

Tennessee homeowners are already reaping substantial benefits under the National Mortgage Settlement, according to a preliminary report released this week by settlement monitor Joe Smith.

Compiling data received from all five mortgage servicers who are party to the settlement, the report shows that Tennessee homeowners have received over \$36 million in relief during the first quarter of the settlement from March 1, 2012 through June 30, 2012. The relief comes in the form of loan modifications, refinances and facilitated short sales.

The monitor's report also shows that at the close of the quarterly period servicers were in the process of offering an additional \$17-29 million in savings to Tennessee homeowners.

"Although this preliminary report represents a good start by these five servicers, there is still a lot more work to do," said Tennessee Attorney General Bob Cooper. "Our office is committed to making sure that homeowners receive the benefits they are entitled to under the settlement."

In April, Tennessee along with 48 other Attorneys General and federal agencies reached an agreement with the nation's top five mortgage servicers: Bank of America, J.P. Morgan Chase, Wells Fargo, Citigroup, and Ally Financial/GMAC. Prompted by a series of state and federal investigations into improper foreclosure and industry practices, the settlement is designed to provide immediate assistance to struggling homeowners and make foreclosure a last resort. The settlement will provide an estimated \$25 billion in relief nationwide to distressed borrowers and state governments, including an estimated \$140 million in benefits here in Tennessee.

The report, which is not required under the settlement, includes raw numbers which have not yet been verified for their accuracy. But the report indicates that servicers have taken a good first step toward meeting their obligations under the settlement. Overall, nearly 2,000 homeowners in Tennessee either have received or are in the process of receiving relief during the period covering the report, an encouraging number considering that the settlement will bind the servicers until late 2015.

The report comes at a time when the housing market in Tennessee and throughout the country

has shown signs of improvement and increased stability. One aspect of the settlement that could sustain that momentum is the provisions requiring the servicers to make timely decisions regarding short sales. In Tennessee, servicers have already approved 437 short sales at a benefit of over \$22 million to homeowners in just four months, according to the report.

Still, foreclosure rates remain high throughout the state. Recently, Attorney General Cooper and Tennessee Housing Development Agency Executive Director Ted R. Fellman announced a hotline is now available for Tennessee homeowners who are struggling to make their mortgage payments.

Homeowners can call toll-free 855-876-7283 (Monday – Friday, 8 a.m. – 5 p.m.) and speak to a representative who can direct homeowners to a free foreclosure prevention counselor and explain various housing assistance programs. Although the mortgage settlement only covers select homeowners whose loans are serviced by the nation's five largest servicers, the hotline is available to all struggling Tennessee homeowners, regardless of who services their loan.

In addition, homeowners who are having trouble with the five servicers covered by the settlement can report problems to the Office of Mortgage Settlement Oversight by visiting www.mortgageoversight.com

For more information about free foreclosure prevention counselors or mortgage assistance programs in Tennessee, homeowners may visit www.tn.gov/attorneygeneral or www.KeepMyTNHome.org

For more information about the settlement, please visit www.nationalmortgagesettlement.com