

National mortgage settlement details finally revealed over a month after settlement was first announced

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Details of the February 9 national mortgage settlement have finally been filed in federal court in Washington.

Over a month after terms of the settlement “in principle” were announced, the U.S. Justice Department put the proposed language of the consent agreements with America’s five largest loan-servicing banks in the lap of the U.S. District Court for the District of Columbia.

The court documents can be downloaded here:

“The court documents filed today,” said the U.S. Department of Justice in a press release, “provide detailed new servicing standards that the mortgage servicers will be required to implement. These standards will prevent foreclosure abuses of the past, such as robo-signing, improper documentation and lost paperwork, and create new consumer protections.”

For agreeing to the new servicing standards, the banks are to receive broad new protection from state and federal government civil prosecution for various forms of “misconduct” that “resulted in the issuance of improper mortgages, premature and unauthorized foreclosures, violation of service members’ and other homeowners’ rights and protections, the use of false and deceptive affidavits and other documents, and the waste and abuse of taxpayer funds.”