

PUBLIC TESTIMONY-FORECLOSURE CRISIS

I am a licensed attorney in Detroit, Michigan and a Solo Practitioner. I am writing in hopes of someone understanding the real life effects of this mortgage crisis and the disingenuous nature of lenders in offering any assistance to borrowers locked into horrible subprime adjustable rate loans. Contrary to media hype and popular belief, the average individual affected by subprime lending is the poor and elderly. In my practice, which unfortunately now consists almost solely of predatory lending cases and foreclosure matters--the vast majority of my clients are senior citizens over the age of 75 years old, who initially owned their home outright until steered into ARMs, despite the fact they were on a fixed income, and now face foreclosure and homelessness. Lenders make great media comments about assisting borrowers, but in reality make no attempts to work with borrowers in these outrageous loans. Thus, unless you find TILA, RESPA, fraud or other legal violations to try to fight against the lenders in Court, these people are becoming the homeless here in Michigan. Moreover, the lenders are continually economically infused so they can afford to litigate a case for years, appeal eviction cases, instead of negotiating a reasonable solution. Yet the poor citizens are not able to afford the legal resources necessary to fight against these rich corporations. Myself, and several associates have committed our practice to attempting to help these people and bring some sense of justice back into the legal process. I would like someone to truly address the foreclosure issue and look at the front line stories that we see everyday. The disabled woman with blatant fraud being thrown out of her since home 1992 in the snow, because the Deutsche Bank and its attorneys refuse to recognize the fraud and workout a reasonable resolution. Countrywide through its attorneys^{is} running rampant with foreclosures despite being under an Attorney General Consent and Compliance agreement with allegations of unfair and deceptive practices in Michigan. The husband and wife senior citizen clients that have sued HomeEq twice, and are now fighting on appeal to keep their home of 30 years all because of an error by HomeEq, now HomeEq d/b/a Barclays Capital Real Estate. The many clients in the Homecomings Financial cases, where improper and deceptive servicing have placed individuals in foreclosure situations. This is just a very small number of instances I encounter everyday on the unjust and unreal rollercoaster of predatory lending and everyone getting assistance except for the people defrauded. I have become so frustrated as one attorney trying to fight the system for justice for the senior citizens and poor, while the very entities that have defrauded these people are being bailed out and continue to get rich [as a side note a large majority of residential mortgage loans are held in trust in asset back securities that have sold and resold on wall street, which is one of the reasons there is no great rush to modify or assist borrowers]. It is time that someone take a closer look at the hurting people and address this issue from the bottom up rather than the top down. A two year moratorium is necessary to begin correcting the problem and healing the people, while maintaining housing stability and values. I believe immediate action in this area is warranted to stop this crisis from continuing to spiral out of control.

Vanessa G. Fluker, Esq.
2920 East Jefferson, Ste. 101
Detroit, MI 48207
(313) 393-6005