

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

November 21, 2012

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, Savings and Loan Holding Companies,
and Foreign Banking Offices
in the Twelfth Federal Reserve District

Advertising Reminds Eligible Borrowers of Deadline to Request Independent Foreclosure Review

Advertising and other outreach efforts are kicking off around the country to remind eligible borrowers of the December 31 deadline to request a free, impartial review through the Independent Foreclosure Review.


Print, radio, television, and online advertising will target the communities hardest hit by mortgage foreclosures. Outreach includes direct contact with eligible borrowers by mail, e-mail, and telephone. Outreach also includes coordinated activity by community, housing, and faith-based groups.

In August, the Office of the Comptroller of the Currency and Board of Governors of the Federal Reserve System directed mortgage servicers to conduct this additional outreach to increase awareness of the Independent Foreclosure Review. The advertising and outreach is based on input from a variety of community groups and subject matter experts with particular expertise in reaching minority communities. In addition to English, advertising and informational materials will be made available in Spanish, Mandarin, Korean, Vietnamese, Hmong, Russian, Creole, and Tagalog.

As part of enforcement actions issued in April 2011, the agencies required 14 large mortgage servicers to retain independent consultants to conduct a comprehensive review of foreclosure activity in 2009 and 2010 to identify borrowers who may have been financially injured due to errors, misrepresentations, or other deficiencies in the foreclosure process. If the review finds that financial injury occurred, the borrower may receive remediation such as lump-sum payments, suspension or rescission of a foreclosure, a loan modification or other loss mitigation assistance, correction of credit reports, or correction of deficiency amounts and records. Lump-sum payments can range from smaller amounts for less serious errors to \$125,000 plus equity in the most egregious cases.

Eligible borrowers included those people whose primary homes were involved in a foreclosure process in 2009 or 2010 and whose mortgages were serviced by one of the participating mortgage companies listed at <https://independentforeclosurereview.com/>. Reviews are free and federal regulators are monitoring the process to ensure they are conducted in a thorough and impartial manner.

Requesting a review does not preclude borrowers from taking other actions related to their foreclosures. Servicers are not permitted to require a borrower to sign a waiver of the borrower's ability to pursue claims against the servicer in order to receive compensation under the Independent Foreclosure Review.

There are no costs associated with being included in the review. More information, including how to apply online, is available at <https://independentforeclosurereview.com/> . Community groups wishing to promote awareness of this program may use materials available online at <https://independentforeclosurereview.com/Toolkit.aspx>

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information, please contact:

Federal Reserve Bank of San Francisco
Banking Supervision and Regulation
(801) 322-7853