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Chief Deputy Attorney General

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#### \*\*\* MEDIA ADVISORY \*\*\*

# Attorneys General Marty Jackley to Present Mortgage Fraud Settlement Checks to Local Organizations

PIERRE, S.D.- Attorney General Marty Jackley invites the media and the public to attend a presentation on Wednesday, January 30, at the Capitol Rotunda at 8:30 a.m. for the distribution of checks to two local recipients for the National Mortgage Fraud Settlement.

WHO: Attorney General Marty Jackley

Mark Lausing, South Dakota Housing Development Authority Dwight Neuharth, South Dakota Home Builders Association

WHAT: Presentation of Mortgage Fraud Settlement Checks

WHERE: Capitol Rotunda, Pierre

WHEN: Wednesday, January 30, 2013, 8:30 a.m. CST

#### **History**

In February of 2012, South Dakota joined with other State Attorneys General in reaching a \$25 billion federal-state agreement with the nation's five largest mortgages service providers over nationwide mortgage practices. The proposed agreement provided an estimated \$7,790,984 in direct relief to South Dakota homeowners and addresses future mortgage loan service practices. South Dakota's share of the \$7,790,984 settlement is broken down as follows:

- South Dakota borrowers will receive an estimated \$1,148,525 in benefits from loan term modifications and other direct relief.
- South Dakota borrowers who lost their home to foreclosure from January 1, 2008 through December 31, 2011 and suffered servicing abuse would qualify for approximately \$2,000 in cash payments to borrowers in the amount of \$1,265,421.
- The value of refinanced loans to South Dakota underwater borrowers would be an estimated \$2,490,214.

• The state received a direct payment of \$2,886,824.00, which is the amount designated for distribution by the Task Force.

Members of the Task Force included: Curt Everson, President, South Dakota Bankers Association, Jason Frerichs, South Dakota Senate Minority Leader, Bernie Hunhoff, South Dakota House Minority Leader, David Lust, South Dakota House Majority Leader, Kim Olson, Policy Advisor, Representative of the Governor and Russell Olson, South Dakota Senate Majority Leader.

Distribution of funds:

#### **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