

## Signatures call some Treasure Coast foreclosures into question

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Palm City resident Denise Hoopes and Lori Silverthorn, of Fort Pierce, don't know each other, but their homes share something in common.

Despite having different lenders, their foreclosure documents were signed by Linda Green and Tywana Thomas — names that have ignited a national firestorm over alleged fraudulent foreclosure paperwork. The developments have prompted a self-imposed foreclosure moratorium by some banks and a statewide investigation into the Florida firm that prepared foreclosure documents on behalf of dozens of lenders.

Experts say the investigation and moratorium could have immeasurable repercussions on the housing market and overall economy.

"When bank-owned properties sell, Realtors make commissions, title companies have business, real estate taxes get paid and construction jobs are created by rehabilitating homes," said Adam Preuss, president of the Realtor Association of Indian River County and owner of Adam Preuss Property Appraisal Inc. "The foreclosure freeze has a domino effect, which is further delaying the economic recovery."

Other say foreclosures and short sales will take a major hit.

"Certainly it's going to make buyers more hesitant to make an offer on a foreclosed property," said Sean Snaith, director of University of Central Florida's Institute of Economic Competitiveness. "Owner-occupied units may have a slight edge at this point because you know who owns the title."

The revelations have caused the cancellation of hundreds of foreclosure cases in Martin, St. Lucie and Indian River counties.

Thomas Genung, trial court administrator for the 19th Judicial Circuit, said about 290 foreclosure cases have been canceled in St. Lucie County alone since early October. He estimates another 120 cases have been canceled by lenders in Indian River and Martin counties during that time.

"We won't be able to address the backlog of cases," Genung said. "When you put a stop to these cases, it creates a problem because you're not moving forward. And without the proper documentation, it creates more litigation down the road."

Hobe Sound attorney W. Trent Steele has been litigating the foreclosures of Hoopes and Silverthorn for more than a year now. He noticed the names of Linda Green and Tywana Thomas on his client's foreclosure paperwork in 2009.

"It wasn't one of the light bulb comes on kind of moments. It was a continual state of disbelief," said Steele, who forwarded the documents to Florida's attorney general. "I kept saying to myself, there's got to be a logical explanation for this. The banks just don't do this kind of thing."

That disbelief was shared by both his clients when he told them of his findings.

"At first I thought, is this really happening to me," said Silverthorn, a lifelong Fort Pierce resident. "Then I realized why I was having these problems with American Home Mortgage Servicing."

Hoopes said she's tried in vain to work out a modification with Deutsche Bank, which is claiming to own her mortgage after it was sold and transferred to several different financial establishments. She hopes the new revelations surrounding foreclosure practices will assist her when she goes to mediation at the courts on Oct. 28.

"When I started to ask about who owns the title to our mortgage, we were told in a letter that they regret the documentation is not available because it was involved in a fire," said Hoopes, who refinanced her home in 2006. "That's when we started to open this ball of wax, last summer. That's when I had an inclination something was really wrong."

The foreclosure documents belonging to Hoopes and Silverthorn were prepared by DocX, a subsidiary of Jacksonville-based Lender Processing Service, Inc., which provides foreclosure services to countless banks and lenders. The company was subpoenaed by Florida Attorney General Bill McCollum last week as part of an investigation into improper foreclosure documentation. Steele had turned over his client's documentations to McCollum before the subpoena.

McCollum spokeswoman Ryan Wiggins said the office received multiple complaints that the company's foreclosure "signatures appear to be forged or faked."

"Subpoenas were issued because we are investigating them and questioning the validity of the documents they produce," said Wiggins about the open investigation. "At this time we cannot disclose ... details as they are part of the investigation."

Michelle Kersch, spokeswoman for Lender Processing Services Inc., declined to comment.

Steele said the varying signatures of Linda Green and Tywana Thomas are listed on dozens of foreclosure documents from large banks where both women signed under various executive titles.

"How can Linda Green be vice president at different banks at the same time?" Steele said.

The discoveries rocked the foundation of nationwide mortgage lenders and may now

call into question the validity of past foreclosures that have already received a final judgment by the courts.

Steele said it's possible some closed foreclosure cases may be re-examined if individuals can prove their documents contain blatant fraud.

"What I am hopeful will happen is that the banks stop taking the attitude that there is nothing to negotiate, as far as giving people meaningful modifications. Especially in cases where fraud is discovered," Steele said. "My clients aren't looking for a free ride. All they ever wanted was for the banks to sit down and try and work something out with them so they can keep their homes."



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