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Office of the Attorney General
PO Box 12548
Austin, TX 78711-2548

Reference: Foreclosure Rescue Fraud Prevention Regulations

Dear Attorney General Abbott,

As the owner of a small business that provides quality and professional foreclosure prevention services to homeowners in Texas, I am sending letters in an effort to bring to the attention of all Governmental representatives in the State of Texas for a need to implement some type of state regulations in order to prevent the spread of abuse in the "Foreclosure Rescue Prevention" industry.

As you know, in the past year there has been a rapid increase in individuals and companies offering "foreclosure prevention/rescue" services. Though most of these entities are not located in Texas the numbers are increasing. Recently I have spoken to several homeowners who have hired companies located in Texas and they never received any favorable services for their money nor a refund. In three cases the numbers were disconnected.

I have personally called several of these companies and inquired about their services and fees. Out of 11 companies contacted over a two-week period none of them had physical locations, fees ranged from \$1,200 to \$2,995, all either charged based on the homeowners monthly payment or a percentage of the value of the home, none offered a cancellation policy, and only one was willing to send a contract in advance. Though it is one-sided.

I believe it will be in the "best" interest of Texas homeowners if some regulations are put in place in order to provide such services in Texas. Base on my research there are "no" specific requirements in Texas to operate these businesses. No educational requirements, no Surety Bonding requirements, no licensing requirements, no specific registration (other than a general dba) and no oversight. This in-turn leaves the door open for massive abuse in the future as the number of foreclosures continues to grow.

Though homeowners have been advised to use non-profit counseling services, many of them are unable to get assistance from these agencies for various reasons and are left to do it on their own (many choose not to because of the time consuming process) or hire a third party to act on their behalf. Therefore there is a "Legitimate" need for these services, and likewise there is a legitimate need for regulations.

I think Texas should follow States such as California, Florida, New York, and others that have put regulations in place in order to reduce or stop foreclosure rescue scams and unscrupulous individuals and businesses from preying on homeowners in their States. Because of these regulations scammers are moving their operations to areas where they can operate with a license "to kill" (unregulated States).

Thank You,

Ray Williams

Ray Williams – President