

Independent Foreclosure Reviews

Fact Sheet

What is happening?

Fourteen U.S. mortgage servicers and their affiliates are making available free, impartial Independent Foreclosure Reviews to certain of their borrowers as part of the consent orders entered into with the Board of Governors of the Federal Reserve System and the Office of the Comptroller of the Currency in April 2011.

If eligible borrowers believe that they were financially injured as a result of servicer errors, misrepresentations or other deficiencies in the foreclosure process on their primary residence, they can request a review of their foreclosure file to verify that their foreclosure process was handled properly.

Throughout this process, servicers will continue their efforts to help homeowners who have not yet gone through a foreclosure sale stay in their homes, where possible.

Who is eligible?

Borrowers are eligible to submit a Request for Review if 1) their loan was serviced by one of the participating mortgage servicers, 2) their loan was active in the foreclosure process between Jan. 1, 2009 and Dec. 31, 2010, and 3) the property securing the loan was their primary residence.

To participate in an official review, eligible borrowers must submit a completed Request for Review Form by April 30, 2012.

Which servicers are being required to perform the reviews?

The participating servicers are:

- America's Servicing Company
- Aurora Loan Services
- Bank of America
- Beneficial
- Chase
- Citibank
- CitiFinancial
- CitiMortgage
- Countrywide
- EMC
- EverBank/Everhome Mortgage Company
- GMAC Mortgage
- HFC
- HSBC
- IndyMac Mortgage Services
- MetLife Bank
- National City Mortgage
- PNC Mortgage
- Sovereign Bank
- SunTrust Mortgage
- U.S. Bank
- Wachovia
- Washington Mutual
- Wells Fargo

How can borrowers find out if they are eligible for a review? An estimated 4.5 million borrowers will be notified by a letter explaining the review process and a Request for Review Form. The mailings will be staggered—to better manage volumes—in stages beginning Nov. 1, 2011.

Information also may be found at www.IndependentForeclosureReview.com. Borrowers who believe they may be eligible for a review who do not receive a mailing can call 1.888.952.9105 Monday through Friday 8:00 a.m. – 10:00 p.m. ET and Saturday 8:00 a.m. – 5:00 p.m. ET to determine if they are eligible.

What does it mean that a borrower was active in the foreclosure process? Foreclosure actions include any of the following occurrences on a primary residence between the dates of Jan. 1, 2009 and Dec. 31, 2010:

- The property was sold due to a foreclosure judgment.
- The mortgage loan was referred into the foreclosure process but was removed from the process because payments were brought up-to-date or the borrower entered a payment plan or modification program.
- The mortgage loan was referred into the foreclosure process, but the home was sold or the borrower participated in a short sale or chose a deed-in-lieu or other program to avoid foreclosure.
- The mortgage loan was referred into the foreclosure process and remains delinquent but the foreclosure sale has not yet taken place.

What information will borrowers need to provide? Borrowers will be asked to provide information on the property, the borrower and any co-borrowers, and details about how they believe they may have been financially injured. There is no charge to eligible borrowers for a review, which will not be reported to any of the credit bureaus and will not impact any other options a borrower may pursue related to their foreclosure.

What constitutes “financial injury?” Listed below are examples of situations that may have led to financial injury. This list does not include all situations.

- The mortgage balance amount at the time of the foreclosure action was more than you actually owed.
- You were doing everything the modification agreement required, but the foreclosure sale still happened.
- The foreclosure action occurred while you were protected by bankruptcy.
- You requested assistance/modification, submitted complete documents on time, and were waiting for a decision when the foreclosure sale occurred.

- Fees charged or mortgage payments were inaccurately calculated, processed, or applied.
- The foreclosure action occurred on a mortgage that was obtained before active duty military service began and while on active duty, or within 9 months after the active duty ended and the servicemember did not waive his/her rights under the Servicemembers Civil Relief Act.

How long will the foreclosure review take to complete?

The borrower will be sent an acknowledgement letter from the Independent Review Administrator within one week after the request is received. Because the review process will be a thorough and complete examination of many details and documents, a review could take up to several months.

Who will be conducting the reviews?

Foreclosure Reviews will be conducted by independent consultants engaged by the servicers and approved by the Board of Governors of the Federal Reserve System and the Office of the Comptroller of the Currency. In order to ensure that the request for review process is as consistent as possible for eligible customers, all of the participating servicers are using the same outside administrator to manage the handling of incoming complaints for the Request for Review process.

Once the Request for Review Forms have been collected by this single vendor, the servicer will provide relevant documents to the independent consultant. The servicer will also provide any findings and recommendations related to the borrower's request for review to the independent consultant for examination. Servicers may be asked to clarify or confirm facts and disclose reasons for events that occurred related to the foreclosure process, and customers could be asked to provide additional information or documentation.