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Register refuses to accept 'robo-signed' documents

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SALEM — John O'Brien is a man on a mission.

The South Essex register of deeds, who has been on a crusade to hold major banks accountable for their role in the home mortgage crisis, is now turning his attention to what he and others say are forged mortgage documents being pumped out by lenders seeking to back up foreclosures.

Yesterday, he refused to accept two documents purportedly signed by "Linda Green" — a name that appears on nearly 300 other mortgage documents already on file at the South Essex registry and on thousands of other mortgage documents being filed around the country.

The documents are what have been referred to as "robo-signed" — generated by a Georgia-based company called Docx.

O'Brien and other registers say that Docx was set up by the banking industry to create documentation after homeowners whose mortgages were being foreclosed began going to court demanding proof that the bank seeking to foreclose on them actually owned the mortgage.

It's a situation that stems from another move by the banking and mortgage industry — the creation of a company called "Mortgage Electronic Registration Systems," or MERS, to electronically keep track of millions of home mortgages.

Banks and lenders used MERS to avoid the cost of filing paperwork at county land registries all over the country as mortgages were bundled, bought and sold. When banks started being challenged in court as to their ownership of the mortgages, they had to find a way to generate paperwork.

O'Brien said Docx stepped in, using a staff of low-wage employees, including one named Linda Green, to sign the documents (not a robot, as the nickname might suggest).

"My registry will not be a knowing participant in this fraud against homeowners," O'Brien said in a statement. "From today forward, lenders be on notice, the Southern Essex District Registry of Deeds will not record robo-signed documents."

O'Brien recently began looking for documents signed by "Linda Green" and two others, "Korell Harp" and "Linda Burton," after seeing a story on "60 Minutes." He found 274 "signed" by Green, in 22 different types of handwriting. He also saw signatures from two other robo-signers, Korell Harp and Linda Burton.

He's still looking.

"I find this practice very troubling on many levels," O'Brien said. "It has completely jaded my understanding that a notarized document was something that could be relied upon."

Beyond that, however, O'Brien said he doesn't want to be a party to fraud and potentially put the registry in violation of a new state law.

That law took effect last August and makes it a crime to file and record any document that contains false information with a register of deeds.

"To do so would make me a willing participant in a continuing scheme which has corrupted the chain of title of thousands of Essex County property owners," O'Brien said.

O'Brien, who is the first register in the state to refuse the robo-signed documents, will be speaking about his campaign to a statewide meeting of land registers in Worcester and at the National Association of Registers conference in Atlantic City later this month.

To check your deed

Homeowners can check with the Salem registry of deeds at salemdeeds.com or by calling 978-542-1704 to find out if there are any "robo-signed" documents filed in connection with their property.