

REGISTER OF DEEDS CURTIS HERTEL: “IF YOU OR I COMMITTED THIS KIND OF FRAUD, WE’D GO TO JAIL.”

In Lansing today, Ingham County (Lansing Area) Register of Deeds, Curtis Hertel and State Rep Jim Ananich presented a bill to introduce judicial foreclosure in MI.

As part of the press conference, homeowner Bill Donahue described how he almost lost the home he has lived in for 25 years because Fannie Mae, which had not claim to his loan, foreclosed on him as he was being processed for a HAMP modification (which he ultimately got).

Last May, he applied for a HAMP modification. After submitting a second round of paperwork in June, he was told in July he was in underwriting, which might take six months. During that period, Bank of America’s collection people kept harassing Donahue and his wife. By late summer, they received a foreclosure notice from Fannie Mae, which explained it was just a formality since he hadn’t made a payment in so long. BoA told him to ignore it, but it turned out his house was sold in a sheriff’s sale. In December, he got the HAMP modification, which cut their payment in half. Nevertheless, this April, a process server came to his house with a foreclosure notice. When Donahue showed him the document proving he had a mod, the process server congratulated him for being of the 5% or so who actually got mods. The server took copies. But in May, Fannie Mae sent a packet giving him 3 days to contest a foreclosure. Finally, by early June, Fannie dismissed the foreclosure. (I hope to have video from Donahue later.)

In his presentation explaining the importance of

replacing MI's current foreclosure by advertisement with judicial review, Hertel explained,

You can literally walk into my office and tell me you're committing a crime and there is nothing I can do to stop you except report it. I still have to submit the documents.

Hertel later elaborated on this, revealing among other details that he recently received an FBI subpoena relating to foreclosures.

There were a few people at the press conference (including my own county clerk) who complained about the cost of instituting a judicial foreclosure system. Representative Ananich had the best response to those questions:

Due process isn't a system that only works when it's affordable or it's convenient.

It's nice to hear that sentiment from a few public figures.

Update: Sorry for the crappy video quality: when I get rich, I'm going to buy a real camera. In any case, this is Donahue explaining how he almost lost his house even though he had successfully modified his mortgage.

Update: Register corrected, per retirinfive.