

# Oklahoma Mortgage Settlement Fact Sheet

On Feb. 9, Oklahoma announced an agreement with five of the nation's largest mortgage service providers – Bank of America, JPMorgan Chase, Citigroup, Wells Fargo and GMAC. The agreement provides Oklahoma \$18.6 million in compensatory damages for unfair and deceptive practices by the banks during the mortgage and foreclosure crisis. Oklahomans who think they were subjected to unfair and unlawful practices during the foreclosure process can apply for compensation at [www.oag.ok.gov](http://www.oag.ok.gov) or by calling (405) 521-2029.

## Frequently Asked Questions

### *Will Oklahoma homeowners harmed by unfair banking practices receive compensation?*

Yes. Oklahoma will receive \$18.6 million from the five mortgage servicers involved in the mortgage settlement to help homeowners wronged by practices such as dual-tracking and robo-signing.

### *How do Oklahoma homeowners apply for compensation under the Oklahoma settlement?*

Oklahoma residents who believe their loan modification and foreclosure process involved unfair and deceptive banking practices such as dual-tracking and robo-signing must fill out an application form. The form is available online on the Attorney General's website at [www.oag.ok.gov](http://www.oag.ok.gov). Residents without access to the Internet can call (405) 521-2029 for an application to be mailed. Copies of the application also are available at the front desk of the AG's Office at 313 NE 21.

### *Can I still apply for benefits under the national mortgage agreement?*

Yes. Oklahomans are eligible to participate in the national settlement's options to refinance and adjust mortgage principal. The refinance option is available for homeowners who are current on mortgage payments, but owe more on their home than it's worth. The principal write-down is available for homeowners who are behind on mortgage payments and also owe more on their home than it's worth. The mortgages must be with one of the five mortgage servicers involved in the settlement. To apply for these benefits, homeowners should contact their servicer at the number provided below:

**Bank of America:** (877) 488-7814

**Citigroup:** (866) 272-4749

**GMAC:** (800) 766-4622

**JPMorgan Chase:** (866) 372-6901

**Wells Fargo:** (800) 288-3212

### *How will the money be distributed in Oklahoma?*

Oklahoma's settlement is actual dollars that will be used to provide relief for homeowners who were wronged in the mortgage and foreclosure process by unfair practices such as robo-signing and dual-tracking. These homeowners are the first priority.

***What is robo-signing?***

Robo-signing involved signatures being affixed to documents that legally required personal review by bank employees, which was not done.

***What is dual-tracking?***

Dual-tracking involved mortgage servicers advising homeowners to become delinquent on their home loans, claiming the delinquency would allow the banks to adjust their mortgages and save them from foreclosure. At the same time, the bank had the homeowner on a separate “track” to foreclosure, which typically was the end result even if the homeowner followed the bank’s instructions.

***Who will be distributing the settlement funds?***

Oklahoma’s settlement proceeds will be handled and distributed by the AG’s Public Protection Unit. The Unit is developing an index to properly distribute the funds to homeowners, based on each homeowner’s showing of actual harm. The first step is for homeowners to apply for compensation by filling out an application.

***How much money will I get?***

The AG’s Public Protection Unit is developing an index to determine how much money will be available for each homeowner. These funds are intended for homeowners who were harmed by specific unfair and deceptive practices. When applying for compensation, homeowners should provide all documentation of these practices in their specific case. Compensation will be based on each individual homeowner’s showing of actual harm.

***Would I have gotten more money under the federal settlement?***

Homeowners who were wronged during the foreclosure process with practices such as robo-signing or dual-track would have only received \$1,500 to \$2,000 through the federal settlement. The Oklahoma settlement is dedicated to helping harmed homeowners and will provide greater compensation at a faster pace than the federal agreement.

***What happens to the remaining money after all wronged homeowners receive their portion?***

No decision will be made on the funds until the first priority of helping wronged homeowners is achieved.

***Why did Oklahoma choose not to participate in the national mortgage settlement?***

The investigation by the 50 attorneys general was initiated to identify and remedy the harm done by mortgage servicers. It was not intended to implement housing policy through mortgage reduction for homeowners unharmed by deceptive banking practices, and simply not paying their mortgages. It also was not intended to potentially punish hundreds of smaller banks who did not participate in unfair practices. The federal government added these features to regulate the industry through litigation instead of legislation. The federal settlement will do little to help the homeowners who deserve meaningful compensation for wrongful conduct, and the added features are outside the scope of authority of attorneys general.