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## AG STEVE MARSHALL ANNOUNCES \$45 MILLION MULTI-STATE SETTLEMENT WITH PHH MORTGAGE CORPORATION

(MONTGOMERY)--Attorney General Steve Marshall today announced that he and 48 other state attorneys general, the District of Columbia and more than 45 state mortgage regulators have reached a \$45 million settlement with New Jersey-based mortgage lender and servicer PHH Mortgage Corporation.

The settlement resolves allegations that PHH, the nation's ninth largest non-bank residential mortgage servicer, improperly serviced mortgage loans from January 1, 2009, through December 31, 2012. Approximately 920 consumers in Alabama may be eligible for compensation and will be contacted in the future by a national settlement administrator who will be chosen and retained by the multi-state group's executive committee."

Borrowers who were subjected to PHH foreclosures during the eligible period will qualify for a minimum \$840 payment, and borrowers who faced foreclosures that PHH initiated during the eligible period, but did not lose their home, will receive a minimum \$285 payment.

The agreement also 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.

"I am pleased that this settlement will return funds to consumers in Alabama and nationwide who may have been harmed by improper mortgage loan servicing," said Attorney General Marshall. "It is important that this agreement also requires new standards to help keep these problems from recurring."

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