California Housing Cases

We have received many complaints from our constituents of their appalling experiences in dealing with their mortgage lenders. Their stories include the following, which are typical of the complaints we have received.

Conflicting Communication between Banks

- Constituent applied for an adjustable rate mortgage in order to expedite divorce proceedings; the rate has been adjusting every year for the past 4 years. The most recent adjustment increased her monthly payment by $800.00. She was unable to refinance because her loan is "upside down" or has negative equity. She has attempted to modify her loan, but the bank has given her conflicting and misdirected information. She first attempted to modify the loan in October 2009. In January 2010, she was told by the loan's investor that she did not qualify for any modification program. She never received a letter indicating that application was rejected.

  In February 2010, constituent received correspondence stating that her application was in review, but it could not be completed because the bank did not have her current pay stubs. In March 2010, she received additional correspondence stating that they could not finish reviewing her application because the bank needed a hardship affidavit, which she had included since October 2009. However, she resubmitted the hardship affidavit. By May, she had not had any further communication so she called a homeowner's organization for some assistance. The homeowner's organization called the bank with the constituent on the phone, and the bank stated that they had never received an application from her. The constituent proceeded to fill out an online application. When she called to check the status of the online application, the bank told her it did not have the application; and when the constituent indicated that she could check it online, the bank responded that there must be some computer "glitches."

  The bank holding her mortgage was IndyMac; however, IndyMac stated that it was just the "servicer." The constituent wrote to IndyMac requesting information regarding the investor and was told it was Countrywide. When she attempted to contact Countrywide online, she was redirected to Bank of America (BOA). When she contacted BOA, she was redirected to One West. The constituent has been very confused and frustrated about this whole process.

- Constituent was approved for a loan modification trial with Wilshire State Bank on September 1, 2009. He had not made a payment from February 2009 - August 2009. Constituent made his trial modification payments through February 2010, which was only $11 less than his original note. In February 2010, the loan was transferred to BOA, and the constituent made payments to BOA in March, April, May, and June of this year.

  In May 2010, constituent received a notice that his loan modification had been denied, and in June, BOA refused his mortgage payment because BOA did not know which program to place him in and had set a foreclosure date of June 23, 2010. In addition,

BOA did not have any records of the September 2009 - February 2010 payments, so instead of showing that the constituent was 7 months behind in payments, the constituent's statement reflected that he was 13 months behind. Bank of America indicated that he had to submit the total missing payments in order for the foreclosure proceedings to cease. The constituent called Bank of America and went to numerous branches to seek answers, but no one could explain what was happening to his account and could not help him.

Misrepresentation of "Forbearance Agreement" as "Trial Modification" by Bank

- Constituent met with a BOA representative at a NACA (Neighborhood Assistance Corporation of America) foreclosure workshop in October 2009. He was told by the representative that BOA would extend his loan from 30 years to 40 years and reduce the interest to 2%. He was also given a sample trial modification payment that was within his budget. The constituent received an agreement in the mail that he believed to be a trial modification agreement, but was in fact a forbearance agreement. The constituent signed the agreement, unaware of the negative impact the agreement would have on his credit. The constituent has since had some credit cards cancelled and the interest rate increased in others. While the constituent awaits a final decision from BOA, his account continues to accrue a remaining payment balance and late fees.

- Constituent met with a Wells Fargo representative at a NACA foreclosure workshop in October 2009. Like the constituent story above, she was told by her bank representative that Wells Fargo would extend her loan from 30 years to 40 years and reduce the interest to 2%. The constituent later received an agreement in the mail that she believed to be a trial modification agreement, but was in fact a forbearance agreement. The constituent signed the agreement, unaware of the negative impact the agreement would have on her credit. In July 2010, the constituent was denied a loan modification under the Home Affordability Modification Program (HAMP). She contacted her Congressional district office and the Office of the Comptroller of the Currency, and her case has since been reopened.

Communication Issues or Bad Faith Dealings with Bank

- Constituent was put on a trial HAMP modification program in October 2009 and made three payments under its terms. After following up with GMAC (her servicer), she was told by GMAC not to make her January and February payments. She was unaware that her credit rating would be negatively affected by making trial payments and would be further affected by skipping payments even though her servicer instructed her to do so. Constituent was eventually denied a modification under HAMP and was not given a reason. She indicated that she sent her documents to GMAC approximately 8 times before they finally said they had enough information to render a decision.

  This case was referred to the office by a State Senator. The State Senator's office had the following exchange with a GMAC representative before forwarding the case to us:

In response to questions as to why the constituent's request for modification was denied, GMAC stated it was because her "payments could not be lowered enough." When asked why she was denied, GMAC responded "she doesn't meet the criteria." When asked what criteria she failed to pass, GMAC responded "we can't tell you." When asked why they couldn't tell him, GMAC responded "if we tell people why they don't meet criteria, then people will fix it and then GMAC would have to approve everyone." When asked for some sort of record of why criteria could not be shared, GMAC responded "constituent should wait for letter, there was no other document available." When asked again for a written record, the GMAC representative hung up.

- Constituent applied for the Making Home Affordable Program and was approved for a 90-day trial period in November 2009. Constituent confirmed that Bank of America received all of the required documentation. Constituent has made all of the payments. Following this, constituent was informed that he was removed from the Making Home Affordable Program because he did not submit the required documentation. Constituent was then informed that he was turned down for a HAMP modification, and Bank of America said it would help with another type of modification. Constituent was informed that he would receive a response two weeks ago and has yet to hear anything. Constituent continues to make trial period payments but has no idea what the status is for his case.

- Constituent missed a few payments in 2008 and insists that he was in constant communication with the bank over the past two years as he tried to modify his mortgage. He attempted to pay back the missed payments, but the bank told him not to send the money. The constituent has sent documents multiple times, but was told by bank representatives that they did not receive anything. He continued to send requested documents. On June 17, the constituent received a phone call from Wells Fargo saying, "Congratulations. You've been approved for a modification. Here is your new loan amount and new interest terms." He was ecstatic and took his family out to a big dinner to celebrate. A week later, the constituent received an eviction notice on his door. His house had been foreclosed and sold on June 28, 2010. When Congressional district office made an inquiry to Wells Fargo about this case, a representative said, "The foreclosure proceedings started on July 2, 2008, were postponed for workout assistance, and continued on May 20, 2010 after the HAMP denial due to incomplete documents. At this time, we cannot rescind the foreclosure." The constituent was never aware that a foreclosure date was set for his house.

- Constituent sought a loan modification from BOA for a Freddie Mac-backed mortgage in March 2009. The homeowner and his wife qualify under every measure, are employed and in the right income bracket, and they have aggressively and proactively pursued a modification and have detailed documentation (over 14 pages) of every call and package of documents sent to BOA. The constituent has been repeatedly lied to, hung up on, and given faulty and misleading information. During a call with the constituent, a HUD counselor and a BOA representative, the BOA representative provided false information.

When the HUD counselor confronted the representative about the false information, the representative hung up on the HUD counselor and the constituent.

The constituent was also continually told by BOA to stop making payments so the bank would have a "tool" to help them. By late 2009, constituent and his wife had exhausted all their savings and finally missed a payment out of desperation for help. When they were 30 days late (for the first time), BOA asked them to send in all of their information again. The information was 36 pages long and the fourth time the constituent had sent it in to BOA. The constituent was then told that he had to wait up to 45 days to be pre-qualified for a modification. Further, the constituent, who personally hand delivers his checks to the local BOA branch, was recently notified that he had missed a payment even though he has the receipt to show that it was paid. He was also told once again that BOA did not have the necessary paperwork, which he sent in for a fifth or sixth time. This is where they currently stand.

- Constituent was on a trial modification payment program with Wells Fargo when, with one month left to the trial modification program, a real estate agent inspecting his house told his family that it was the last day the house was for sale and they would have 30 days to vacate the premises. The constituent, who was on active military duty, then contacted Wells Fargo Bank and was told that there was paperwork missing and he should not have been placed in the trial program. The constituent was never notified of any of this. Congressional district office inquired with Wells Fargo and the U.S. Treasury Department's HAMP Escalation Team.

  Wells Fargo has since rescinded the sale based on the constituent's active duty status and the Servicemember's Civil Relief Act (SCRA) and contacted the constituent to provide the appropriate paperwork on June 8, 2010.

- The constituent began the process of modifying her home loan with Wachovia in January 2009. Wachovia had just been purchased by Wells Fargo, so when she contacted Wells Fargo she was informed that it had not yet set up the computer system to deal with loan modifications on Wachovia loans. Constituent continued to contact Wells Fargo and was repeatedly told that the bank was not yet ready to begin working on loan modifications for Wachovia loans. This delay continued until November 2009, when Wachovia started the HAMP program. The constituent worked with Wells Fargo until January 2010, when she was denied a HAMP modification because her income was too high. Constituent explained to Wells Fargo that 60-70% of her income went to mortgage payments, and the bank told her that she could qualify for short-term assistance. She resubmitted documents to Well Fargo, but in February 2010, she was informed that she did not qualify for short-term assistance or any other loan modification because her debt to income ratio was too high. Wachovia, which was still servicing the loan, then apologized to the constituent for denying her earlier attempts to modify her loan because it had mistakenly calculated her income as being too high. Upon further review, Wachovia concluded that her current income was not sufficient to support her current mortgage payment or a modified home mortgage payment.

- Constituents had set up a Special Forbearance Agreement with Wells Fargo for three payments, which were paid and receipt confirmed. Constituents were told that all foreclosure procedures had been stopped until June 1, 2010, and their loan modification paperwork was being processed. In May 2010, though, a real estate agent contacted the constituents because their home was sold on April 28 through a Trustee Sale with no auction. Constituents are now working with an attorney to restore ownership of their property.

- Constituent has a mortgage with Chase Bank. Her mortgage payments were current until August 2008, when the bank attached an "impound account" to her mortgage, which increased the monthly payments by $1,000. The bank then claimed the constituent was in default because she was unable to pay the extra fee. Chase representatives admitted (but not in writing) the impound account was attached in error but did not correct it after many months. Constituent then attempted to modify the loan for 8 months while paying the original mortgage the entire time. Chase then suggested she sell the property in a short sale. However, when the constituent's real estate agent sent offers that are at or above Chase's broker price opinion (BPO), the bank took so long to respond that the potential buyer walks away.

- Constituents have been trying for over a year to get loan modification from BOA while both were unemployed and seeking work. Though the wife was working 2 part-time jobs and the husband found a new job, their home was set for sale. The sale was scheduled for one week after the husband would receive his first paycheck. Despite the change in circumstances, BOA would not negotiate and their home was sold.

- Constituents applied for a loan modification from Ocwen Loan Servicing in February 2010. In March, constituents signed forms from the lender that were needed to complete their loan modification application. A couple of weeks later, constituents received a letter stating that the home was in foreclosure and could be sold. When constituents contacted the lender, they were told their file was under review. A couple of weeks after that, constituents received another letter from the lender stating that the modification was denied due to missing documents. Constituents contacted Ocwen several times and sent in documents (duplicates of those sent before).

  In April, constituents were told that all necessary documents had been received and forwarded to a supervisor, who would follow up in 30 days. In May, constituents received another letter from Ocwen stating that the modification was denied due to missing documents. Constituents called Ocwen and sent in more documents. The constituents were once again told by their lender that the documents were received and to call back in three days. Constituents called the bank every week (sometimes twice a week) in June, only to be told that their application was still under review and to call back again in three days.

  On June 26, constituents received a letter that a sale date had been placed on their home for July 16. On June 27, constituents made calls to Ocwen, trying to postpone the sale since they were told that no further action would be taken on the foreclosure proceedings

until a decision was rendered on the modification application. Constituents have been unable to speak to a representative handling their case, and each time they have called Ocwen, they reach an office in South America.

- Constituents were having difficulty making their monthly mortgage (the husband's practice lost business due to the economic downturn and the wife was furloughed) and were 6 months behind on their mortgage. Constituents considered foreclosure when, in September 2009, they received a letter from Chase Home Finance to visit a "Homeownership Center." The constituents met with a Chase representative and were told that they were approved for the HAMP program. The representative said that all they needed to do was pay 3 months of trial payments at $2,700 a month, after which they would receive paperwork to sign to make the modification permanent. When constituents specifically asked what their mortgage payment would be, the Chase representative said that though she could not give them an exact number, the payments would be no more than their trial payment.

  Constituents made their trial payments for 3 months via cashier check, but did not receive any paperwork. When they contacted Chase, they were told that the bank was "really backed up" and to continue making the payments until they received the paperwork. After another 3 months passed, constituents went to the Homeownership Center to find out the status of their modification. Constituents were told that they were in the final stages of review and that final paperwork would arrive at their house any day. They also turned in updated financial statements because "it would be good to have." After another month passed with no contact, constituents called Chase's 1-888 number and were told that everything was in order and to stop making trial payments. A couple of months after that, constituents went back to the Center and were told that they were still in the final stages and their monthly payments would be $2,300.

  The next month, on July 5, constituents received a FedEx package from Chase, showing that their modification would be worse their original loan. When the constituents went to the Center, they had a balance of $479,000 on their mortgage with interest at 6.2%. Chase's modification offer was 6.1% interest on $518,000 (for interest and fees for foreclosure) with a balloon payment of $300,000 at the end of 26 years. The modification would also increase constituents' monthly payments by $500 from their original loan. When asked by constituents about the modification offer, Chase told the constituents that they did not qualify for HAMP and that the Department of Treasury decided who was approved for the program. Constituents then called Chase's loss mitigation center and were told that their application was denied because of missing documentation – the last bank statement Chase received from the constituents was for May 2010 and Chase denied the application in June 2010. Constituents were never told that they needed to update the bank statements or to turn in additional documents. Constituents were then told that their only recourse would be to reapply for the program and start the 3 month trial period over again.

- Constituent had completed and signed all documents for the HARP program through her mortgage lender, Taylor, Bean and Whitaker, on July 31, 2009. The new loan was to

begin on August 5, 2009, which was the same day Taylor, Bean and Whitaker was scheduled to shut down. Cenlar took over the account and demanded payment on the original loan, even though the new loan was documented on the account and by web access. The constituent repeatedly informed Cenlar that she had a refinanced loan and showed them the documentation. Cenlar agreed to investigate the account and informed the constituent not to make payments until the account was sorted. The loan was then sold to Ocwen. Ocwen demanded payment for the delinquent amount. The constituent again provided the bank with documentation that she had a new HARP loan that Cenlar was trying rectify. Ocwen continued to insist that she pay the full amount. Constituent is unable to apply for another HARP loan because her home value has decreased since her original refinance and she has negative reporting by Ocwen.

- Constituent lost his landscaping business during the economic downturn, and he and his wife had to live off of their Social Security and civil service pension payments. Constituents applied for a HAMP mortgage modification from CitiMortgage. In December 2009, constituents agreed to pay a higher amount for 3 months that included property taxes and homeowner's insurance in order to get their modification. Constituents were never late on their payments, sent in their documents on multiple occasions, and were in constant contact with CitiMortgage. On May 27, 2010, constituents were told their application was denied and the denial was final.

  CitiMortgage then told the constituents they could apply for a traditional modification. Constituents were dropped from the program after being told that "additional information that was requested was not received." CitiMortgage did in fact receive the information and later reinstated the constituents.

  Constituents have received several letters saying that they have not made their payments. However, every time the constituents have called CitiMortgage to check on their mortgage, they were told that they were in fact current. On July 2, 2010, constituents received a letter stating that their loan was in default and would be foreclosed upon if CitiMortgage does not receive a payment of nearly $3,000, which was more than double their original mortgage payment.

- In February 2009, constituent applied for a HAMP loan modification from Chase, which took over his mortgage from Washington Mutual. Constituent was asked to submit required documents over and over, with explanations from the bank ranging from it "never received the documents" to the "documents on file have gone past the allotted time we can use them, therefore you must re-submit" (90 day cycles seem to be the common time period given as explanation). The constituent has been asked to provide the same documents over and over, even after he submitted them via the Congressional district office. He has also worked with a non-profit credit counseling service, which was unable to make any headway in the negotiation process. After 18 months of negotiations, the constituent still does not have a final decision.

- Constituent received a trial loan modification from Wells Fargo and Litton Loan Servicing LP and made the first three consecutive payments on time. Right after he made

his third payment, he received an eviction notice from the Los Angeles Superior Court asking him to vacate his home because it has been sold. When the constituent contacted the loan servicer, the constituent was told that he was prequalified under HAMP guidelines. However, the representative further stated that since the servicer never received a full set of the documents needed to verify his qualifications, the home had been sold. The constituent had made numerous attempts before the sale to send the servicer the requested documents and has fax and mail receipts showing he sent the documentation numerous times. He also contacted the servicer by phone repeatedly and was never able to verify whether his documents had been received or whether the file was complete.

- Constituent was told by BOA in July 2009 that he qualified for a HAMP modification and to expect a package in 10 days. When the package failed to arrive, the constituent began calling the bank about every two weeks through November 2009. Each time he called, he was told the package would arrive within a couple of weeks. The package finally arrived on November 23rd. The constituent filled out the forms and sent them by Federal Express overnight. He then received a letter from a bank representative saying documents were missing and requesting that he fax the documents. The requested documents had been included in the original submission, but he faxed them again. He called BOA several times, but the bank could not verify whether the fax was received or not. In January 2010, a different bank representative called and told him that the fax was not received and instructed him to send the documents again by overnight express or else the modification offer would be cancelled. Two weeks later he received another call from a third representative saying the documents he sent overnight were never received and he needed to send them again by fax or the modification offer would be cancelled. The constituent faxed the documents again, but two days later he received a call from yet another representative asking him to fax the same documents again. The constituent sent the documents again, but as of March 2010, he still was unable to verify whether the documents had been received.

- Constituent first contacted his bank, Wells Fargo, in 2008. In January 2010, he was finally told that his request for modification was declined, but he would be evaluated for HAMP by the end of January. The constituent contacted our office in mid-March outraged that he had been told several times that his application was complete and under review, only to be told that he needed to send in additional or updated documents. It should be noted that the constituent went to extraordinary measures to send the documents through his local Wells Fargo office through interdepartmental mail, fax, and Fed Ex only to be told the documents were not received.

- Constituent has a National City mortgage that was backed by Freddie Mac and applied for a loan modification in April 2009. Constituent received a letter stating that she had been approved for a final loan modification. Constituent then contacted Congressional district office again in March 2010, indicating that National City claimed the constituent was never approved for final modification. Constituent has been informed that she needed to pay $12,000 or she would lose her home. For several months, the constituent

had immense difficulty obtaining answers as to why this occurred. Recently, constituent was informed that it was necessary to begin an entirely new trial period.

- Constituent has been trying to get a loan modification with Bank of America. The bank claimed it sent her the forms for a modification but she has never received them. Due to the delay caused by the constituent not receiving the forms, the bank now claims that it is too late for a loan modification and is proceeding to foreclose on her home.

- Constituent had difficulties making her mortgage payments and requested a modification from BOA. She began to make reduced monthly payments and was never late. Constituent's credit report, though, showed that the constituent was in default and she lost her security clearance, which she needed for her job on the naval base. Constituent was transferred to a position on base that did not require as high a level of clearance until she could resolve the issue.

  Constituent began working with a HUD-approved counselor in September 2009. By phone, she was told she was eligible for a modification and was to begin the 3-month trial period. On February 16, 2010, BOA responded to constituent's November 2009 inquiry regarding her request for a modification. BOA confirmed the request was under review, the financial information was received, and constituent was to continue to make the payments. On April 30, 2010, she received a notice of Trustee Sale scheduled for May 12. Congressional district office contacted BOA and was told that on the presale processing was cancelled on May 1 due to the pending loan modification review. However, constituent was unable to receive notice from the trustee that the sale was cancelled. BOA was contacted by phone, and the bank representative confirmed that a request was placed on May 17 and no sale date was showing in the system. Later, constituent received an email from BOA stating that the sale was postponed until June 21. The sale was ultimately cancelled, and constituent was approved for a permanent modification. She is still attempting to fix her credit report so she can return to her former position.

- Constituent's husband, who was the main income earner for the household, passed away, so she contacted Carrington Mortgage Services to modify her loan. The payments had also gone up since it was an adjustable rate mortgage. Carrington ignored the constituent's requests to change the name on the mortgage from her husband to her and has foreclosed on the home without pursuing any other alternatives, including the Home Affordable Foreclosure Alternatives (HAFA) Program.

- Constituent, an escrow officer for 11 years, contacted CitiMortgage in August 2009 to request a loan modification. The bank responded by sending documents that adjusted the terms of the loan and included an escrow account for taxes and insurance. On January 2010, the bank advised the constituent that her application was incomplete. The constituent sent in the missing document via fax and US mail. Although the constituent continued to make payments and was in communication with the bank, the loan modification was denied because the bank said she failed to provide the missing

document. Constituent was then told that she must repay the taxes and insurance with her mortgage payment or the bank will foreclose on her home on August 7.

- In January 2009, constituent sent a request for a loan modification to Bank of America. She sent in the required documentation and was told that she was conditionally approved for modification in February. The constituent received a modification agreement and returned the paperwork by fax on February 19. She was unable to verify that the documents had been received by BOA, so she re-faxed them on April 1. On May 12, she was told that the file had been assigned to a negotiator and that the bank would respond in 90 days. On July 12, she was told that her modification request had actually been denied in May, but she was preliminarily qualified for a modification through a different program and should send in additional documentation by fax. She faxed the documents on July 17 and again on July 21. The constituent received no response from BOA so she contacted the bank again on September 14. The constituent was told that there was no information in her file about the second modification program, and that no second modification request had been received. She was asked to submit a new modification request and additional documentation. On November 6, the constituent was contacted by the bank and asked to submit the same documentation again. On January 5, 2010 she received a letter from BOA informing her that her loan had been transferred for servicing to Chase back in October 2009. Chase has informed her that she would have to begin the process of requesting a modification again from the beginning.

- Constituent was laid off after working for a company for 9 years. Other household income has reduced and childcare expenses have doubled. Constituent applied for a loan modification with Chase and received no response. He submitted all necessary documents. After a year, the constituent was informed that nobody had been assigned to his application and he must continue to wait. The application was originally filed in May 2009, and as of July 2010, constituent had yet to receive a response.

- Constituents first contacted Bank of America in December 2008 and contacted the Congressional district office in May 2009. In April 2010, they were finally told that their request for modification was accepted. During the year and a half in between the constituents' first contact with the bank and the approval of the modification, BOA had given the couple conflicting information, lost their paperwork multiple times, sent 8 threatening foreclosure notices, and notified them that their home was being placed on the market after BOA had told them that they were approved for modification and all of their payments were processed by the bank. The constituents also went to extraordinary measures to send documents to their local Bank of America office, including interdepartmental mail, fax, email and FedEx, only to be told the documents were not received.

  Further, BOA has filed negative credit reports against the constituents after the bank told them that they needed to stop paying their mortgage to qualify for a modification. The negative credit report has severely diminished the constituents' credit and has lead to the closing of multiple credit cards even though the couple has paid every card on time. The

constituents are also small business owners, and the bank's practices have damaged their reputations and business.

- Constituent requested a modification from Chase on a mortgage owned by Fannie Mae. Months of back-and-forth communications ensued with the bank requesting resubmission of documents on numerous occasions. Many documents were hand submitted to a regional Chase office. Despite these submissions, Chase claimed that it didn't have complete documentation. At one point, the constituent was asked for a copy of his death certificate. This mix up apparently happened when Chase sent him a letter based upon an account number from a different borrower, although this wasn't apparent from the paperwork he was sent since the correct loan number was referenced on the actual request from Chase. In the same paperwork, Chase also requested documentation of the borrower's alimony and child support payments. The borrower has never been married and does not have any children.

  Constituent is self-employed and his sales fluctuate, which complicates the understanding of his finances. At one point, Chase treated his "gross sales" as "profit" and determined (erroneously) that he made too much money to qualify for a modification. In later months, his net income was too little to qualify. Ultimately, it appears that Chase created a complete file and determined that he wasn't eligible for a modification. His income is either too little or too much based upon whether his business is doing well or poorly during the time period the bank used as a baseline from which to make decisions. He is preparing to leave his home because a sale date has been set.

- Constituent has a mortgage with BOA and his monthly mortgage payment is set at $2421.11. He recently became unemployed and, while he remains current on his mortgage, he fears that he will not be able to maintain the payment much longer. Constituent has made repeated attempts to refinance his mortgage with his lender, but has been informed nothing can be done at this time since his loan is in good standing. The constituent has been terribly upset since he is trying to be proactive and not jeopardize his credit rating.

- Constituent applied for a loan modification with Chase Home Finance. She has an IRA and was working with NACA to obtain a loan modification. Although the recession greatly reduced the value of her IRA, the constituent withdrew money from her account to help with her high mortgage payments. Two months after receiving her documents, Chase denied her for a loan modification. Chase stated that the constituent would have to completely deplete her IRA savings before the bank could consider her case for a modification since the IRA account was being treated as income by the bank.

- Two unrelated constituents had very similar problems receiving timely communication from Wells Fargo. Both constituents were placed on trial modification plans for three months that ended on March 31, 2010. Both were not contacted again until April 7, 2010, when Well Fargo told them that the modification was rejected. The bank contacted NACA, a non-profit organization the constituents had been working with previously (on their separate cases), rather than contacting them directly to get more information. Since

neither was continuing the relationship with NACA, they had no knowledge that the bank needed more information.

- Constituent worked with Chase regarding the HAMP program. He noted confusion and lack of communication from Chase about his eligibility for the program. In addition, the constituent has been trying to modify his loan with Chase for more than 10 months. On several occasions he tried to communicate with Chase about HAMP program and the net present value test, but felt the communication was misleading.

- Constituent submitted a request to Chase for loan modification and it took over 1 year for Chase to respond. His income declined and he has also been battling cancer. His living expenses have also increased in the meantime.

- Constituent has a Fannie Mae-backed loan and applied for HAMP. Constituent was informed by Wells Fargo that it needed proof that the constituent would continue to receive unemployment benefits for 9 months. Unfortunately, the Employment Development Department indicated that it could not produce this documentation. Constituent was able to produce documents that stated eligibility, and these were sent to Wells Fargo and HAMP. Congressional district office has been informed that the constituent is still being considered for the modification, and the President's Office at Wells Fargo has informed the constituent of this. Constituent, however, continues to receive calls from the Wells Fargo call center saying that he is in danger of losing his home. Constituent continues to be reviewed for a modification and is confused by the conflicting information.

- Constituents have a mortgage from Saxon and were being considered for a loan modification through HAMP. After making the three scheduled trial period payments on time, the trial period continued for many more months. During this time, one payment was missed. Constituents claimed that without any warning, an eviction notice was placed on their door and the home was sold. After the eviction, constituents continued to challenge the sale because they believe that the home should have never been sold.

- Constituent applied for a housing loan modification from Bank of America in October 2009. Since then, he has had trouble receiving a definitive update on his application. His phone calls are frequently passed around by BOA representatives before being dropped. Congressional district office filed a Congressional inquiry with BOA in February 2010 and was told it would take 20-40 days to get a response to the constituent.

  Constituent received a letter in April 2010 from BOA stating that the Congressional district office filed an inquiry regarding his case and that his case had been moved to the advocacy department. He continues to call each week to find out the status of the loan modification, but he keeps being told it is under review. He was recently told his application was sent to underwriting, but that there was no guarantee it would be approved. Constituent went back to work in May 2010 and is still worried that he will lose his home.

- In January 2010, constituents contacted BOA to see if they qualified for the Making Home Affordable program. They passed a phone interview and were told that paperwork would be sent to them to continue the process. No such paperwork was ever received, despite repeated calls to the bank. After six months of talking to bank representatives and waiting for the paperwork, constituents had still received nothing. They contacted the Congressional district office, which discovered that the constituents were erroneously entered into the bank's system as working with NACA. While the constituents had consulted with NACA in the past, they had terminated their relationship, and NACA had already sent a release form to Bank of America. The bank had never changed the constituents' record to reflect this change, and therefore never sent any paperwork to the constituents.

- Constituents have been trying to modify their mortgage with Wells Fargo for nearly a year. They have struggled to remain current on their loan, burning through their savings to keep up with the payments. Wells Fargo representatives have repeatedly requested additional documents from the constituents, which they had already sent several times. Congressional district office faxed documents from the office to make sure it was received. A few weeks later the bank came back saying the constituents did not qualify for the HAMP program because they had cash reserves in a savings account. The constituents were never told before that cash reserves would make them ineligible for a HAMP modification.

- Constituent has been working with Wachovia since 2009 trying to obtain a loan modification. He has submitted his forms 4 times because Wachovia failed to advise the constituent that documents were missing or not properly filled out. In May 2010, Congressional district office contacted the HAMP Solutions Centers (HSC), and on May 28, received an update indicating that Wachovia had confirmed that all necessary documentation for the review had been received. Wachovia advised HSC that it was only waiting on the property assessment and would send updates as more information became available. On June 15, 2010, Wachovia told the constituent to resubmit his tax form since it was unsigned, and he sent in his tax returns again. On June 24, 2010, Wachovia told the constituent that it had not received the tax returns, and he re-faxed the forms again for the third time. On July 1, a HSC representative confirmed receipt of the signed tax returns to forward to Wachovia. On July 19, 2010, more than 15 days later, HSC contacted the Congressional district office to advise that the constituent had to resend all of his documentation because by the time the tax forms had been submitted, the other documents were more than 30 days old. On July 23, 2010, the requested documentation was sent again.

- Constituent divorced in 2004. The home remained under his name, but his ex-spouse was court ordered to be solely liable for the mortgage payment according to the divorce settlement. The ex-spouse failed to pay the mortgage note, and foreclosure proceedings began. The constituent intervened and was in the process of a short sale through CitiMortgage, when a CitiMortgage representative failed to make a data entry postponing the foreclosure in order to allow the short sale to complete. On May 20, 2010 the property was foreclosed on, and the constituent was locked out of his home. The short

sale process begun in January 2010. Since then, no foreclosure sale has been scheduled because a short sale was underway. Further, constituent was not properly informed of the foreclosure as required by law. This case was escalated to the Office of the Comptroller of the Currency to file a complaint.

- Constituent has a mortgage with HSBC, which is not participating in the HAMP Program. She has indicated that it was difficult to get anyone at the bank to assist her – it was almost impossible to get a live person on the 800 numbers provided and the local branches of HSBC could not help identify who to contact for modification assistance.

- Constituent attempted to modify her loan issued through IndyMac. She has not received a definitive response regarding her application and has faxed her modification request, along with supporting documents, five times. She has recently contacted Operation HOPE and is hoping to schedule an appointment.

- Constituents currently have negative equity and have requested assistance in obtaining a lower interest rate and a reassessment of the loan in accordance to the actual home value. The primary household provider has been laid off and neither can afford health insurance. They contacted IndyMac, who informed them that they could not obtain any assistance until payments were in arrears. The constituents now have been unable to make payments. While IndyMac has called several times in order to collect mortgage payments, the lender has not offered any assistance as the constituents were previously informed.

- Constituent was given a sample trial modification sum in accordance to her income. Since then, she received documents of forbearance which differed considerably from the sample. Wachovia now refuses to offer her further assistance. She has called several times and has been unable to speak to anyone.

- Constituent began working with Wachovia for a loan modification in November 2007. Wachovia was very slow in responding to her requests, and when it did, the bank sent her the wrong loan documents (documents for a different person). Constituent continued working with Wachovia and when Wells Fargo acquired her loan, it took several months before her file was reopened and reviewed. In April 2010, she contacted the Congressional district office, asking for assistance. Wells Fargo informed the district office that it could not modify her loan because her income was too low. Part of the constituent's income came from a rental property, and during the 3 years it took for her to receive a concrete answer from Wachovia/Wells Fargo, her rental income had decreased. Wells Fargo has gone ahead with foreclosure proceedings, stating that it cannot assist the constituent and she does not qualify for any programs.

- Constituent has been attempting to get a loan modification from Bank of America. When she initially called to request information, the customer service representative informed her that she pre-qualified for a modification loan through HAMP and she would receive an application within 45-75 days. The constituent did not receive the application within the allotted time and had to talk to several customer service representatives before she

could get the application. She submitted the application, but after a few months of minimal contact, BOA informed her that it was closing her case. BOA stated it had not received the necessary documents from the constituent and could not get a hold of her on the phone. Congressional district office made an inquiry on the constituent's behalf to find the status of her modification application. BOA informed the district office that the constituent's file was still missing documents. The constituent has since submitted the documents BOA had requested.

- Constituent contacted Congressional district office regarding his mortgage with Chase. He was placed on a 3-month trial HAMP period. After being in the trial period for 7 months, the constituent contacted the district office again, to check on the status of the mortgage modification. The case was assigned to a Chase representative, who worked with the constituent for 2 months. In April, the constituent was informed that he was denied a permanent loan modification based on the Net Present Value (NPV), which showed that the creditor would make more money by foreclosing on the home than modifying the loan. In the same letter, the bank states that the constituent was denied a modification because he was less than 60 days past due and the bank had determined he was not at risk of default because he has significant equity in his property. Chase then suggested that he should try to refinance his home, which the constituent has stated that he could not do. The constituent feels as though Chase has been employing stall tactics to not modify loans.

- Constituent sent in multiple correspondences to Sterling Bank & Trust asking for a modification with no response. When she finally was able to speak with a live person, the representative told her that she had presented no hardship, even though she had lost her job. The representative also stated that the only option the bank would consider for her situation was for her to sell her home and to inform the bank of any purchase offers she received for its consideration.

- Constituent has been trying to work with Bank of America since February 2010. BOA has been nonresponsive or has told the constituent that it never received his paperwork. The bank is now telling the constituent that he has to start defaulting on his payments before it will even consider a modification for his loan.

- When constituents' business burned down, they used their home equity to rebuild their company and continue employment for 30 employees. The constituents then requested a loan modification from BOA. The bank lost the constituents' paperwork 3 times and then requested receipts for the business that burned in the fire. Constituents' phone calls to the bank were not returned and they were never able to speak to same bank representative.

- Constituent has tried since November 2009 to get a loan modification with Chase Bank. The bank had told her to stop making payments while waiting for paperwork to be completed. The bank lost the first set of paperwork, and when the constituent called to see if the duplicate set of paperwork was received, she found out that her home was set to be sold.

- Constituent resides in one portion of a duplex, which she owns. She has been trying to get a loan modification with Chase since March 2009. Constituent had put 30 percent down on the property, but still has been unable to refinance due to the drop in equity. Her income has also decreased because of the downturn in the economy. During the time period in which she has been trying to modify her loan, Chase repeatedly lost and requested updated paperwork. Then in June 2010, over a year after the constituent's request for modification, Chase denied the request based on insufficient income. At this point she is paying over 70% of her income to Chase on an interest only loan. Constituent has complained to Congressional district office, wondering why the bank refuses to help her when Chase borrows money from the Treasury Department at a low rate.

- Constituent attempted to modify his home loan with BOA to a 30-year fixed loan with a lower percentage rate. The home has equity in it. The bank would not speak to the constituent regarding a modification because he was current on his payments, but now that he is behind on his payments, BOA still will not help. Constituent is financially unable to make his payments on his first mortgage. Bank of America, rather than lower his rate to make his home affordable, suggested he take the equity out of his house to make the payments. Constituent asked how this would lower his payments, but the bank did not have a response. He then spoke to another representative at BOA who advised him that it was better for the bank to foreclose on the house than modify his loan since his house had value in the market. The bank told the constituent and his mother that foreclosure proceedings would begin on August 16. In an effort to keep his home, the constituent works 6 – 7 days a week and no less that 10 – 12 hours per day. Constituent also has rented out every room in his house in order to stay in his house.

- Constituent first contacted Countrywide in November 2008 because he owned a franchise that was losing revenue. Although he provided the bank with proof of his shrinking monthly income, the bank advised him that he did not meet the defined criteria because he was not in default, unable to make payments, or had a documented hardship. After the constituent closed his business, he made a new request for a loan modification. From February 2009 until April 2010, whenever the constituent asked about the status of his request, he was given conflicting information about the status and was repeatedly asked – eight times in all – for his documents. On July 20, 2010, the bank once again requested the same information.

- After losing their son in Iraq, constituents were faced with the possible foreclosure of their home. They reached out to NACA to assist them in modifying their loan with Bank of America. NACA informed them that BOA stated they could not assist the borrowers because the borrowers were current on their payments. BOA then began to threaten the constituents with foreclosure if the bank did not receive 4 months of payments it claimed were not paid. Constituents have proof that they sent the payments and stated they were making their payments in full and on time. Constituents said BOA was holding onto the payments and not depositing them until the end of the month. Freddie Mac, which owned the loan, spoke with the homeowners in an attempt to resolve the problems.

- Constituent contacted a HUD-approved counselor to apply for a Making Home Affordable loan modification in July 2009. In late July, BOA contacted the constituent by phone. The bank representative asked her many questions and told her to make modified monthly "faith" payments until she received the modification paperwork. She then faxed her paycheck stubs and a hardship letter, as instructed by the representative. In September and November 2009, constituent contacted BOA about the modification paperwork. Again, she was told to continue making her payments. In late November, constituent received a letter from BOA threatening to foreclose on the home. In December, BOA told the constituent that she did not qualify for a loan modification and it would not be sending the modification papers. Constituent then contacted a HUD-approved counselor who recommended that she fax BOA a 4506-T Request for Transcript of Tax Return form and a request for a modification. In January 2010, the constituent forwarded her information to a Money Management International (MMI) counselor. In May 2010, the Congressional district office contacted Freddie Mac, the loan's investor, regarding the constituent's status. Freddie Mac investigated the situation, and in June 2010, the constituent was notified that she qualified for a MHA loan modification.

- Constituent received a letter from BOA informing her that based on the income information the bank had, she qualified for a lower mortgage payment. The constituent was asked to verify her income information so she notified the bank that she was making less than the income it had on file due to recent furlough days. The constituent spoke to a BOA representative, who quoted her a lower mortgage payment. The constituent began to make the reduced payments in November 2009. In January 2010, BOA informed her that the third payment was processed and then reversed. She was instructed by the bank to call the HOPE hotline, which referred her to a HUD-approved counseling agency, the Cabrillo Economic Development Corporation (CEDC). In February 2010, the CEDC counselor contacted BOA and was told that the constituent's loan application was under review. CEDC was later told that the constituent would be starting the loan modification application again with a new payment amount in April 2010. After asking BOA to also reconsider her second mortgage loan, the constituent received notice that she had defaulted on the trial payments and the second mortgage was being accelerated.

- Constituents have tried three times to receive a loan modification from Wells Fargo and Bank of America. CEDC have assisted the constituents for each of their applications. After the third denial, the constituents were told that they did not qualify for the MHA program, but were never given any specific reasons.

- Constituents have been working with an attorney and real estate broker to receive a loan modification from their lender, Aurora Loan Services. In July 2009, the attorney stated that the couple was found eligible for a modification and they signed a trial payment agreement. In August 2009, the constituents submitted all the documentation, but were told that the application was incomplete in October. On November 3, constituents submitted the requested documents, but eight days later, their application was denied "due to financials." On November 30, the homeowners were given another trial payment

plan to begin in January 2010. In January, the constituents were told that all required documentation was received. In April 2010, though, the constituents received a letter stating that the package was incomplete. The documents were resubmitted, and on April 30, the lender confirmed receiving the package. The constituents' application was ultimately denied, and they have since reapplied due to a change in income.

- Constituent's home lost nearly half its value from $440,000 to $228,000. Constituent's wife was laid off, and he applied for a loan modification. Constituent was told that the process would take 30 days. After several months and multiple submissions of documents, the constituent's application was denied. The constituent has reapplied, but his house was placed on foreclosure while he waited for a decision. Constituent was told to make a payment that included added legal fees and that if he was unable to make the full payment, the legal fees would increase by thousands of dollars. As the sell date approached, the bank postponed it at the last minute since a decision was still pending on the modification application. The bank told the constituent that they could not delay the sell date until 72 hours before the day.

- Constituents were struggling to make their mortgage payments, so they contacted Chase to begin the loan modification process. Constituents were told that they did not qualify for a modification because their income was too high. As they were waiting for their modification application to be reviewed, they were told to stop making 2 payments. Because of that advice, they are now in default and Chase has threatened to begin foreclosure proceedings.

- Constituent was provided a trial modification with Auroro Home Loan Services. She provided all necessary documents to the servicing lender. Upon completion of the trial modification period, she was denied a permanent modification. When the constituent asked why she was denied, she was given a different excuse on different occasions. In February 2010, she was told that a default was not imminent; on July 16, 2010, she was told the bank had not received all the documents; and on July 19, 2010, she was told her debt to income ratio was too high to qualify for the program.

- Constituent was provided a modification by Chase Home Finance in June 2009. Constituent remained on the plan for a total of one year. Upon sending in the 13th payment for the modification plan, the payment was returned with a note stating that the borrower needed to pay the full amount. Constituent then sent in a check to Chase for the full amount of the original monthly payment. The payment was once again sent back, stating that the bank needed the full amount that is in arrears.

  Constituent is now financially able to make the regular payments and has been trying to obtain another modification or forbearance; however, the servicing lender has continued to deny the application.

- Constituent requested a loan modification from BOA in August 2009. The constituent sent in all required documentation but never received a modification packet from BOA. The constituent made a second request for a modification in May 2010. Again, after all

the documents were sent in, the constituent did not hear back from BOA. In July 2010, constituent made a third request and is still waiting for a response.

- Constituent sent in all documentation for a modification from Wells Fargo in September 2009. Wells Fargo never responded to the application. Constituent followed up monthly on his application with telephone calls to Wells Fargo, which repeatedly told him to send in his documentation and that the application was still being reviewed. In April 2010, constituent attended a Wells Fargo event in Oakland and again provided the bank with all his information. At the event, Wells Fargo stated that the broker price opinion from October 2009 came in very low. The bank told the constituent that it would respond in 10 days after it obtained another BPO. Wells Fargo never sent any information to the constituent, and the application has been in "review." Constituent had waited 10 months while his file was under "review" and was told that he could short sale if he did not want to wait for a final decision.

- Constituents contacted Congressional district office regarding a home loan modification with Washington Mutual. The constituents were granted a trial modification for six months. After Chase bought Washington Mutual, Chase reviewed the application for a permanent modification and denied the request due to insufficient income even though the constituents were able to afford the modified payments. The situation was further complicated by the fact that the constituents are deaf, so their children have had to answer the phone calls from the collection agency, causing anxiety in the children.

- Constituent was granted a trial modification for three months with GMAC. After 3 months, the constituent was told to extend his trial modification for another three months and to add an additional $700 on his payments. The constituent complied with the new terms and made his payments timely. He was then denied a permanent HAMP modification due to excessive forbearance and was later told he did not qualify for a traditional modification due to negative net present value of the loan. The constituent believes that GMAC never had any intention to approve his application since he was placed in foreclosure prior to the completion of his application review.

- Constituents had an adjustable rate mortgage with Countrywide. They have been trying to renegotiate their mortgage since they received notice that their payments were going up in 2008. Constituents were told by Countrywide that it would not accept partial payments. After going to a housing workshop, constituents worked with Novadebt, which tried to correspond with Countrywide on their behalf. Countrywide then told the constituents that as part of the Making Home Affordable program, the constituents should send in 3 trial payments. The constituents sent in the payments, but no one contacted them. When the constituents contacted the bank, no one knew where the money went or about any modification.

- Constituent contacted BOA for a loan modification in March 2009. She was told that it would be a 90 day process and a decision would be made by the end of June. When the constituent still had not heard from BOA, she contacted the bank on August 1 to find out the status of the application and was told that another 30 days was needed to reach a

decision. On August 15, constituent was told to resend documentation because the bank would not look at any forms older than 60 days. At the beginning of September 2009, constituent was denied a loan modification. Although she was never given a reason why she was denied, she was told to apply for the MHA program, which she did on September 3. On September 30, BOA told her that she was denied for the MHA program because she was current on her mortgage.

In October 2009, BOA told the constituent to reapply for the MHA program since new regulations were put in place. Constituent resubmitted documents on October 1 for the MHA program. In December 2009, BOA told her to resubmit documents because the ones she previously submitted would be over 60 days old. The constituent resubmitted her documents, and in February 2010, she was offered a three month trial modification. On April 16, 2010, BOA denied the constituent's application for a permanent modification because she was current on her payments, and the constituent contacted the Congressional district office. On July 6, constituent received a MHA packet from BOA and was assigned a negotiator, who contacted her the next day. The negotiator stated that the constituent would have a modification within the next two weeks. Two weeks later, constituent was notified by BOA that she would have a response within 30 days. The constituent then contacted her negotiator, who stated that if she was denied a MHA modification, he would negotiate a lower payment himself. In August, the constituent received a call from BOA's Office of the CEO, which stated that the application could still be denied.