
CALIFORNIA MONITOR

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PRESS RELEASE

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California Monitor Issues First Report as National Mortgage Settlement Takes Full Effect

IRVINE, Calif. (Oct. 2, 2012)—The California Monitor reports that under a settlement of national litigation over mortgage abuses by five major banks, the number of complaints of dual tracking in California is falling as the Oct. 3 deadline to end the practice nears.

Prof. Katherine Porter, appointed California Monitor by Attorney General Kamala D. Harris, states that she received twice as many California homeowner complaints about dual tracking in August than in September. Dual tracking is the practice in which banks pursue mortgage foreclosure even as a homeowner actively seeks a loan modification.

“Restricting dual tracking is at the heart of the Settlement’s new rules to give families who have fallen on hard times a fair chance to keep their homes,” said Porter, a professor at UC Irvine School of Law and director of the UCI Law Consumer Protection Clinic, which helps monitor the Settlement. “My staff and I are working hard every day to ensure that every family struggling to avoid foreclosure has a square shot at keeping its home.”

Under the Settlement, the country’s five largest mortgage servicers—Bank of America, Wells Fargo, JPMorgan Chase, Citibank, and Ally/GMAC—had six months to implement new servicing reforms, including dual tracking restrictions. Porter was appointed California Monitor to ensure the banks meet their obligations within the state. Today, the Monitor issued the first of what will be monthly reports on the Settlement’s progress: “Waiting for Change: Dual Tracking and Home Foreclosure.” The full report is available at www.californiamonitor.org.

Monitor Report by the Numbers:

- Since March, the California Monitor has received 1,482 complaints and inquiries from California homeowners. Of these, at least 224 complaints were about dual tracking.
- The number of dual tracking complaints received from California homeowners rose steadily to 59 in August, then fell to 29 in September.
- At least 130,000 California families were in the foreclosure process when the Settlement protections against dual tracking were announced six months ago.
- To date, the Monitor Program has initiated more than 1,753 letters, emails or phone calls to Californians who have asked for help. The program has closed 373 cases after providing homeowners with information or assistance requested, or after getting a satisfactory response from the bank.

About the California Monitor Program: On March 16, 2012, Attorney General Kamala D. Harris appointed Prof. Katherine Porter to serve as independent California Monitor for the National Mortgage Settlement. As Monitor, Porter is charged with reaching out to homeowners, advocating on their behalf, and tracking the performance of lenders on their promises. The California Monitor Program is located at the University of California, Irvine School of Law. www.californiamonitor.org.