NEWS RELEASE
**Marty J. Jackley**
South Dakota Attorney General

**Charles McGuigan**
Chief Deputy Attorney General

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**CONTACT:** Sara Rabern (605)773-3215

**South Dakota Attorney General Awards Mortgage Fraud Settlement Monies to South Dakota Housing Opportunity Fund**

PIERRE, S.D - Attorney General Marty Jackley announced today that the South Dakota Housing Development Authority will be the recipient of the $344,000 settlement money that the State of South Dakota obtained from the nationwide agreement with Lender Processing Services, Inc. (LPS). The South Dakota Housing Development Authority is the administrator of the South Dakota housing opportunity fund. The purpose of this fund is to preserve and expand sustainable, affordable, and safe housing that is targeted to low and moderate income families and individuals in South Dakota.

"Mortgage practices and abuses have made it difficult for too many homeowners. It is fitting that the litigation has returned some of the losses and has further made it possible for us to put home buying opportunities back into the hands of those who need them most, including veterans and low income families," said Jackley.

Senate Bill 235, which was enacted in the 2013 Legislative Session, created the South Dakota housing opportunity fund. Through an application process, this fund will ensure that this money will be used for the purpose of funding affordable housing projects across the state, for both rental and homeownership and will be used for the construction or rehabilitation of existing structures for the homeless, low income, those with disabilities and work force housing.

In December of 2012, Attorney General Jackley and 44 other Attorneys General and the District of Columbia reached a $120 multi-state settlement with and its subsidiaries, LPS Default Solutions and DocX. The proposed consent judgment resolves allegations that LPS, which primarily provides technological support to banks and mortgage loan servicers, "robo-signed" documents and engaged in other improper conduct related to mortgage loan default servicing.

The LPS Settlement was an offshoot from the investigation into fraudulent mortgage practice that resulted in the $25 billion dollar National Mortgage Fraud Settlement agreement with the nation's five largest mortgages service providers. The agreement provided an estimated $7,790,984 in direct relief to South Dakota homeowners and addresses future mortgage loan service practices. The State received a direct payment of $2,886,824.00 , which was distributed with the assistance of a bi-partisan committee from the legislative and executive branches as follows:

- South Dakota Home Builders Association $1,000,000- Purpose of revolving low interest loan fund to fund spec homes for low income applicants

- GROW South Dakota $500,000- Purpose to create loan products that will assist veterans and other low to moderate income South Dakota residents' with home purchase and modification financing

- South Dakota Housing Development Authority $372,364- Purpose of funding homebuyer education programs
- Ellsworth Development Authority $270,778- Purpose of developing residential lots and rental units for low income residents in the housing Development Freedom Estates, outside of Ellsworth Air Force Base
- Homes Are Possible Inc. $200,000- Purpose of a housing down payment and closing cost assistance
- East River Legal Services $144,341- Purpose of funding legal costs for low income applicants
- Dakota Plains Legal Services $144,341- Purpose of funding legal costs for low income applicants
- Luther Social Services of South Dakota $120,000- Purpose of credit counseling services
- Beadle and Spink Enterprise Community $50,000- Purpose of assisting with collateral expenses for four Governor homes in Beadle and Spink Counties
- Teton Coalition $40,000- Purpose of homebuyer education
- Consumer Credit Counseling of the Black Hills $ 30,000- Purpose of housing and foreclosure counseling
- James Valley Housing Inc. $15,000- Purpose of housing, education, counseling and closing cost loan assistance

If you have any additional questions contact Sara Rabern at (605)773-3215.

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