



Non-Profit Alliance of Consumer Advocates

The other Nonprofit Organization that actually works for you, not your Lender!

ADVANTAGES TO LITIGATION

1. It's been documented that the lenders "voluntary" FREE loan modification assistance has helped fewer than 9% and as low as less than .46% (less than half of one percent) of the people who actually qualify for the Government sponsored program. Over 60% of the few they helped with their voluntary loan modification fall back into default within the first year. (H.A.M.P)
2. It's been reported that more than 91% of the many millions of homeowners that the Obama Making Home Affordable program was targeted to help are currently getting thrown out of their homes today!
3. HUD has reported that in a 9 month period of the Administration's loan bail out program that was supposed to save millions of homeowners from foreclosure, only 50 applications had been submitted and only ONE funding had been documented (H.A.R.P).
4. It's been documented that most all Government assistance and non profit driven consultation is only geared to either repay past due amounts to the lenders and or offer temporary interest rate reduction on existing over encumbered loans that will only postpone eminent foreclosure.
5. Forecasted property value recovery periods for the majority of troubled homeowners far exceed any of the temporary time frames that are being offered as rate reductions to troubled homeowners, some as much as 20-35 years before values once again meet existing loan amounts. Today almost HALF of U.S homes are underwater with forecasts worsening before it gets better.
6. Most loans originated from 2004 thru the early 2010 were originated for the purpose of being sold as a mortgage backed security to investors in large pools owned by "trusts" on a secondary market such as "Wall Street" not by the servicing company receiving monthly payments. Most all these pools are given a maximum allowance of modification or token rate reductions as per contract between the Trust or Beneficiary (True Owner of the Mortgage Note) and the servicing agent called a "PSA". Most of these PSA's allow a limit such as 5% of the loans in a given pool to be modified unless there is a Court Order or Judges Mandate.
7. It's been reported that the Servicers who are paid to act as collectors for the beneficiary and normally handle all loan modification request on their behalf receive more of a financial incentive to keep the homeowner in default due to fee's and charges that the servicers may not charge when the homeowner is current.
8. It has also been documented that through a court mandated legislative act such as a Federal Bankruptcy filing or through a court litigated settlement an individual note in any pool owned by any trust can be addressed separately.



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ADVANTAGES TO LITIGATION (continued)

9. Federal Bankruptcy Court decisions on value versus existing loan amounts have and will continue to be addressed through what is commonly known as “CRAM DOWN” bankruptcy. This motion forces the unsecured creditor to lower the principal balance down to current and fair market value as well as the potential elimination of the consumer debt or any second trust deed including HELOC’s. Similar results have and can occur through litigation.
10. If a loan was illegally obtained through false or misrepresented facts by a lenders agent or through irresponsible lending and servicing practices a homeowner may be eligible for a forced settlement or a complete cancellation of any subsequent occurrences through litigation versus relying on the lender’s one sided voluntary token assistance programs.(HAMP / HARP)
11. It is unrealistic to assume the lender has, is or will offer the consumer anything that does not benefit the lender first over the consumer including but not limited to foreclosing on the home for potential reimbursement of some, part or all of the loss from the Mortgage Insurance Company that may have received tax payer funds through what is commonly known as Bail Out or T.A.R.P funds.
12. The National failure rate of a conventional “SHORT SALE” has been reported as high as 83% meaning 8 out of every 10 homes foreclosed on were listed as a short sale prior to the trustee auction sale date. One reason for such a high failure rate is believed to be the lenders unwillingness to accept a large loss prior to the foreclosure versus potentially receiving a claim from MORTGAGE INSURANCE on the loan that may have been paid by the homeowner or built into the rate on a lender paid insurance policy.
13. A 50 States Attorney Generals Investigation has confirmed Bank Employee’s statements that they were instructed to mishandle, shred, falsify even forge signatures on important Mortgage Loan documents making majority of every home loan and those already foreclosed upon very questionable as to have been illegally performed allowing the enforceability of those loan contracts to be challenged in Court today. A recent quote by John Taylor executive of National Community Reinvestment Coalition states “The Banks should have done a better job helping people lower their mortgage payments” he states “there are so many people who, if they had received a meaningful modification, could have stayed in their homes”.
14. On April 13th 2011 the Federal Government ordered 16 of the nations largest mortgage lenders and their servicers to reimburse homeowners who were improperly foreclosed upon.



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QUESTIONNAIRE TO FILE A LAW SUIT AGAINST LENDERS. (PLEASE CHECK THE RIGHT ANSWER ✓)

<i>Client</i>				<i>Phone</i>		<i>Date:</i>	
<i>address:</i>							
<i>City</i>		<i>State</i>		<i>Zip Code</i>			

If a yes/no answer are required simply check “Y” or “N”, “N/A” is to be used in the answer section for “not applicable” such as a home purchase or real estate agent question when your current loan is a refinance. If you’re not sure how to answer simply place a “N” mark in the same answer section (our soft ware does not recognize blanks). Questions requiring an answer to be written out will be identified with a Red Outline where you need to write the complete answer. *If you already have a NACA Counselor, please note name Here* _____

1). APPRAISAL

Answer:

Yes No

	Answer:	Yes	No
1. Did someone choose your appraisal company?			
2. Who was the appraisal agent or company?			
3. The appraisal was inflated to secure the loan?			
4. They failed to give you a copy of the appraisal?			
5. Who went over the appraisal documents w/ you?			
6. Your appraisal cost was financed in the loan?			
7. You paid for the appraisal prior to closing?			

2). SERVICING COMPANY

Answer:

Yes No

	Answer:	Yes	No
8. Has it been 4 years or less since the loan/ agreement was entered?			
9. The Escrow Company failed to explain who and what a servicing company was to you?			
10. They failed to explain where to make payments?			
11. They failed to give you an address where you were to be sending your payments?			
12. They failed to give you a date when the payment was due?			
13. They failed to explain the interest rate compared to the A.P.R. on your loan to you.			



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14. They failed to advise you that your rate was an adjustable rate?			
15. They failed to advise you that your payment might increase and/or when the increase would begin?			
16. They failed to explain the penalty of your payment being late to you?			
17. They added finances charges to your account?			
18. Did they fail to give you information about why and how financed charges may be added?			
19. They added other fees and charges to your mortgage statement with out advising you why?			
20. They failed to explain to you that the lender would have a mortgage on your home and that you could lose your home or any money you put into it if you failed to comply with the loan terms?			
21. They failed to properly apply a payment to your account that was made on time?			
22. They failed to record full a payment you made on time and placed funds in a suspense account?			
23. Their accounting errors caused a negative effect on your credit?			
24. They informed you they could not help you because you were current on your loan?			
25. They forced you to pay their insurance for a time period that you did not need to?			
26. Did your notice of default fail to include the following language: "upon your written request, the beneficiary/mortgage will give you a written itemization of the entire amount you must pay."?			
27. Have you requested a written statement of the amounts owed by you? If so, was your request in writing?			
28. Who did you send the request to?			
29. Has it been 20 days or more since you made this request?			
30. Have they failed to provide you with the written statement you requested?			



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31. Have you suffered mental, emotional, physical or financial distress due to problems related to this loan?			
32. Do you believe any of the defendants know or should have known that you would suffer any of the above due to problems related to your loan?			

3). BENEFICIARY NOTE HOLDER

	Answer:	Yes	No
33. They failed to explain to you who was to be your beneficiary note holder?			
34. They failed to disclose where they were located?			
35. They failed to explain they were requesting your signature to give them the right to sell the note?			
36. They failed to explain and provide you with the document that gives them this right?			

4). INSPECTOR

	Answer:	Yes	No
37. Someone other than you chose your inspector?			
38. Who introduced you to Inspector?			
39. What was the inspector's name?			
40. What company did the inspector work for?			
41. You were told they were a licensed inspector?			
42. You were absent when the inspection was performed?			
43. Did this inspector find some defects?			
44. The inspector did not discuss the defects with you?			
45. They failed to give you a copy of the inspection?			
46. You know he/she identified violations the property may have had with the building inspection?			
47. You waived or agreed to these violations because they recommended you do so?			
48. They failed to give you a copy of the violation			



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waiver?			
49. You were instructed to sign a document accepting responsibility for this violation?			
50. Who instructed you to sign this document?			
51. Who did they work for?			
52. Did your inspector recommend a licensed professional follow up with a certain inspection, like a roofer, electrician, plumber, etc.?			
53. Did you contact this licensed person?			
54. What was this person's name?			
55. You requested a copy of their license?			
56. What company did they work for?			
57. They failed to give you an inspection sheet of the defects?			
58. Did you waive these defects so you could close?			
59. Did you have to pay for this inspection?			
60. How much did you pay for the inspection?			
61. You gave them cash or a check?			

5). AGENT WHOM YOU BOUGHT THE PROPERTY FROM (If Purchase Loan)

	Answer:	Yes	No
62. What was the name the Real Estate agent?			
63. Were they an un - licensed agent?			
64. What company did she / he work for?			
65. Where was their company located?			



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66. Did she/he speak a language other than English with you at any time?			
67. Did she/he show you this property and discuss a price?			
68. Did he/she recommend this property to you?			
69. They failed to show you different comps in the area?			
70. They failed to show you several like properties?			
71. They failed to explain the purchase process?			
72. They failed to explain that you would need escrow money?			
73. Did they ask you to write a check to them or give them cash for any reason?			
74. They failed to explain the purchase process to you completely?			
75. They failed to properly explain the purchase Contract to you when you signed it?			
76. Did you have to do a counter offer or bid on another purchase contract at the same time?			
77. Did the agent suggest the purchase price on the contract?			
78. The Agent provided proof of loan qualification before the offer was submitted to the seller?			
79. Your agent was absent at the time of the property inspection?			
80. Did your agent recommend you to the inspector?			
81. Did your agent recommend you to the loan officer?			
82. Did your agent recommend you to the appraiser?			
83. Your Agent/Builder referred you to the loan officer?			
84. What was this loan officer's name?			
85. Did he/she speak a language other than English with you at any time?			



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86. Did he/she make any promise or statements to you that you know now were not accurate, untrue or misleading in any way?			
87. What company did he represent?			
88. The loan they told you about at first was not what you received at closing?			
89. Did you provide income information and or Income documentation to the loan officer?			
90. Did they make a copy of what you provided?			
91. Did they ask for any money?			
92. Did you give cash or a check made out to the loan officer or his company?			
93. They pulled your credit report longer than 3 days before you received a good faith estimate & signed a copy of the application or disclosures?			
94. They told you that you qualified for a loan regardless of your income due to credit scores?			
95. The loan officer chose the appraiser for you?			
96. Was the appraisal different then your loan amount?			
97. The Loan Officer suggested specific things for you to do to obtain this loan?			
98. The Loan Officer suggested using a different person's credit to secure the loan?			
99. The Loan Officer told you the co-signer was just temporary and would add you on later?			
100. They failed to required proof of I.D?			
101. They instructed you on how to obtain this I.D?			
102. Did they ask you if you were a legal resident?			
103. Did they explain to you that you would need money for "reserves" in your account?			
104. You did not have this amount in your account?			
105. How did you obtain this money?			
106. Did someone lend you these funds to deposit in your account?			



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107. Did you have to give this amount back?			
108. You gave them cash or a check made out to them?			
109. They failed to give you a copy of your credit report along with your disclosures?			
110. They told you needed to pay off creditors?			
111. You were given a GOOD FAITH estimate after 3 days from when they originally ran your credit?			
112. The final loan you were given was different from what you were quoted in any way?			
113. You were unhappy with final GOOD FAITH fees but were told you would lose the loan if you did not accept the loan terms?			
114. The employment and or income information the loan officer used to get your loan approved was different from what you furnished to the lender's agent originally?			
115. Your Loan Officer gave you the employment verification to get signed?			
116. The loan officer "helped" with the employment verification process to get the loan closed?			
117. You furnished your tax returns and paycheck stubs to the loan officer?			
118. Were you told they would need to "state" your income higher than what you actually earned?			
119. They explained to you they had to do this to get you qualified for the loan?			
120. If they "stated" you were self employed, did they help you with that verification as well?			
121. Did they arrange or instruct you to have a CPA letter created to state this fact?			
122. Did you have to pay someone for this letter?			
123. You paid by cash to the agent or you wrote him/her a personal check?			
124. You were told the loan you were receiving was only for a short time and you could refinance for better terms sometime in the future?			
125. You were told if you did not accept this loan your credit would be negatively affected?			



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126. They did not tell you about the prepayment penalty when the loan was first quoted to you?			
127. Your Loan Officer changed the interest rate at the very end?			
128. The Lender's Agent gave you less cash out funds than what you were first quoted?			
129. The Loan Officer changed the accounts that were supposed to be paid off at the very end?			
130. The Loan Officer spoke a different language to you other than English at any time?			
131. You were told you could not qualify for a 30 yr fixed low interest rate loan but received a higher variable rate?			

7). TRANSLATOR

	Answer:	Yes	No
132. This person translated for you when you bought the property or signed the loan?			
133. This person was provided by the Agent?			
134. Who did this person work for?			
135. This person failed to explain the loan to you as you know it now?			
136. Did you have to pay them?			
137. Were they a licensed translator?			
138. This Translator was an agent or employee of the Lender, Real Estate Company or closing agent?			
139. The person translating for you was under age?			
140. You did not receive the contract in your native language before you signed the contract?			
141. They failed to inform you who your title company was?			
142. Did they have you sign any paper work before closing?			
143. The title company failed to inform you what you were to sign?			



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144. They failed to explain page by page to you?			
145. Your real estate agent was not present at this time?			
146. Was your loan officer present at this time?			
147. Who translated the documents and the process for you?			
148. Did they suggest how you should hold title?			
149. Whose name did you agree to use on title?			
150. Did you have to provide an I.D. for this Purpose?			
151. did you sign the DEED OF TRUST			
152. Did they tell you that you were going to Receive the DEED of TRUST in the mail?			

9). ESCROW

	Answer:	Yes	No
153. Your agent chose the escrow company?			
154. Was this a different company you wrote your deposit too?			
155. Where were they located?			
156. Who was your escrow coordinator?			
157. Did a translator assist you? (if needed)			
158. Your Escrow Company was owned or managed by the Realtor or Loan Agent?			
159. Did they fail to explain the process of the escrow company to you?			
160. Was your real estate agent present at this time?			
161. Was your loan officer present at this time?			
162. They failed to inform you that you could cancel the loan contract for up to 3 days unless there was fraud or certain violations?			

ONCE COMPLETE, PLEASE FAX BACK OR EMAIL THIS FORM ALONG WITH ANY OTHER REQUIRED DOCUMENTS TO YOUR NACA NON PROFIT LAW CLINIC COUNSELOR TO RECEIVE YOUR “FRAUDETTECT” LENDER FRAUD AND VIOLATION ANALYSIS REPORT AT NO COST TO YOU.



“A Non-Profit Law Clinic ”

Fax back all documents to: (866) 773-7864

Or e-mail to DocCheck@NACA.org

Call Toll Free (855) 622-2435

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Non-Profit Alliance of Consumer Advocates (N.A.C.A)

A Coalition of Legal Professionals, Mortgage Banking and Loss Mitigation Experts helping Homeowners