



Attorney General Doug Peterson

News Release

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State Attorneys General and State Mortgage Regulators Reach \$45 Million Settlement with PHH Mortgage Corporation

(Lincoln, Nebraska) Attorney General Doug Peterson, 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.

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.

"This settlement holds PHH accountable and will provide financial relief to affected Nebraska homeowners," Attorney General Peterson said.

The \$45 million settlement includes \$30.4 million in payments to borrowers, plus additional payments to state attorneys general who helped lead the investigation and negotiations, and a separate payment to state mortgage regulators.

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 175 Nebraskans are eligible for a payment. A settlement administrator will contact eligible payment recipients at a later date.

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