



DEPARTMENT OF THE ATTORNEY GENERAL

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For Immediate Release
January 3, 2018

News Release 2018-1

**PHH MORTGAGE COMPANY TO PAY \$45 MILLION
TO AGGRIEVED HOMEOWNERS NATIONWIDE**

HONOLULU — Attorney General Doug Chin, 48 other state attorneys general, the District of Columbia and over 45 state mortgage regulators have reached a \$45 million settlement with New Jersey-based mortgage lender and servicer PHH Mortgage Corporation.

“This settlement holds PHH accountable for the harms that 67 Hawaii borrowers suffered from improper loan servicing,” **Attorney General Chin** said. “The agreement places new servicing standards upon PHH and provides financial relief to aggrieved homeowners.”

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. 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.

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. Approximately 67 Hawaii borrowers are eligible. A settlement administrator will contact eligible payment recipients at a later date.

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