos.

- Telling you they are part of a “special government program” that requires you to pay them.

Secret or “Insider” Deals

- Saying they have special connections with banks or judges.
- Refusing to give written details of the program.

What To Do Instead

- Talk directly to your lender. Don’t avoid them—communication is your strongest tool.
- Ask for free help from a HUD-approved housing counselor.
- Check with your state attorney general’s office for licensed foreclosure assistance.
- Report scams to the Federal Trade Commission (FTC) or CFPB.

Bottom Line

Scammers want you to panic. The more desperate you feel, the easier their pitch sounds. But the reality is simple: real solutions don’t require secrecy, upfront fees, or giving away your deed.

Stay alert. Ask questions. Get everything in writing. And remember—you have rights, but you must protect them.

Contact us for a free no no-obligation consultation