

Allowing a third party to work with your mortgage company

Your mortgage company asks questions before they will work with a third party—You should too.

Your mortgage company will not talk with a housing counselor, licensed lawyer or other “third party” about your mortgage unless you authorize the mortgage company to do so, typically by filling out a third party authorization form.

Why does the mortgage company care? The mortgage company must protect your private financial information.

The model third party authorization form

The model form is an example of what your mortgage company might ask you to submit. The model form:

- Makes it easier for your mortgage company to protect your information and check for signs of fraud because it asks for information about the third party you are authorizing.
- Requires the third party to state that it is following the law. The person or company signing the form also promises not to charge illegal fees. This simple step can help reduce fraud.

Borrower Authorization of Third Party

Mortgage Servicer name _____
Customer Service/Loss Mitigation Phone Number _____

Borrower(s) name(s) _____
Property address _____
Mortgage loan account number(s) _____

Third Party Information (all applicable fields must be completed)

Name of Entity, Agency, Firm _____ Phone number _____
Name(s) of authorized person(s) _____
Mailing address _____
Office address _____
Email _____ Website URL _____
Tax ID# _____ State license # (if required) _____ Issuing state _____

For non-profit agencies only *
HUD Approved Counseling Agency?
 Yes No
Approval valid until (date) _____
HUD HCS # _____
* Attach National Foreclosure Mitigation Counseling form if needed

For attorneys only **
Do you represent the above named Borrower for a workout arrangement with the named Servicer?
 Yes No
Firm Name _____
Individual Attorney name(s) _____
All states where licensed _____
** Attorney who represents Borrower must sign below

Third Party Acknowledgement

The undersigned, on behalf of the Third Party, represents that: (i) it is in compliance with Regulation O (Mortgage Assistance Relief Services), if applicable, and all other applicable laws and regulations; and (ii) the Third Party information provided above is true and correct. The undersigned acknowledges that a misrepresentation or omission of fact made in connection with a government program such as Making Home Affordable may result in civil/criminal prosecution.

Signature of Third Party _____ Date _____
Printed name _____ Title _____

BORROWER INITIALS

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http://files.consumerfinance.gov/f/201407_cfpb_model-third-party-authorization-form.pdf

- Asks if the third party is a lawyer and where the lawyer is licensed. You can confirm this information by calling your state bar association or checking the state bar website.

What happens when I send in a “Third Party Authorization Form” to my mortgage company?

What is a Third Party?

When you ask another person or a company to talk with your mortgage company, that person or company is called a “third party.” A third party could be a housing counselor or a lawyer that will help you try to get a mortgage modification, for example.

Who are you authorizing?

Only authorize a third party you trust. Many homeowners have been taken advantage of by third parties that ask for money up front and guarantee help but don’t do what they promise. Some homeowners have been scammed by identity thieves that steal personal financial information.

What does a third party authorization form look like?

A third party authorization form says to your mortgage company that you allow a third party to receive information about you and your mortgage. It may allow the third party to take actions for you. There is no single form used by every mortgage company. That’s why we have attached a model third party authorization form created by a group of mortgage companies, housing counselors and government officials, including Making Home Affordable.

What are you authorizing the third party to do?

If you sign a Third Party Authorization make sure you know what you are allowing that person or company to do on your behalf. Ask: Can the mortgage company disclose your financial information, like Social Security number and income, to the third party? Can the third party make decisions for you? You need to tell your mortgage company what the third party can do and what the third party cannot do. On the model form you can choose whether you want to allow a third party to work with your mortgage company to try to obtain a mortgage modification for you, for example. Or, you can authorize the third party only to receive information so they can help you understand what is happening but you do the work with your mortgage company.

If you think you have been taken advantage of contact the CFPB at consumerfinance.gov. The Loan Modification Scam Prevention Network, a coalition of many governmental and non-governmental agencies, also provides information and accepts complaints at preventloanscams.org.