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NEWS RELEASE

FOR IMMEDIATE RELEASE

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Department of Finance Enters into Settlement Agreement With PHH Mortgage Corp

(Boise) – The Idaho Department of Finance announced today that it has joined financial regulators from 46 other states in entering into a [settlement agreement](#) with PHH Mortgage Corp. (PHH).

The settlement will assist borrowers harmed by PHH during 2009-2012 as a result of severe operational deficiencies in mortgage servicing identified during a multistate examination.

The settlement:

- Provides \$31 million in cash payments for up to 52,000 borrowers who lost their homes to foreclosure from January 1, 2009 through 2012 or were in the foreclosure process during that period, including about \$125,000 to pay claims to 212 Idaho consumers whose home mortgages were foreclosed or were referred for foreclosure by PHH
- Mandates that PHH submit an administrative penalty of \$8.8 million to state regulators, including approximately \$160,000 to Idaho
- Establishes a set of servicing standards that PHH must follow going forward

“This settlement demonstrates a core responsibility of state regulators to protect consumers from unlawful business practices,” said Gavin Gee, director of the Idaho Department of Finance. “With this settlement, we are saying that states will not tolerate mortgage servicers that harm consumers by failing to process mortgage payments according to the law. As part of this settlement, states are requiring corrective actions so that PHH’s future mortgage servicing activities ensure timely and accurate processing of loan payments.”

Consumers can obtain information about financial firms, professionals or products, as well as view more Department press releases and other information on the Internet at www.finance.idaho.gov or by contacting the Department at (208) 332-8000 or Idaho toll-free at 1-888-346-3378.