

Chairman Towns Calls on Top Mortgage Banks to Temporarily Halt Foreclosures Nationwide

Urges NY State AG Cuomo to investigate allegations of mortgage fraud in NY State

WASHINGTON – Rep. Edolphus “Ed” Towns (D-NY), Chairman of the House Committee on Oversight and Government Reform, today called on top U.S. mortgage lenders and banks to voluntarily suspend foreclosure proceedings in all 50 states and the District of Columbia until the banks complete internal investigations into their company’s mortgage servicing and foreclosure practices. The banks and lending institutions include CitiMortgage, JP Morgan Chase, Wells Fargo Home Mortgage, Bank of America, One West Bank, PHH Corporation, U.S. Bank Home Mortgage, Ally Financial (GMAC), PNC Financial Services Group, and Sun Trust Mortgage.

Recent news reports have surfaced detailing a variety of suspect practices related to lenders’ handling of delinquent mortgages and home foreclosures, including allegations of incorrect information, unverified documentation, false certifications, and forged signatures. Although three major lenders already announced they are suspending home foreclosures in 23 states, including New York State, Chairman Towns is concerned that other large mortgage lenders continue to process foreclosures as usual.

“Without a doubt, losing a home can be one of the most traumatic experiences faced by an American family,” said Chairman Towns. “Anyone forced to go through this process should be treated fairly. Sadly, it appears this may not have been the case for some borrowers.”

Specifically, Chairman Towns is asking AG Cuomo to examine allegations of mortgage fraud and violations of the law associated with Bank of America, JPMorgan Chase, and Ally Financial, along with all other banks and mortgage servicers doing business in New York.

“We are now in the third year of a one of the worst housing crises in our history. Given that many families continue to struggle financially, it is incumbent upon all of us – particularly lending institutions – to do all we can to prevent families from losing their homes,” wrote Chairman Towns.

Chairman Towns is also calling on New York State Attorney General Andrew Cuomo to investigate allegations of fraud and other possible violations of law by banks and mortgage

servicers in connection with home foreclosures in the State of New York. According to the New York State Banking Department, in the first half of 2010, approximately 60,000 homeowners in New York received pre-foreclosure notices.

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▯ Documents and Links

[Letter to New York State Attorney General Andrew Cuomo ▯](#)

[Letter to CitiMortgage](#)

[Letter to JP Morgan Chase](#)

[Letter to Wells Fargo Home Mortgage](#)

[Letter to Bank of America](#)

[Letter to▯ One West Bank](#)

[Letter to PHH Corporation](#)

[Letter to U.S. Bank Home Mortgage](#)

[Letter to Ally Financial ▯ \(formerly GMAC\)](#)

[Letter to Sun Trust Mortgage](#)

[Letter to PNC Financial Services Group ▯](#)

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