

## Foreclosure Proceedings

**Mark Hamerick:**

Uncertainty surrounding the legality of many foreclosure proceedings is getting even deeper. Officials in fifty states and the District of Columbia have launched a joint investigation into allegations the mortgage companies improperly foreclosed on hundreds of thousands of homeowners.

**Jim Tierney:**

Oh, we've got a mess right now. The banks have been arrogant about this. They have not paid attention to the state laws. Um, kind of going on their own way, when they wanted, uh, where they wanted, and they're going to have to come into compliance.

**Mark Hamerick:**

The probe, which will also include bank regulators, will examine whether mortgage company employees made false statements or prepared documents improperly. Iowa attorney general Tom Miller is leading the probe.

**Tom Miller:**

We want this to never happen again. This should never happen again. And we there has to be a-a mechanism to-to ensure that that doesn't happen. And if consumers have been harmed, they need to be redressed.

**Mark Hamerick:**

Whatever the cause, it's leading to much confusion for many homeowners. Paula Dobberstein of Lee County, Florida didn't even know that her property was in foreclosure. She was looking into a loan modification when she found out papers had already been filed.

**Paula Dobberstein:**

And I said, "I don't have any." He said, "What do you mean? You should have them." I said, "I never received them." He said, "You got to go to the courthouse and get them." So I went to the courthouse. Like a twenty-two-page document. I had never received it. And come to find out, Carter and Associates did some backtracking, and it was, uh-uh, it was said that they tried to serve me three or four times at the house, and I wasn't home. I'm home; I'm here every night. I mean, I don't go anywhere.

**Mark Hamerick:**

The allegations raise the possibility that foreclosure proceedings across the country could be subject to legal challenge. Some foreclosures, like one affecting Jeffrey Miller of Rock Hill, New York, could even be overturned.

**Jeffrey Miller:**

The more blogs that I've read and the-the more information that I gathered, I realized that the bank that was suing me did not have the authority or the documentation to sue me.

**Mark Hamerick:**

Some proceedings have already been halted. Ally Financial, Bank of America, and JPMorgan Chase are now reviewing their documents. But other banks, including Citigroup and Wells Fargo, have not stopped, saying they have done nothing wrong.

**Mark Hamerick:**

Mark Hamerick, The Associated Press.

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