

ARE OBAMA AND CONGRESS SET TO SCREW AMERICAN COUNTIES, HOMEOWNERS AND GIVE WALL STREET MORTGAGE BANKSTERS A RETROACTIVE IMMUNITY BAILOUT?

There are rapidly emerging signs the Obama Administration and Congress may be actively, quickly and covertly working furiously on a plan to retroactively legitimize and ratify the shoddy, fraudulent and non-conforming conduct by MERS on literally millions of mortgages.

From CNBC:

When Congress comes back into session next week, it may consider measures intended to bolster the legal status of a controversial bank owned electronic mortgage registration system that contains three out of every five mortgages in the country.

The system is known as MERS, the acronym for a private company called Mortgage Electronic Registry Systems. Set up by banks in the 1997, MERS is a system for tracking ownership of home loans as they move from mortgage originator through the financial pipeline to the trusts set up when mortgage securities are sold.

Just to make clear the implications of this craven action, the White House and Congress are conspiring to give a get out of jail free bailout card to the biggest banks and finance

companies in the country to cover up and mask their illegal behavior and behavior that did not conform with state, county and local laws throughout the United States. On at least sixty (60%) percent of the existing mortgages in America.

There are dozens of implications to individuals and both private and public entities. At a root minimum, it will likely decimate, if not bankrupt, most counties in every state of the union.

If courts rule against MERS, the damage could be catastrophic. Here's how the AP tallies up the potential damage:

Assuming each mortgage it tracks had been resold, and re-recorded, just once, MERS would have saved the industry \$2.4 billion in recording costs, R.K. Arnold, the firm's chief executive officer, testified in 2009. It's not unusual for a mortgage to be resold a dozen times or more.

The California suit alone could cost MERS \$60 billion to \$120 billion in damages and penalties from unpaid recording fees.

The liabilities are astronomical because, according to laws in California and many other states, penalties between \$5,000 and \$10,000 can be imposed each time a recording fee went unpaid. Because the suits are filed as false claims, the law stipulates that the penalties can then be tripled.

Perhaps even more devastatingly, some critics say that sloppiness at MERS—which has just 40 full-time employees—may have botched chain of

title for many mortgages. They say that MERS lacks standing to bring foreclosure actions, and the botched chain of title may cast doubts on whether anyone has clear enough ownership of some mortgages to foreclose on a defaulting borrower.

Why would the Obama Administration and Congress be doing this? Because the foreclosure fraud suits and other challenges to the mass production slice, dice and securitize lifestyle on the American finance sector, the very same activity that wrecked the economy and put the nation in the depression it is either still in, or barely recovering from, depending on your point of view, have left the root balance sheets and stability of the largest financial institutions on the wrong side of the credibility and, likely, the legal auditory line. And that affects not only our economy, but that of the world who is all chips in on the American real estate and financial products markets.

What does that mean to you? Everything. As quoted above, even the most conservative estimate (and that estimate is based on only a single recording fee per mortgage, when in reality there are almost certainly multiple recordings legally required for most all mortgages due to the slicing, dicing and tranching necessary to accomplish the securitization that has occurred) for the state of California alone is \$60 billion dollars. That is \$60,000,000,000.00. California alone is actually likely several times that. Your county is in the loss column heavy from this too.

Where will the roads come from? Where will the county courts, judges and prosecutors come from? The Sheriffs? Who will build and maintain the bridges, parks and public works entities? Removal and obviation of this funding mechanism may literally kill any and every county.

That is without even going into the real and myriad effects on individuals, families and

communities. This is a death knell to the real property system as we have always known it and the county structure of American society as we have known it. And millions of people will have lost the ability to benefit from the established rule and process of law that they understood and relied on. After the fact. Retroactively. So Obama and Congress can once again give a handout and bailout to the very banks and financial malefactors that put us here.