

**WHY BEG – WHEN YOU MAY HAVE THE LEGAL
RIGHT TO DEMAND?**



Law Offices of Steven C. Vondran

The 2 Step *Pre-Litigation* Loan Modification

**(Forensic File Audit - Demand to Legal
Department)**

CALL TODAY FOR COMPLETE DETAILS

(877) 276-5084

Are you late on your mortgage payments?

Is your ARM loan about to Adjust?

Not late on payments but see the iceberg up ahead?

Have an Option ARM or Negative Amortization Loan?

Feel like you were the victim of predatory lending?

Have a Law Firm Seek to Modify your Loan

What we do:

STEP ONE - FORENSIC LOAN AUDIT (Cost \$675 per File)

- (1) You send us two (2) complete copies of your mortgage loan file(s) along with the proposed loan modification you are seeking and the contact information for your lender(s).

Please check your loan file to ensure that the following loan documents are provided (we cannot finalize the audit without these *minimum required documents*):

- (a) Promissory note and any riders/addendums
- (b) Deed of Trust and riders
- (c) Initial Good Faith Estimate and Initial Truth in Lending Statement
- (d) Loan Application (1003)
- (e) Final HUD closing statement and Final Truth in Lending Statement
- (f) Truth in Lending Itemization of Amount financed
- (g) Any mortgage insurance premium / PMI information or certificates

NOTE: ALWAYS SEND US TWO COPIES OF YOUR ENTIRE LOAN FILE NOT JUST THE DOCUMENTS LISTED ABOVE!
If you have your loan file in a PDF format you only need to send us one copy of the file.

If you do not have a completed set with the minimum required documents you need to contact your loan broker, lender, or escrow company and request a complete copy of your loan documents.

Typical items we look for when conducting a forensic loan audit

- (1) Did each borrower or person with ownership interest get two copies of the Notice of Right to cancel with the Rescission date filled in? (Federal Truth in Lending requirement - TILA).**
- (2) Were the material TILA disclosures made, and were they accurate if made (APR, Finance Charge, Amount Financed, Total of Payments). If these disclosures were not or defective in nature, an extended three year right of rescission exists.**
- (3) Were the good faith estimate and preliminary truth in lending statements given to the borrower within 3 days of giving the loan application? (if not, a right to rescind may exist).**
- (4) Were advance fees improperly collected?**
- (5) Was the broker/loan officer properly licensed at all stages of the loan origination process?**
- (6) Was the ARM / Option ARM / Negative Amortization Loan accurately disclosed in the note and adjustable rate rider?**
- (7) In a non-purchase loan, did the borrower receive the required three day right to rescind?**
- (8) After the broker ran the credit, were the credit scores disclosed and factors affecting risk properly disclosed?**
- (9) Can the lender produce the promissory note and prove it has the right to collect the debt?**

- (10) Is the note clear and comprehensible (or do we have grounds to argue that a contract was never formed – that there could be no meeting of the minds)?**
- (11) Unfair Competition - If we find a violation of RESPA, Truth in Lending or HOEPA, or other law, do we have grounds to assert that the lender has engaged in unfair, deceptive and/or fraudulent business acts and practices and seek the imposition of a constructive trust forcing the lender to disgorge any ill-gotten gains or to seek an injunction?**
- (12) Were the loan documents properly signed, executed and notarized?**
- (13) Option Arms / Negam Loans: We will assert that these loans are predatory in nature and potentially unconscionable. The terms of the note and adjustable rate rider may conflict making it virtually impossible to properly disclose this in a truth in lending statement.**
- (14) Is the loan unconscionable and thus unenforceable?**
- (15) Was there any fraud, deceit or undue influence used against the elderly?**
- (16) If the lender targeted minority groups, were the contracts negotiated in the language of the borrower?**
- (17) Was there predatory underwriting on stated income loans (i.e. underwriter did not verify borrowers stated income via salary.com or in another manner as required by their internal policies - turning a blind eye and not following their own underwriting policies to get a loan done)**

(18) Were there excessive fees that Violate HOEPA? Or YSP fees that are predatory in nature that feathered the nest of the broker at the expense of the borrower?

(19) Was the borrower asked to sign conflicting disclosures or documents such as two different ARM disclosures or two different truth in lending statements that reflect two different APR's or Interest rates (evidencing potential bait and switch or loan fraud practices)?

(20) Were FICO scores and credit risk factors properly disclosed?

As you can see, we are closely scrutinizing the work of the lenders and holding their feet to the fire. They have rules they need to comply with, and they should be held accountable where their legal violations are uncovered.

STEP TWO - CONTACT THE LENDER TO DEMAND A LOAN MODIFICATION (Cost \$750 per file)

Assuming you want to move forward with this step (which normally means we have found legal errors in your file(s) although this is not absolutely required), we will contact your lender(s) by letter and by phone and make a demand for a *meaningful loan modification* which may include one or more of the following adjustments to your loan:

(a) Convert your ARM into a Fixed Rate

(b) Demand an Interest Only Payment Feature

(c) Demand Principal Reduction

(d) Seek to extend the term of your loan to achieve a reduced payment

- (e) Seek a reduction of the Interest rate
- (f) Seek a forbearance of late payments
- (g) Graduated Interest Rate - Payment program (ex. 3% for the 1st year, 4% for the second year, 5% for the third year etc.)
- (h) We demand all negative credit reporting be removed

We send our letters by Certified Mail directly to the Lender's Legal Department. We typically give them 10-14 days to respond to us.

If the lender grants our loan modification request, we review the final paperwork to ensure it comports with our agreement. In the event we are successful, our retainer agreement provides that we earn a \$1,000 successful transaction fee. *If we are successful the total cost for the modification is \$2,425 - which is still lower than most brokers and certainly lower than most other attorneys.*

If the lender submits a counter-offer we will negotiate with the Lender to fight for a fair deal for you.

THE BOTTOM LINE: With our 2 Step Pre-Litigation Loan Modification we seek to ESTABLISH YOUR LEGAL RIGHTS AND PUT THE LENDER ON NOTICE OF ANY POTENTIAL LEGAL CLAIMS THAT MAY EXIST AGAINST THEM AND FORCE THEM TO ASSESS THEIR LEGAL EXPOSURE. When we have completed our audit you will have a good idea where you stand for a very low cost. If there are no legal errors found in the loan file, you are not required to proceed to Step Two. If there are legal errors found, which in most cases there are, we can make the demand to the legal department to modify your loan. For the low cost of \$1,425 you can get your loan into the system and seek a modification that may allow you to keep your home and avoid foreclosure.

While no guarantees can be made as to whether or not we will be successful on your loan, (as every lender, investor, borrower and property are unique) we will do everything possible within the scope of our service to obtain a loan modification in the quickest possible time.

NOTE: If your lender(s) refuse to negotiate, we will discuss with you your remaining options which are typically the following:

- (1) Pursue a deed in lieu of foreclosure.**
- (2) Consider the Chapter 7 or Chapter 13 bankruptcy alternatives.**
- (3) Seek to list your house for a short-sale (or have someone assume your loan if possible).**
- (4) At this point, you could also submit your financials and a hardship package to the lender using the services of a licensed broker who has an advance fee agreement authorized by the California Department of Real Estate. Some Brokers may provide you a 100% money-back guarantee to pursue a loss mitigation hardship loan modification.**
- (5) We can discuss the H4H (Hope4Homeowners) Program**
- (6) We can discuss any other options that may exist at the time of the denial (note: due to the financial crisis new programs seem to emerge on a frequent basis - we will track these programs and advise you if something favorable has come up that may assist you in avoiding foreclosure)**

(7) We can discuss with you the litigation option (please note that we reserve the sole discretion whether or not we will ultimately accept your litigation case and/or file a lawsuit on your behalf and represent you in Court. In the event we do accept your case a separate retainer agreement outlining the fees and scope of services is required). We may also provide you a referral(s) to litigation lawyers in your area.

NOTE: WE DO NOT TAKE CASES THAT HAVE A NOTICE OF SALE DATE.

To start the process all you need to do is call (877) 276-5084 and ask for the *Two Step pre-litigation loan modification program*. We take Visa, MasterCard and American Express. Put a law firm to work for you. Send the message to the lenders that you are serious about asserting your rights.

CALL TODAY FOR COMPLETE DETAILS

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Benefits of having a law firm handle your loan modification

- We look to establish your legal rights through a mortgage loan audit and then negotiate. Brokers gather your financials and essentially make a *plea* to the lenders to modify your loans, (which often-times results in a loan forbearance that does little more than raise your monthly payments for a short term by tagging past due payments onto your loan balance). We seek meaningful loan modifications such as interest rate reductions, loan terms extensions, and/or principal loan balance reductions.

- **We send our correspondence directly to the legal department, NOT to the loss mitigation or collection department where the letter most likely will sit in a huge pile with other loans waiting for investor response (which often takes 60-90 days). We immediately take the case right to lender by pointing out potential legal errors we may find in the loan file and demand the meaningful loan modification.**
- **When the lender sees a legal letterhead, or hears an attorney calling, the effect is likely to be much different than when a broker calls on your behalf.**
- **Attorneys have the power to file lawsuits and lenders know this, as such, they may be more inclined to negotiate a favorable settlement or meaningful loan modification.**
- **Because we have "skin in the game" in regard to our \$1,000 contingency fee, you can be sure we are going to fight for you and obtain all we can on your behalf. We work very hard to find legal leverage that we can use to get the meaningful loan modifications we seek. Many brokers will take your money up front (often \$2-4,000) and they do not have much of an incentive to get you a meaningful loan modification. This is not to say there are not some very good brokers doing some great work but having attorney muscle may be the difference you need.**

- In addition, many brokerage companies in California do not have the appropriate and required advance fee agreement that they need in order to pursue loan modifications. Other brokers are taking advance fees from clients who have received a notice of default, which violates the California Foreclosure Consultant law. If these companies don't care about the rules and regulations in their own industry, why would you think they would care enough to serve you and your loan needs properly? If you are going to go the broker financial hardship route, please be sure to investigate your broker prior to giving them any money.

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Note: There are no guarantees, promises or representations made that a loan audit will reveal any of these loan compliance or legal errors. Every file is different. Attorney has no obligation to file any lawsuits or initiate any other legal proceedings following this service and/or following any loan audit. No promises are made contrary to this position.

**TO GET STARTED OR GET MORE INFORMATION CONTACT US
TODAY AT (877) 276-5084**



Steven C. Vondran, Esq.

Steve Vondran is licensed as an Attorney in California and Arizona and helps clients in these two states. He was a former loan officer and holds a real estate broker's license in California and Arizona.

Below are our two office locations.

California Clients

Address: 620 Newport Center Drive, Suite 1100, Newport Beach, Ca. 92660

Arizona Clients

Address: 2415 E. Camelback Road, Suite 700, Phoenix, Arizona 85016

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