



PRESS RELEASE

AG Frosh Secures Settlement with Company That Allegedly Locked Residents From Homes And Damaged Property *Nation's Largest Mortgage Services Company Agrees to Improve Practices*

Baltimore, MD (August 28, 2015) -- Attorney General Brian E. Frosh today announced a settlement with Ohio-based Safeguard Properties, resolving claims that the company's inadequate policies and procedures resulted in Marylanders being wrongfully locked out of their homes or having their property damaged and belongings taken. Safeguard is the nation's largest mortgage field services company, and contracts with lenders and mortgage servicers to provide services related to inspecting, maintaining and repairing homes in default or in foreclosure.

Under the settlement reached by the Office of the Attorney General Consumer Protection Division, Safeguard will reform its practices to protect homeowners from future abuses and will return money to impacted Marylanders.

The Division alleged that Safeguard failed to properly screen, train and supervise its network of vendors who perform inspection and preservation work in Maryland. Consumers have made hundreds of complaints to Safeguard about improper conduct at their homes by Safeguard agents.

"Even when a home is in default or foreclosure, lenders and their agents must still comply with state law and respect the rights of homeowners and occupants," said Attorney General Frosh. "This settlement is significant not only because of the restitution that will be distributed to consumers, but also because of the strengthened protocols and procedures that aim to protect homeowners from future abuses."

Under the settlement, Safeguard has agreed to enact specific reforms to protect Marylanders, including:

- Implementing stringent background check requirements for employees and vendor agents, including evaluating prior misdemeanor convictions and prohibiting work by those with relevant felony convictions
- Ensuring that notices posted at homes and actions taken to secure vacant properties comply with Maryland laws to protect homeowners and tenants, including specific notice language and waiting periods
- Assuring its vendors that they will not be penalized if they report in good faith that they don't know whether a property is occupied

- Requiring clearly posted notice to occupants when Safeguard's agents enter a property
- Prohibiting the removal of non-hazardous personal property prior to foreclosure, except pursuant to court order
- Employing appropriate personnel to supervise and audit its Maryland vendors to ensure compliance with the settlement
- Maintaining records of all Maryland consumer complaints and, after notice, recording all calls from Maryland consumers to Safeguard's toll free consumer hotline.

Safeguard will pay \$167,000 in restitution to Marylanders harmed by the alleged actions. The Division will contact consumers who are eligible and payments will be distributed through a claims process. For more information about the settlement, Marylanders can contact the Consumer Protection Division at 410-576-6569.