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Senator Randy Richardville
Chairman,
Senate Banking & Financial Institutions Committee
P.O. Box 30036
Lansing, MI 48909-7536

Representative Daniel Scripps
Chairman,
House Banking & Financial Institutions Committee
P.O. Box 30014
Lansing, MI 48909-7514

Re: Review of Public Acts 29, 30, 31 of 2009

Dear Senator Richardville and Representative Scripps:

I appreciate the invitation to provide testimony regarding Public Acts 29-31 of 2009 to your respective committees. As you know, I serve as General Counsel for Trott & Trott, PC. Our firm represents local and national lenders/servicers in Michigan, providing them with comprehensive loss mitigation and other Real Estate services. As the largest firm of this sort in Michigan, we are at the forefront of providing home retention options on behalf of our clients. We regularly act as the designee of lenders and servicers and often facilitate successful meetings, as contemplated by the 2009 legislation.

It is my pleasure to share some of the statistics that we have tracked in implementing the procedures outlined in these acts. However, I must qualify these statistics somewhat. First and foremost, the ultimate goal will not be reflected in them. Typically, whether or not a successful loan modification was the end result of a meeting as contemplated by the statute would have to be gleaned from the records of the lender/servicer. Further, we do not currently have the ability to track whether a loan that was modified under this program has redefaulted. Finally, I need to stress the general and anecdotal nature of my comments. They are gleaned solely from our experience and are meant for illustrative purposes, only. They should not be construed in any specific fashion as final or scientific data.

That having been said, it appears to us that approximately 85% of the files referred to us for foreclosure qualify for inclusion in this program as homestead properties. Of those, approximately 28% of the borrowers to whom the applicable notices are sent are opting in and requesting a meeting. Roughly 41% of these utilized a housing counselor to engage in the program. The rest either used attorneys or acted on their own.

Out of the borrowers who requested a meeting, approximately 52% then failed to submit the financial information necessary to determine whether a loan modification was appropriate.

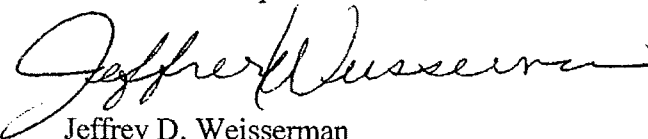
Again, we do not have available the statistics necessary to determine whether or not a successful loan modification was the end result of a completed meeting. I do note that our judicial foreclosure referrals have not increased significantly. Although I leave you to draw your own conclusions from that item, it indicates to me that we are not seeing many instances where an engaged borrower meets the requirements of the statute (both in terms of providing information and meeting the criterion set forth in the statute) but still does not receive an offer of a loan modification. Again, however, I make that statement as an unsupported generalization.

What these numbers and our experiences suggest is that borrowers are being given the opportunity to request meetings, but that a disappointing percentage of them are choosing not to engage in the process, either from the inception or by providing the required and necessary financial information. Where they do engage fully, and where sufficient income exists to support a modification, lenders/servicers are taking part in the process and offering the anticipated help.

I am happy to discuss our findings and potential avenues to increase borrower participation with the Committee at your convenience. As always, you may feel free to contact me with any questions you may have.

Very truly yours,

Trott & Trott
Professional Corporation



Jeffrey D. Weisserman
General Counsel