

Homeowner Suffers Horrific Injustice at the Hands of JPMorgan Chase

For over two years I've had a front row seat for the foreclosure crisis, the by-product of our government's complete mishandling of the worst economic downturn in seventy years.

During that time I've been exposed to some pretty horrific things... people living in their cars with a child sleeping in the trunk... the eviction of an 89 year-old couple... I've gotten to know what that fear sounds like and feels like... the fear of losing one's home while the country talks about you as being nothing more than an "irresponsible borrower," someone who never should have bought your home in the first place, even though you may have lived in it for 30 years.

What I saw this past week, however, was something new for me... I'd heard of things like this happening before, written about them, even. But, I had never seen anything like it, up close and personal.

As a warning... this story is not for the squeamish. If you're pregnant, or have heart disease, or just want to go on pretending that your country is still a place of which you're proud... it's better that you click off now... because this one isn't going to make you laugh.

An Anaheim couple with an eight year-old daughter has lost their home... that would be one way of phrasing it. Another way to describe what happened would be to say that JPMorgan Chase, an outfit that I now see clearly is significantly worse than any crime family... has thus far been permitted by the courts and the laws in California to STEAL an Anaheim couple's home.

Why do I say that Chase stole it? Well, there are lots of reasons, but I think the one that tops my list would have to be, because they never missed or were late on a payment... in every single month that JPMorgan Chase told the couple to make a payment... they paid the exact amount they were told to pay... on time and as agreed... never missed even one... never were late, not even once.

"We trusted the bank," the Mom says, "like idiots."

The husband in this family worked for the City of Placentia in Southern California for some 27 years. The wife and mother has her own small business. Their adorable eight year-old daughter, whose life is about to be inalterably changed at the hand of JPMorgan Chase, goes to school near by and loves her home. Her parents haven't told her anything about this yet, and I pray to God they never have to... that JPMorgan Chase comes forward and stops this egregious wrong that they have let happen... that they have created.

I can barely tell this story... I can't imagine it ever happening to me... I can't imagine it ever happening to anyone in this country... a place I used to proudly think of as my country. Not so much anymore though.

The husband in this family became ill a few years ago... advanced diabetes... his kidneys have failed, he's on dialysis... heart disease... he's spent time on a respirator while hospitalized.

Yet, they've made it through everything, this family, through all of that and more... stayed together... raised a daughter... found ways to laugh and play together... they must love each other very much.

They had bought their 2-bedroom home in August of 2006... as it turns out... terrible timing... but who knew that the bankers, who had leveraged themselves 40-100 to one, were about to blame homeowners for their defrauding of the investment community, bankrupting the global financial system, and destroying the credit markets? Bernanke didn't know... Paulson didn't know... personally, I think that lets this couple off the hook about the whole should-have-known thing.

So, for three years they made their payments without fail. And maybe if it would have just been the economy or just the medical bills, they would have made it through this... but both was too much, and they received a Notice of Default in July of 2009.

They applied to JPMorgan Chase for a loan modification, and Chase granted them a trial modification in February of 2010. Chase told them to pay \$869 for three months, and entered them into another program in May, telling them to make monthly payments of \$1358.

They paid every month, on time every time... by cashier's check, as required by Chase. The trial modification paperwork said something to the effect of:

"If all payments are payments are made as agreed, we will reevaluate you to determine if we can offer you a permanent modification."

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In August, they received a Notice of Sale. They called Chase... and imagine their relief when they were told not to worry one bit about that notice. Apparently, it was just the fault of Chase's stupid computer system that just spits things like that out without anyone telling it to do so. False alarm, what a relief.

So, they paid their September payment... and paid their October payment... and it was around October 10th when they received another Notice of Sale. Again, they called Chase, perhaps a little less nervous than the last time the same thing had happened... and wouldn't you know it... another false alarm... it was that darn computer system again. Nothing to worry about, Chase told them... just keep those payments coming.

Oh, but while we've got you on the phone, we need you to send in some current paycheck stubs and other miscellaneous pieces of information, which they did... and then did again... you know the standard operating procedures for servicers by now I'm sure.

I know, it's not Chase's fault... they've reportedly been having trouble hiring minimum wage people for the last three years. Or was it the investor's who won't let them modify? I can never remember which lie was Chase's favorite... Bank of America was having the phone problems... Wells couldn't stop their employees from losing stuff over and over... Yep, Chase was the can't-hire-anyone-and-investors-won't-modify, I'm almost positive.

Right around the third week of October, they come home to find a notice of sale pinned to their front door. Oh my God... they called Chase again. "Oh, just ignore it once again," Chase lied. "You don't have to worry about that, silly, you're under consideration for a loan modification, why would we sell your house?"

A few more days and another notice on the door... Chase back on the phone... but this time everything was different... Chase said they were selling their home in ONE HOUR. To stop the sale, they would need to get down to the courthouse with about twenty-five grand... in 55 minutes, 50... 45... 40...

I suppose we needed another vacant home in Anaheim in a hurry, because predictably, the home went back to Fannie Mae at the Trustee Sale. Gone, in the blink of an eye... sold October 21, 2010... just 21 days after they had made their October payment. Chase had told them not to worry... it was just the computer system... no one would sell their home.

And now it was gone.

"We trusted the bank," the Mom says, "like idiots."

The father has a hospital bed in the living room, he requires special care... their daughter... in school close by... eight years old... is that second or third grade?

The couple pleaded with Chase that day on the phone, I can only imagine what that felt like for them on that day. Here's what the mom said to me:

We're not people who simply decided to skip out on our mortgage. We did everything as upright and by the book as we were instructed to do by Chase yet we still lost our home. On the day they

took back the property, I called Chase pleading for an alternative to this. Their reply to me was “I suggest you find a new place to live.”

The Unlawful Detainer or UD hearing was the next indignity the couple would suffer... and I haven't been able to stop thinking about this next part all week.

With the medical bills they were receiving, and the uncertainty about the future, they didn't feel they could afford a lawyer for the Unlawful Detainer trial. As the date for the UD neared, the husband was still in the hospital; he would be released roughly 48 hours before he would have to be in court.

They found an attorney who would help them and she called the opposing counsel, a lawyer from one of those scum-of-the-earth foreclosure mills that have no doubt been making untold millions intimidating homeowners, already scared to death and almost always without counsel, McCarthy & Holthus. They look like rich young men who don't care at all about what the banks are doing to their neighbors... well, maybe not their neighbors... they probably live in some zillion-dollar beach pad.

(Hey fellas... looking forward to seeing you on Google! If you've been spending money on SEO trying to rank up at the top, I've got outstanding news... I'm going to put you right up there. May not be exactly what you had in mind, but then I don't give a rat's ass what's in your under-developed minds.)

The couple's lawyer asked the McCarthy & Holthus lawyer if there could be a continuance as the husband would be only a day or two out of the hospital.... they said they'd check with Fannie Mae... then said that Fannie said no. I guess Fannie Mae, a bankrupt and tax-payer owned mortgage company really wanted another empty condo in Anaheim.

The lawyer asked, what if the couple comes in and asks the judge for a continuance, would McCarthy & Holthus object? No, she was told, they would not object “vigorously.” So, the couple went to the UD expecting to ask the judge for a continuance, she pushing him in his wheelchair.

As soon as they walked in, another McCarthy & Malthus lawyer, Kevin Mello was walking towards them. As he approached, the couple overheard Kevin say to another, “I'm so sick of all these sob stories.”

Oh, no he didn't... Oh, yes he did.

(And boy oh boy, is Kevin going to regret saying that... LOL... Yoohoo, Kevy, baby... you hang in the courthouse right near my house... do you know how lucky you're aren't? I'm actually making a documentary about the foreclosure crisis, and hadn't yet cast the shithead. How lucky is that?)

Mello asked the couple when they could be out of their home. They said that they would need six weeks. Mello made a call and said they could have 30 days. The husband asked to talk to the judge, but our guy Kevin said, “Why, the judge has no authority... he'll tell you to be out in 4 days... the bank has all the authority.”

Does it now, Kevin? The bank? Fannie Mae? The scandal-ridden, morally and financially bankrupt, already absorbed into the federal government, Fannie Mae?

Kevin had some papers he said that the couple needed to sign. They said no, they didn't want to sign anything. Kevin said they had no choice... either sign or be out in four days. He put the documents in front of them... they couldn't move his hospital bed in 4 days... they signed. Stipulated to a judgment and waved future claims.

When they appeared before the judge, he said that they should be GRATEFUL that the bank gave them 30 days.

When the couple tried to relay the story of the loan modification con job and Chase lying and then the stealing of the home... well, they didn't use those terms, I did, but someone has to, right? Because that's

what happened, and I don't give a damn what other factors are involved, that's what happened, sure as shootin'.

And, even though I've been covering the inconceivable tragedy that is the foreclosure crisis, after learning of what happened to this this couple, I couldn't help but wonder how or why this could possibly happen... and no one cared... in this country... and no one cared. Because I know I've been hard on the servicers, and deservedly so, but is it really possible that they are actually inherently evil... are they literally lying to everyone and intentionally try to sabotage the nation? How could that be true? It couldn't, right?

And something occurred to me, something that I had not previously considered. And maybe it's important to consider.

Prior to the last three to four years tops, foreclosures were a very different animal than what we have going on today, but I'm starting to think that maybe a lot of people don't know that. You see, prior to this crisis, foreclosures were exceedingly rare. When someone got into financial trouble they either sold their home, or borrowed against it to get through the storm. But this housing market was pushed off a cliff, the credit markets froze almost overnight, prices fell through the floor and fast. People losing homes today bear no resemblance to the foreclosures of the last 50 years... no resemblance whatsoever.

So, maybe our entire system, including the inadequate and fraudulent documentation, and the incredibly uncaring and incompetent treatment of the homeowners involved... maybe it's happening because we haven't stopped to realize that although today we have foreclosures and years ago we had foreclosures... they really shouldn't be called the same thing because they're not the same thing. In fact, they're so different they shouldn't share the same moniker.

Maybe we should call today's foreclosures, fraudclosures... I mean, like all the time... like as in someone call Webster's. Maybe if our society understood the substantive nature of the distinction, things would improve... no? I think maybe yes. Like, do the bankers think that today we're just having more of the same foreclosures we had years ago... same thing... just more of them? Because that's not the case.

Because in the days before this crisis, you'd never modify a loan... the person who went into foreclosure wasn't a person that anyone would ever consider modifying a loan for, because by the time they went into foreclosure there was no hope for anything but repossession and after that, of course, liquidation was a certainty. That's not a description of today's situation.

Look, what happened to this couple... is it not the kind of thing that you might expect to happen in some totalitarian regime?

So, why is that okay with even one single American? We treat criminals better than this. But today's homeowners aren't losing homes for the same reasons as before, they're not deadbeats, they're victims. And something has to be done to change this, because as sure as I'm sitting here, what's happening is going to end badly and I fear, violently. People are going to get hurt... I don't know how, when or where... but no way does this just keep going and everyone's okay.

Chase's conduct was so offensive that a highly experienced trial attorney agreed to take their case.

A complaint will be filed on Tuesday in Orange County Superior court seeking compensatory and punitive damages.

The couple's lawyer would later ask a McCarthy Holthus lawyer about the apparent preference for coercion and intimidation, and she basically replied by saying, "Hey, look... I'm not their lawyer, I'm the bank's lawyer. If they wanted a lawyer they should have had their own." My words, not hers... but that's what she was saying.

No, I'm sorry McCarthy Holthus... on that point you're entirely wrong. I mean, everyone know you don't need to pay a lawyer when you're applying for a loan modification... just ask the California State Bar, the Attorney General's office... President Obama... come on... everyone knows that.

Mandelman out.

P.S. Hey bloggers... Facebookers... please help me get the word out on this... post, repost, tweet, re-tweet. I'm hoping Chase sees this and stops the eviction... otherwise this couple could be fighting this from a homeless shelter. We can't save everybody, so let's save one at a time.

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