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**J.B. VAN HOLLEN**  
**ATTORNEY GENERAL**

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## **JOINT NEWS RELEASE**

**ATTORNEY GENERAL J.B. VAN HOLLEN, GOVERNOR SCOTT WALKER AND SECRETARY PETER BILDSTEN ANNOUNCE HISTORIC \$25 BILLION MULTISTATE MORTGAGE SETTLEMENT WITH AN ESTIMATED \$140 MILLION IN RELIEF ALLOCATED TO WISCONSIN**

*A news conference with Attorney General Van Hollen, Governor Walker and Secretary Bildsten is scheduled for 3 p.m. TODAY in the Governor's conference room at the Capitol.*

For Immediate Release  
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MADISON — Attorney General Van Hollen, joined by Governor Walker and Secretary of the Department of Financial Institutions Peter Bildsten, will announce this afternoon that Wisconsin has formally joined a landmark \$25 billion joint federal-state agreement with the nation's five largest mortgage servicers over foreclosure abuses and fraud, and unacceptable nationwide mortgage servicing practices. The proposed agreement provides Wisconsin an estimated \$140 million.

“This agreement provides real relief to homeowners and real reform of servicing standards – now,” Attorney General Van Hollen said. “The people of this state, and our economy, have suffered enough from the unfair and deceptive practices of the mortgage industry. Today, with this settlement, the banks and mortgage servicers are being held accountable and, more importantly, homeowners and communities are receiving much-needed assistance.”

“The settlement being announced today will help bring relief to Wisconsinites who were harmed by unfair mortgage practices and help prevent future deception from occurring,” Governor Walker said. “Thanks to the work of Attorney General Van Hollen, the state of Wisconsin and others, Wisconsinites are being helped and mortgage lenders who deceived the people of our state are being held accountable.”

To learn more about what this means for Wisconsin residents, Attorney General Van Hollen, Governor Walker and Secretary Bildsten will address the media today.

***News Conference in Governor's Conference Room  
First Floor, East Wing of State Capitol  
3 p.m. TODAY***

Under the Agreement, the mortgage servicers will be required to follow comprehensive “servicing standards” that will significantly reform all aspects of post-closing mortgage servicing. Among other things, the new standards will: (a) prevent robo-signing and other improper foreclosure practices; (b) require banks to offer loss mitigation alternatives to borrowers before pursuing foreclosure; (c) increase the transparency of the loss mitigation process; (d) impose timelines for servicers to respond to borrowers; and (e) restrict the practice of “dual tracking,” where foreclosure is initiated despite the borrower’s engagement in a loss mitigation process.

Monetary benefits to Wisconsin will include:

- Up to an estimated \$60 million in benefits from loan term modifications and other direct relief.
- Approximately \$17.2 million in uniform payments of up to \$2,000 for eligible Wisconsin borrowers who lost their home to foreclosure from January 1, 2008, through December 31, 2011, and suffered servicing abuses.
- Approximately \$31.3 million in refinancing benefits for eligible borrowers who are currently making payments but owe more than their home is worth.
- Payment to the State of approximately \$31.6 million that may be used for compensation to the State, future law enforcement efforts, additional relief to borrowers, civil penalties and/or funding of foreclosure relief and mitigation programs.

The unprecedented joint state-federal settlement is the result of a massive civil law enforcement investigation and initiative that includes a national bipartisan coalition of state attorneys general and state banking regulators, and nearly a dozen federal agencies.

The five mortgage servicers entering into the settlement are Bank of America, J.P. Morgan Chase, Citigroup, Residential Capital (Ally Bank/GMAC), and Wells Fargo & Co.

“This settlement will help Wisconsin consumers on things such as mortgage principal reduction, refinancing opportunities and, in some cases, direct reimbursement. This will strengthen Wisconsin’s housing market and the state’s economy,” DFI Secretary Peter Bildsten said.

The settlement does not grant any immunity from criminal offenses and will not affect criminal prosecutions. The agreement does not prevent homeowners or investors from pursuing individual, institutional or class action civil cases against the five servicers. The pact also enables state attorneys general and federal agencies to investigate and pursue other aspects of the mortgage crisis, including securities cases. The final agreement, through a consent judgment, will be filed in U.S. District Court in Washington, D.C., and will have the authority of a court order.

Borrowers should contact their mortgage servicer to obtain more information about specific loan modification programs and whether they qualify under terms of this settlement. More information, including a list of frequently asked questions and how Wisconsin consumers may seek assistance, is available at the Wisconsin DOJ homepage.

[www.doj.state.wi.us](http://www.doj.state.wi.us)

Customers may call the following numbers for assistance:

Bank of America 1-877-488-7814  
J.P. Morgan Chase 1-866-372-6901  
Citigroup 1-866-272-4749  
Ally/GMAC 1-800-766-4622  
Wells Fargo & Co. 1-800-288-3212

Other online resources include the following:

[www.NationalMortgageSettlement.com](http://www.NationalMortgageSettlement.com)  
[www.HUD.gov](http://www.HUD.gov)  
[www.DNJ.gov](http://www.DNJ.gov)

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