

**DEPARTMENT OF
SAVINGS AND MORTGAGE LENDING**



**CUSTOMER SERVICE REPORT
JUNE 2016**

REPORT ON CUSTOMER SERVICE

COMPACT WITH TEXANS

The Department's Compact with Texans and appointed customer service representative are posted on the agency website (www.sml.texas.gov), along with the agency's mortgage hotline number (877) 276-5550.

CUSTOMERS INCLUDED IN SURVEY

- Thrift Industry – State chartered state savings banks
- Mortgage Industry – Licensed mortgage entities and individuals
- Consumer Complainants – Consumers served through the complaint and inquiry process

DESCRIPTION OF EXTERNAL CUSTOMERS AND THE SERVICES PROVIDED TO THEM

THRIFT INDUSTRY

SAFETY AND SOUNDNESS

A safe and sound thrift system helps ensure a stable economic environment for employers and jobs for their employees, while assuring a safe place for depositors' money and available credit for small business consumers and residential financing needs. The primary customer or beneficiary of the safety and soundness is the state of Texas, its citizens, borrowers, and depositors.

EXAMINATION AND SUPERVISION

There are two direct recipients or customers of examination and supervision, the FDIC and the regulated institutions. Additionally, there are indirect recipients such as attorneys, accountants and other staff who assist in preparing thrift applications. Thrift examiners conduct examinations jointly with the FDIC. It is important that the quality of the Department examination and supervision staff, their experience, training, and technological resources ensures the agency's ability to participate fully with the FDIC on examinations and provide efficient, timely and fair evaluation of applications. The Department has successfully met this challenge as evidenced by the success of the joint thrift examination and supervisory programs. The highest expectations must be met to maintain the state's role in the dual thrift system.

Quality examinations and supervision provide management and boards of directors with an independent look at their success in complying with state and federal statutes and regulations and operating a safe and sound financial institution, ultimately benefiting the institution's customers and shareholders. Burdensome or arbitrary requests for information, improper use of authority, or inconsistently applied statutes, regulations and procedures can inconvenience, disrupt, and even damage institutions. Accordingly, chief executive officers of institutions under the Department's jurisdiction are the customer constituency surveyed to monitor the Department's performance.

MORTGAGE INDUSTRY

REGULATION

Customers of the mortgage industry include all the diverse parties that participate in any way in the residential mortgage market and the secondary market for investment in such mortgages, and also the home-buying citizens of Texas seeking financing to buy real estate or refinance existing mortgage loans.

LICENSING AND EXAMINATIONS

Customers of the mortgage license and examination areas include the entities licensed or registered by the Department and consumers seeking mortgage financing. The customer base, home-buying citizens of Texas, is too broad to survey, so the Department focused its survey of customer satisfaction on a sampling of the licensed mortgage entities and individuals, who had recently gone through the licensing or examination process.

CONSUMER COMPLAINANTS

COMPLAINT AND INQUIRY PROCESS

The primary customers are consumers doing business with regulated entities or relying on their work. By enforcing the statutory experience and educational requirements and standards of conduct, the Department also serves mortgage bankers, lenders and investors, appraisers, title companies, surveyors, mortgage insurance companies, realtors, and federal agencies, such as Federal Housing Administration, Veterans Administration, and HUD. The customer base is too broad to survey, so the Department focused its survey on a sampling of complainants who had recently gone through the complaint process.

INFORMATION GATHERING METHODS, RESULTS AND SUMMARY ANALYSIS

The Department assesses its customer service through communication with its constituents. During the strategic planning process, the Department surveyed thrift institution CEOs, licensed mortgage entities and individuals, and persons filing complaints against regulated entities. The Department utilized an electronic survey. All responses were submitted anonymously. The data from the surveys reveals that a majority of customers are satisfied with the services the Department provides. The Department is proud of its reputation as a provider of quality regulation and service to its constituents.

The Department plans to improve the survey process by including questions that would give the costumers the opportunity to identify and suggest ways of improving our services. The Department would also consider expanding the surveyed number of customers in order to receive a better statistical representation of the customers' feedback.

One of the possible improvements that the Department has identified as a result of this assessment is to review and determine possible changes to the website that would improve our customers' experience.

THRIFT INDUSTRY

The link to the online survey was sent to twenty-seven or 100% of state chartered thrift institutions' chief executive officers and covered the full range of Department activities: examination, monitoring, enforcement and application processing. The response rate was 59%.

The state chartered thrift industry is a small population with a well-established regulatory program. Because transactions are few in number but complex, institution executives have substantial one-on-one communication with the commissioner, general counsel, examiners, and monitoring staff.

THRIFT CHIEF EXECUTIVE OFFICER SURVEY – 2016

<u>Questions</u>		<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Not Applicable/ No Answer</u>
Overall Department Performance						
1	Overall, I am satisfied with the effectiveness and responsiveness of the Department.	10	5	-	-	1
2	The staff is knowledgeable and able to answer my questions.	11	4	-	-	1
3	The staff is helpful, courteous, and responsive to requests.	12	3	-	-	1
4	The staff demonstrates a willingness to assist.	10	5	-	-	1
5	The staff is responsive to complaints and addresses them in a reasonable manner.	9	6	-	-	1
6	The website provides the information I need.	4	11	-	-	1
7	The website is easy to use and well organized.	4	10	1	-	1
8	The website contains clear and accurate information.	4	11	-	-	1
9	Telephones, letters and e-mails are answered within a reasonable period.	8	7	-	-	1
10	Responses to my questions or concerns meet my needs.	9	6	-	-	1
11	Information published by the Department is clear, thorough, accurate, and understandable.	6	9	-	-	1
12	Published materials, primarily bulletins and newsletters, meet my institution's needs.	9	9	-	-	1
Overall Composite Results		49.2%	44.1%	0.5%	0.0%	6.2%

<u>Questions</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Not Applicable/ No Answer</u>	
Examination and Supervision:						
13	The scope and goals for each examination are clearly communicated to management prior to the start of the examination.	9	5	1	-	1
14	Examiner requests for information are timely and reasonable.	7	7	1	-	1
15	Examiners conduct themselves professionally.	8	7	-	-	1
16	Examiner communication with management during the examination meets my needs.	7	8	-	-	1
17	Examiners are informed on current industry issues, adequately trained, and qualified.	8	6	1	-	1
18	Examiner findings and concerns are clearly communicated at exit meetings.	9	6	-	-	1
19	Examiner conclusions are well-supported.	6	8	1	-	1
20	Examiner recommendations are clear and reasonable in the circumstances.	5	8	2	-	1
21	Examination time frames are reasonable.	5	9	1	-	1
22	Reports of examination are consistent with findings discussed at exit meetings.	6	9	-	-	1
23	Reports of examination are received timely.	6	9	-	-	1
24	Supervisory action and correspondence is consistent with examination findings.	6	9	-	-	1
Examination & Supervision Composite Results		42.7%	47.4%	3.6%	0.0%	6.3%
Corporate Activities						
25	Correspondence with the Department regarding routine business matters is handled promptly and effectively.	7	8	-	-	1
26	Responses to my questions or requests for interpretation (written or verbal) of applicable statutes and regulations are timely and can be relied upon to be accurate.	6	9	-	-	1
27	My calls, e-mails, or letters are routed to the appropriate person.	7	8	-	-	1
28	If you have filed an application or requested supervisory approval for matters subject to regulatory discretion, answer the following:					
	a. The staff was accessible and provided helpful assistance in complying with requirements.	5	4	-	-	4
	b. Responses to my inquiries were timely, appropriate, and helpful.	5	4	-	-	4
	c. The process was efficient and professional.	5	4	-	-	4
	d. Requests for additional information are reasonable and appropriate.	5	4	-	-	4
Corporate Activities Composite Results		40.0%	41.0%	0.0%	0.0%	19.0%

Comments:

I enjoy working with the TDSML and believe they do a fine job. They are a good counterbalance to the sometimes (often) overbearing federal (FDIC) regulators. The TDSML does a good job of understanding the local banking markets in Texas.

The negative comments about examinations refer the examination information process. Exam items by the State are always late and do not allow sufficient time to complete those items requested. In addition, the amount of information requested is excessive.

We view the TDSML as a resource that we can't count on in a very timely, accurate, and professional manner. The TDSML staff is always very responsive to address any questions or concerns that we may have.

Department staff are extremely professional and responsive.

I absolutely think the TDSML and staff have been instrumental in the success of our bank. They are not afraid to have a relationship with the bank while maintaining their independence and professionalism. They are not afraid to call it like it is, good or bad. I have the utmost respect for everyone at the TDSML. They are a tremendous regulatory choice for banks in Texas and take great pride in regulating their banks.

Analysis of the Thrift Industry Survey

Overwhelming majority of the responding thrift chief executive officers “strongly agree” or “agree” that the Department’s overall performance, and the examination and supervision and corporate activities, in particular, are satisfactory. High ratings were received on the Department staff’s communication and professionalism.

MORTGAGE INDUSTRY

The population included all regulated mortgage entities that had received a full scope examination between September 1, 2015, and April 30, 2016, total of 324. The survey sample of 150 licensees was chosen using a random number generator. The response rate was 29%.

MORTGAGE INDUSTRY SURVEY – FY2016

	<u>Questions</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Not Applicable/ No Answer</u>
1	Overall, I am satisfied with the effectiveness and responsiveness of the Department.	21	19	-	4	-
2	The staff is accessible and provides helpful assistance in complying with licensing requirements.	24	17	1	2	-
3	The staff is knowledgeable and able to answer my questions.	26	15	3	-	-
4	The staff is helpful, courteous, and responsive to requests.	26	16	1	1	-
5	The staff demonstrates a willingness to assist.	26	16	2	-	-
6	The staff is responsive to complaints and addresses them in a reasonable manner.	17	17	1	1	8
7	The website provides the information I need.	10	25	4	2	3
8	The website is easy to use and well organized.	9	24	5	2	4
9	The website contains clear, up-to-date, and accurate information.	11	23	4	2	4
10	Telephones, letters, faxes, and e-mails are answered within a reasonable period.	16	22	3	2	1
11	Responses to my questions or concerns address my situation.	19	21	-	3	1
12	Information published by the Department is clear, thorough, accurate, and understandable.	15	24	1	4	-
Overall Composite Results		41.7%	45.3%	4.7%	4.4%	4.0%

		<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Not Applicable/ No Answer</u>
License Processing						
13	Requests for information were clear and timely.	18	22	1	2	1
14	My license was issued in a reasonable period after all required information was submitted.	15	23	1	2	3
15	The process was efficient and professional.	14	27	2	1	-
License Processing Composite Results		35.6%	54.5%	3.0%	3.8%	3.0%
Field Examination of Loan Files						
16	The scope and goals of the examination were clearly communicated prior to the start.	27	14	0	2	1
17	The examiners conducted themselves professionally, are informed on current industry issues, and adequately trained and qualified.	31	12	0	0	1
18	Examiner findings conclusions are well-supported and concerns are clearly communicated at exit meetings.	25	15	2	1	1
Field Examination Composite Results		46.4%	31.4%	7.2%	1.3%	13.7%

Comments:
A BIG SHOUT OUT TO ALL OF THE EMPLOYEES AT TEXAS DEPARTMENT OF SAVINGS AND MORTGAGLENDING. EVERY ONE IS VERY PROFESSIONAL!!!!!!!
You are destroying the mtg industry. All your rules, fines, endless compliance. You're killing PRODUCTIVITY, small businesses & jobs all over the country. This is why 93 MILLION AMERICANS are out of work. You're HURTING YOUR COUNTRY not helping it.
Always a pleasure dealing with the Texas Department of Savings and Mortgage Lending.
Information provided by the TSML is good information but changes in guidance are not always communicated/pushed out. It is incumbent on the licensee to monitor the TSML website for such information. This would be a reasonable expectation if mortgage origination was the only, or at least primary, business of the licensee but in our case it is not. Similar organizations such as Habitat for Humanity have been given passes on the licensing requirement. This same treatment should not stop with faith based organizations only. It should be available to all charitable 501 (c)(3) nonprofits.
I have been through 3 audits and all examiners were very professional.
As a start-up company, the clarity of expectations and the advice on avoiding future issues was well received and very helpful.
The overall process went very smoothly and the examiner was very helpful in helping us find ways to be better. The help is appreciated.
loved our auditor - very helpful
Thank you very much for everything. I am grateful for my Examiner; her extreme knowledge, professionalism and communication were the aspects which I appreciated most. I have no criticism of this process and am respectful due to the enormous responsibilities each of us carry.
Mrs. [REDACTED] was on time and did a professional job. She answered all my questions and explained the State's position on the issues she noted. I would say she does a very thorough job of auditing the

office and the files. I know that I can contact her at any time and she will respond to my questions.

Analysis of the Mortgage Industry Survey

Majority of the responding licensees “strongly agree” or “agree” that the Department’s overall performance, and the mortgage examination and licensing activities, in particular, are satisfactory. High ratings were received on the Department staff’s communication, professionalism and helpfulness.

CONSUMER COMPLAINTS

The population included all complaints originated by consumers who had provided an e-mail address and whose complaint had been resolved between September 1, 2015, and April 30, 2016, total of 417. The survey sample of 200 complaints was chosen using a random number generator. The overall response rate was 13.0%.

CONSUMER COMPLAINT SURVEY – FY2016

	<u>Questions</u>	<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	<u>Not Applicable/ No Answer</u>
1	Overall, I am satisfied with the effectiveness and responsiveness of the Department.	9	1	7	6	2
2	The staff was accessible and provided helpful assistance.	9	7	2	4	4
3	The staff was knowledgeable and able to answer my questions.	7	7	3	4	5
4	The staff was helpful, courteous, and responsive to requests.	7	6	5	3	5
5	The staff demonstrated a willingness to assist.	8	3	5	4	6
6	The website provided the information I need.	7	9	4	2	4
7	The website was easy to use and well organized.	6	11	3	2	4
8	The website contains clear and accurate information.	6	9	5	2	4
9	Telephones, letters, and e-mails were answered within a reasonable period.	8	8	4	4	2
10	Responses to my questions or concerns met my needs.	7	3	8	4	3
11	If the Department determined that your complaint was outside its jurisdiction or authority, was an explanation given or were other resources or sources of potential help provided? (Referred to another state or federal agency.)	Yes 6		No 7	-	13
12	Requests for information were clear and timely. Requests for information were clear and timely.	7	5	6	4	4
13	My complaint was resolved within a reasonable period after all required information was submitted.	8	1	5	10	2
14	The process was efficient and professional.	7	5	6	6	2
15	Did you use the Department's toll-free hotline?	Yes 13		No 12	-	1
16	If not, were you informed about the Department's toll-free hotline?	Yes 6		No 11	-	9
Overall Composite Results		29.2%	18.1%	22.5%	13.3%	16.9%

Comments:

My complaint was mishandled and the attention to the Mortgage Lender was preferred. The Mortgage Lender [REDACTED] mishandled all my needs and my complaint thru this agency was also mishandled and not investigated thoroughly.

I have not received any correspondence about the problem, except that you needed more information to determine the facts. I sent more information, and I have not heard anything. I and my attorney are still receiving harassment from [REDACTED], and [REDACTED] still acknowledge they have received my complaint, but nothing else.

I never received the reply from [REDACTED] of my complaint to you; However, my attorney did receive a copy of the reply letter that [REDACTED] sent to you, and I answered their faulty explanation to you.

I could use your help in establishing my claim.

Sincerely,

[REDACTED]

Please indicate what other information you need from me.

Mr. [REDACTED] went above and beyond my expectations. He literally put my life back on track with his helpfulness.

I was disappointed that I could not be helped with a complaint against a mortgage co.

When an email is sent on April 18, 2016, and no response was ever provided. We had to go directly to the [REDACTED] (May 5, 2016) to seek assistance in a little on the dysfunctional side.

they did nothing for me but took my money

The extent of my complaint should have definitely been handled in a different matter.. With all of the exposure of mortgage companies in the media over the last years... any claim of misconduct should be addressed immediately...

When I first submitted our problem with our mortgage company, [REDACTED], it was due to them not correcting the names of my husband and I on the loan after working with them for over two years. This caused complications with the IRS. Your office sent me a letter that they were going to look at our case and our names were not correct from your office either! I called and informed the lady that handled our case and she corrected it right away in a professional manner. Thank you for helping us resolving this issue.

I called the hotline and they never called back. I filled out the complaint form and the answer I received had nothing to do with my complaint. My complaint is against [REDACTED] Mortgage LLC out of Dallas, TX. They have been smearing my name, reputation and credit almost since they received my loan from [REDACTED]. My original loan was with [REDACTED]. [REDACTED] has sent me letters stating that I did not pay my property taxes from 2007 thru 2015. I sent them my records of checks for all the property taxes owed. They still are smearing me for no reason other than they want me to allow them to deduct the taxes from my account. That ain't gonna happen. I pay my own taxes because they are not accountable to pay them.

My Issue with [REDACTED] loan servicing, LLC and [REDACTED] mortgage have not been solved yet any these companies still destroying my life .especially [REDACTED] mortgage, reporting to credit bureaus I am late in making my mortgage payments, I need to find an attorney to file a lawsuit against both of these companies but since I don't have money to pay my lawyer I can't find anybody to help me, please help me to find a lawyer who is willing to work with me on these issues I do appreciate if you can help me, I need help.

Please forward my comments to the Board of Directors for their consideration and my reflection on their organization.

The state mandates that are established to provide protection on a macro level have failed on a micro level for me and my family.

I am a victim of predatory lending and the TDSML has turned its back on me and essentially thrown me and my family under the bus.

The TDSML has stated that my case file is outside of their jurisdiction and my reply is below.

Fox4 News did an investigative report back in October of 2015 to help build awareness to others that may be unsuspected victims of predatory appraisal and lending practices.

I did this report for the purpose of informing others of the unsuspected hardship they too could face as HOMESTEADERS of their property.

I also received letters from both the Texas Governor and Texas Lt Governor's office in approval of my proposed legislative solution for consideration in 2017.

<http://www.fox4news.com/news/44479780-story>

The TDSML office is tasked with providing "a fair process" for resolution and this has not happened in a balance and equitable manner in my case file.

After further review, it is my clear understanding that mortgages are DIRECTLY under the jurisdiction of the TDSML which is making me massively confused as to why the TDSML has not stepped forward to help me and has instead said that my case is outside of your "jurisdiction."

Additional due diligence on my part has revealed to me clear and present evidence supported by printed public record in black & white the various and MULTIPLE avenues in which the TDSML can and does help individuals and families that have fallen victim to predatory lending practices and deceptive mischaracterizations of assets represented in a residential mortgage contract.

From everything I am reading the TDSML has DIRECT authority over any and all state banking and lending institution.

██████████, from Florida is the company that stuck me with a fraudulent contract.

██████████ didn't just simply "go out of business," they were forced out of business by the Federal Bureau of Investigation for FRAUD!

Please explain how I am liable for a contract from a fraudulent company like ██████████ ██████████ that has saddled me with a fraudulent mortgage contract in their self-interest and pursuit of profits when this very service provider and originator of my mortgage contract was forced out of business by a raid from Federal Bureau of Investigations and the service provider that is enforcing this fraudulent contract is located in Dallas, Texas?

This makes absolutely no sense at all. The TDSML must explain this in laymen terms so that this subject can be understood, not just on my behalf, but for the benefit and understanding of countless

other unsuspecting Homestead property owners that rely upon the TDSML “because I said so” response for protection?

As a small business owner in the residential home furnishings market I am by no means a legal expert, but I have read public information and there must be some understanding as to why the TDSML has not chosen to enforce these mandates.

Has there been a directive that puts me outside the protection that I am afforded as a US citizen and registered Texas Homesteader?

My loan was insured by the FDIC, and Freddie Mac moved my loan from [REDACTED] just 8 days before the FBI raid. According to the bankruptcy attorney that represented the [REDACTED] closure, I would have been provided some level of coverage had Freddie Mac not directed my loan to be transferred from [REDACTED] just days prior to the FBI raid.

In addition, the jurisdiction of the TDSML makes any and all servicers that are currently handling my loan directly under the TDSML jurisdiction which would make [REDACTED] responsible for responding to your inquiries on the investigative findings from my case.

The TDSML was established to exercise authority and enforcement on behalf of the consumer. How has this been accomplished on my behalf and what inquiries have been done to ensure that my consumer rights have been safeguarded?

I am a legally registered Homestead property owner and the fraud that was committed on me and the contract that I have been burdened with have cost me over \$400,000 to date. As a family man that has just turned 50 this past September, I will never possibly be able to recover from the financial devastation that has been imposed upon me unless you intervene today. I have worked for the American dream home since I was a child and now, at the age of 50, after finally achieving my dream I will now live the rest of my life in a financial purgatory without your intervention and relief.

I NEVER asked to do business with a fraudulent Mortgage Service Provider, broker or real estate agent and along with [REDACTED] and [REDACTED], these parties have collectively ruined the financial stability of me and my family. Why has the TDSML not investigated these parties in any way?

In addition, I NEVER asked to do business with the Texas Appraisal Licensing and Certification board but according to Texas State Law I was FORCED to do business with members of this predatory organization on multiple occasions only because my CONSUMER purchase exceeded \$200,000 in value.

The fraud that was committed on me and my closing documents are NOT hearsay or unsubstantiated opinions by any means. This information is public record and on file with the Dallas Central Appraisal District (DCAD). This evidence is undeniable fact and proof for access to all that choose to investigate my claims. Has the TDSML investigated this proof on the public record and the tax burden that has been reduced as a result of the on-site investigation by the Chief and Head of the Residential Appraisal Division in Dallas?

I have supplied the original DCAD document that I relied upon to make my verbal offer of \$250,000. This was rejected by the sellers \$349,000 asking price and a contract was REQUIRED to appraise the value of the residential asset. I relied upon the findings of this report to honor the

contract that I signed including the mortgage documents that committed me to this toxic asset.

Both the TDSML are charged with authority to enforce mortgage loan compliance. I presented my case to the TDSML in 2012 and I have continued to diligently supply the TDSML with supporting documentation since that date and not once have I received a phone call or e-mail from the TDSML to investigate or inquire directly with me on these complaints.

Rulemaking for the TDSML relates “to unfair or deceptive acts or practices regarding mortgage loans, which may include unfair or deceptive acts or practices.” This statement alone puts the TDSML directly within the jurisdictional aspects of my complaint.

The open DTPA violations committed in my residential mortgage have been documented and confirmed by not just the Dallas Central Appraisal District but by numerous other certified mortgage professionals. The appraisers had not one, but two clear opportunities to reveal deficiencies in the appraisal of my purchase and they intentionally misrepresented the property for self-serving profits in order to entice me into endorsing a contract I would NEVER have signed had this appraisal been completed in a lawful manner. Oversight by [REDACTED] was conducted in the same negligent manner by not requiring a floor plan in support of the property description.

The very contract I signed allows me to back out of the agreement should the property not appraise for the contract price and I was denied this basic consumer right to a fair and impartial evaluation.

There are MULTIPLE agencies that the TDSML can and does collaborate with on both a Federal and State level to enforce rules and address DTPA violations. Has this been done on my behalf in ANY way? The only correspondence I have received from the TDSML are referrals to other agencies for help.

The Texas Attorney General has also refused to hear my case without the TDSML direct involvement and both agencies were established to safeguard my rights. Has the TDSML reached out to the Texas Attorney General’s office to inquire about any evidence or complaints that may have been submitted?

I have been informed that there are recovery funds to assist in the damages that have been inflicted upon me and I have been offered zero access. These funds are paid into by tax payers like me and my family for the sole purpose of assisting in this exact type of loss.

As previously mentioned, I am not a legal expert so please help me understand the following federal enforcement procedure:

“CIVIL PENALTIES IN FEDERAL TRADE COMMISSION ENFORCEMENT ACTIONS.—For purposes of enforcement by the Federal Trade Commission, any violation of a regulation issued by the Bureau pursuant to subsection (1)(2) shall be treated as a violation of a rule promulgated under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) regarding unfair or deceptive acts or practices.”

At the very least the parties responsible for enticing me into endorsing a toxic mortgage require investigation for possible civil penalties and the TDSML has the jurisdiction once again to enforce the Federal & State laws that mandate your agency to act upon documented violations.

As a consumer I was assured that I would be provided with a residential mortgage loan on terms that

are not unfair, deceptive or abusive. In good faith I relied upon the professionals that represented themselves in the entire residential mortgage transaction.

There are numerous laws and legislation surrounding the regulations that prohibit steering a consumer into a mortgage that has predatory characteristics or effects such as equity stripping which is clear and evident in the fact that my property will never be put on the market again as a 3 bedroom, 2.25 acre property. With my signature in 2007 the \$90,000 over appraised valuation of my property has not just stripped me of equity in my Homestead property, but it has also burdened me with excessive closing costs, taxes, insurance and my ability to improve the property or refinance.

The contract that I signed and the mortgage transaction that I endorsed is a mischaracterizing of the appraised value of the property and the credit that I secured for this asset has been tainted by the parties involved in protecting my rights as a consumer. The TDSML must intervene to ensure that not only I am made whole financially but that other consumers do not suffer from this needless waste of tax payers money and time.

The only loan assistance that I have been provided from [REDACTED] have been in the form of a "Short Sale" or an extension on the term of my mortgage with additional interest expense to me and increased profits to the holders of this toxic mortgage. Both of these options saddle me with additional expense and further economic loss for this mischaracterized asset. The TDSML has policy that protect me from this additional economic loss and I require the protection of the TDSML and the Consumer Response Team NOW, not tomorrow.

By not intervening in the residential mortgage that I endorsed the TDSML is endorsing the continuation of economic losses to be paid towards an asset that is negatively amortized. This fact alone requires your intervention and is within your direct jurisdiction.

The terms "functional obsolescence," and "diminished site utility" are trade definitions of which no citizen or Texas resident would recognize unless they are directly involved or associated with the appraisal profession. As I am unfamiliar with the "anti-deficiency law," it is unclear why not a single service provider that has handled my mortgage since these trade definitions were brought to their attention never provided me with notice that certify their awareness and acknowledgment for me to continually endorse and pay for as a toxic asset.

The damage that was done on me was disclosed and discovered by in 2010 by [REDACTED] from [REDACTED] Appraisals. The application of the "Discovery Rule" for negligence discovered after a statute of limitations has expired was the court precedent that I sought through the judicial channels.

The attached DCAD document was presented to my attorney yet he chosen not included this vital evidence in the negligence suit. For this reason, the courts were denied the factual property description on file with the city of Dallas and the testimony became hearsay.

I filed complaints with the TDSML in 2012 well within the allowable 3 years statute of limitations from the date of discovery and it has taken until 2016 to get an interview with the TDSML on the specifics of my complaint.

The TDSML was established to protect the consumer rights that I brought to your attention back in 2012 and I have continuously reached out and sent letters to your agency for support from that day forward. Why the TDSML has chosen to turn their back on me during since 2012 and throughout

the judicial process when I asked for your Amicus support and intervention is further evidence of the continued negligence on behalf of the professionals that I have relied upon since the day I sought to make a residential consumer purchase.

During the judicial process the attached document was provided by the mortgage broker stating that a second appraisal was recommended and would likely yield a lower appraised value yet this function was never performed and I was never informed of this consideration prior to receiving the delayed appraisal report. If my interests were represented in the professional manner in which I paid for, then the option of a second appraisal should have been provided to me prior to closing. This NEVER HAPPENED and indeed there is testimony on file stating that the real estate agent told me that one appraisal is as good as any other and NOT required. This is documented as well.

At NO time during this process was I advised by my real estate agent, mortgage broker, lender or appraisers to:

- (1) Consider additional, appropriate property information, including the consideration of additional comparable properties to make or support their appraisal. ‘
- (2) Provide further detail, substantiation, or explanation for the appraiser’s value conclusion.
- (3) Correct errors in the appraisal report.

When I was first informed of the negligence that was performed on my residential mortgage I reached out not only to the TDSML but also the TALCB without knowing this was a channel that the TDSML would provide support with.

“Any mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person involved in a real estate transaction involving an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer who has a reasonable basis to believe an appraiser is failing to comply with the Uniform Standards of Professional Appraisal Practice, is violating applicable laws, or is otherwise engaging in unethical or unprofessional conduct, shall refer the matter to the applicable State appraiser certifying and licensing agency.”

Multiple agencies and professionals were informed of this hardship and not a single agency stepped forward on my behalf to engage the TALCB on the enforcement of federal and state law. As a result the offending appraisers were each given a “Non-Disciplinary Warning” and 4 hours of “Mentorship.” These parties ruined the economic freedom I have built since first obtaining a social security number and at the age of 50 I will am being forced to live in this purgatory for the remainder of my life and these gentlemen received “Fellowship” / “Mentorship” and inconvenienced for a solid four hours for this predatory devastation.

How can this be fair and equitable enforcement from a federal, state ethical standard?

I have sent countless letters to my service provider and all party’s concerned since 2010 requesting a reasonable due diligence be performed to determine if the appraisal did or did not materially misstate or misrepresent the value of my property and I have been denied this basic service.

In my pursuit of equitable and fair treatment I have contacted the Comptroller of the Currency, the CFRB, the Federal Trade Commission and the Federal Housing Finance Agency to bring awareness

to the violations that were committed on my consumer transaction and the TDSML clearly has the ability to collaborate with all of these agencies on my behalf yet my case file has revealed such an undiscoverable predatory act that all agencies are waiting to receive the endorsement before acting on my behalf. Where are you and why is the TDSML not representing my interests as an unknowing consumer?

The Appraisal Subcommittee has been informed of the negligence committed by the offending appraisers as well as the lack of enforcement by the TALCB and despite receiving multiple complaint letters against the appraisers and appraisal management company the investigation and enforcement of my complaint has yet to be addressed by the TDSML.

On a national level, The Appraisal Subcommittee and Appraisal Foundation do not support negligent appraisers that hide behind contract of duty and the statute of limitations and the TDSML is mandated to also follow this federal guideline.

Both the TDSML and the Appraisal Subcommittee have the authority to follow up on complaint referrals in order to determine the status of the resolution of the complaint yet this basic service has also been denied to me and my family.

I thank you once again for reviewing the my material and scheduling an additional conference call to find closure to this case file.

Respectfully,

████████████████████

████████████████████ LANE

DALLAS, TX ██████

████████████████████

Provided useful information

The SML was on the side of the company. I am not sure how much I owe these companies that were collection agencies for a loan from ██████ for \$24,000. they were asking \$47,000. I have used 4 different attorneys and it took an attorney from legal aid to get the \$47,000 to \$14,000.

I do not feel like the seriousness of my complaint was fully understood or addressed with the loan processing company.

The agent I worked with was extremely understanding, supportive, and helpful. they refused to investigate this fraud.

The state did Great. My Mortgage company on the other hand still sucked. They have however transferred my mortgage back to the original servicer

No he recibido ningún tipo de ayuda, la compañía tiene toda mi información desde hace 16 meses y no resuelven nada a pesar de que esta (Translation by Department staff: "I have received no help from the company, they've had all my information for 16 months now and nothing is resolved")

A large portion of the responding consumers “strongly agree” or “agree” that the Department’s overall performance, and the consumer complaints activities, in particular, is satisfactory. High ratings were received on the Department staff’s accessibility and willingness to assist.