

Approximately 265 New Mexico homeowners will receive payments

ALBUQUERQUE – Attorney General Hector Balderas, 48 other state attorneys general, the District of Columbia and over 45 state mortgage regulators reached a $45 million settlement with New Jersey based mortgage lender and servicer PHH Mortgage Corporation.

Approximately 265 New Mexico homeowners will receive payments thanks to the settlement.

The settlement resolves allegations that PHH, the nation's ninth largest non-bank residential mortgage servicer, improperly serviced mortgage loans from Jan. 1, 2009 through Dec. 31, 2012. The agreement requires PHH to adhere to comprehensive mortgage servicing standards, conduct audits, and provide audit results to a committee of states. The settlement does not release PHH from liability for conduct that occurred beginning in 2013.

"Our settlement holds PHH accountable for harms homeowners suffered from improper loan servicing and demonstrates our continued dedication to protecting New Mexico homeowners and their families and obtaining relief for them whenever possible," Balderas said.

The $45 million settlement includes $30.4 million in payments to borrowers, with the remaining amount to go to mortgage regulators and to reimburse the costs of investigation.

Borrowers who were subjected to PHH foreclosures during the eligible period will qualify for a minimum $840 payment, and borrowers who did not lose their home, but that PHH started foreclosure proceedings on in the eligible period, will receive a minimum $285 payment. Approximately 265 New Mexico homeowners are eligible for a payment. A settlement administrator will contact eligible payment recipients some time later in 2018.

As always, homeowners should be wary of offers to participate in settlement agreements or obtain assistance with their mortgages unless they are sure the offer is legitimate.

If any homeowner has a question about the authenticity of any offer they receive in the mail, they should call the Office of the Attorney General's Keep Your Home New Mexico program at 1-800-220-0350.