

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA**

Nichole Williams, and
Johnson Sendolo,

Civil: 09 CV 1959 ADM/JJB

Plaintiffs,

vs.

Timothy F. Geithner, as United States Secretary of the Treasury,

U.S. Department of the Treasury,

The Federal Housing Finance Agency, as conservator
For the Federal National Mortgage Association, d/b/a Fannie Mae
and the Federal Home Loan Mortgage Corporation d/b/a Freddie Mac,

The Federal National Mortgage Association, d/b/a Fannie Mae, and

The Federal Home Loan Mortgage Corporation d/b/a Freddie Mac,

Defendants.

AFFIDAVIT OF NICHOLE WILLIAMS

Nichole Williams, being first duly sworn, states as follows:

1. My name is Nichole Williams, and I live at 9129 Maryland Avenue North, Brooklyn Park, MN 55445 with my two daughters, ages 15 and 20. 9129 Maryland Avenue North is my primary residence.

2. In 2004, I purchased my first home, and in 2005 I refinanced into another loan product.

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3. Before attending the 2005 closing, I thought I would get a one 30-year, fixed-rate mortgage. However, at the last minute, the broker used a typical "bait and switch" technique to pressure me into signing an "80/20 loan."

4. The first mortgage is serviced by Homecomings, a GMAC Company for approximately \$232,000 and it was a three year Adjustable Rate Mortgage ("ARM").

5. The second mortgage is serviced by HSBC, for about \$58,000 and it was a fixed rate loan.

6. Subsequently, I experienced financial hardships. On June 20, 2007, I lost my job, and was unemployed for six months.

7. As a result of my job loss, I fell behind on my mortgage payments.

8. In December 2007, I began working again as a legal assistant.

9. In January 2008, I received a loan modification. I began making payments on this loan modification.

10. Later, in April 2008, my child support payments stopped. I fell behind on my payments again.

11. In July 2008, I sought another loan modification from Homecomings. In August 2008, I received an offer for a loan modification.

12. The loan modification stated that I would make two regular monthly payments and then a payment of \$10,000. When I told the Homecomings' representative, Nefertiti, that I would not be able to make a payment of \$10,000, she stated that they would complete the final loan modification in two months, thus there was no need to make the \$10,000 payment. She also told me I needed to sign the loan modification before they revoked it.

13. I made the two regular payments, but did not complete the loan modification trial period, because Homecomings claimed I needed to pay an additional \$10,000 to become current. Homecomings denied stating that I would not need to make the final \$10,000 payment.

14. I then contacted Daniel Parks, a mortgage counselor with Community Action Partnership of Suburban Hennepin County.

15. In October 2008, we contacted Homecomings together. A representative from Homecomings stated that I misunderstood, and I just needed to mail in one regular monthly payment for October. I sent in this one regular payment. I later received a letter stating that the modification would not be finalized.

16. In November 2008, I was told that in order to stop foreclosure proceedings, I needed to submit a sum equal to three regular monthly payments. I called back and was told that instead of three monthly payments, I had to only submit two and a half monthly payments. In order to do this, I emptied out my 401(k) and mailed Homecomings the equivalent of two and a half monthly payments. I was then told to wait for Homecomings to get in touch with me.

17. Even though I was told by Homecomings that I did not need to make a December payment, I made a December payment. As a result of this, I found out my file was sent to Shapiro, Nordmeyer and Zielke, a local foreclosure law firm. My file was sent to this law firm to initiate foreclosure proceedings.

18. Again, in February 2009, I received a third offer for a loan modification. The trial period was to start in March 2009. The trial period was to end in May 2009. I was told this would be a HAMP loan modification. I was even told to go on-line and fill out HAMP-specific paperwork. I filled out all necessary paperwork and sent it in.

19. This third loan modification stated that I would make three monthly payments of \$1,592.06, and at the end of the trial period, Homecomings would review my situation to determine the best option for resolving the remaining delinquency.

20. I made the two regular payments, but I was told I breached the modification agreement, because my home was not properly insured. I had the home insured at all times relevant to the loan modification.

21. Homecomings told me they had an appraisal done on the property on June 18, 2009. The appraisal said the fair market value of the property was \$182,000. Homecomings refused to give me a copy of the appraisal when I asked.

22. I continued working with Daniel Park at CAPSH, and we faxed, emailed, and orally by telephone requested a HAMP modification. A Homecomings representative, Greta McKenzie, orally told me on the phone that I would get the HAMP modification, which included a 30 year fixed mortgage in May 2009.

23. Then, on June 16, 2009, Homecomings offered me a forth loan modification. But, it wasn't the HAMP modification and it wasn't the terms that Greta had said were available through HAMP. This offer was similar to the previous offers made to me. Namely, it required that I make three monthly payments of \$1,582.21, and then they would decide how to deal with my delinquency.

24. \$1,582.21 is approximately 37% of my gross monthly income. The June 16, 2009 loan modification offer also did not provide for a permanent loan modification at the successful completion of the trial period.

25. When I got it the first thing I did was called Greta McKenzie and Philip Traylor at Homecomings. Greta initially didn't return my call. I also sent her multiple emails. Then when

I finally spoke to her she denied any knowledge of the agreement and said she would talk to Philip and get back to me. She never got back to me.

26. I also tried to contact Philip Traylor multiple times, and he never returned my phone calls.

27. To date, I have not been formerly offered a HAMP loan modification.

28. I am eligible for a HAMP loan modification, based on the five criteria stated on the Making Home Affordable Website:

- A. The mortgage loans at issue relate to my primary residence;
- B. The amount I owe on my first mortgage is less than \$729,750;
- C. I am having trouble making my mortgage payments and I am delinquent;
- D. I got my mortgage loan prior to January 1, 2009; and
- E. My mortgage loan payment is more than 31% of my income.

24. My current salary is approximately \$52,000 per year. A monthly payment of 31% of my gross monthly salary would be approximately \$1,343.33.

25. I do not have the funds needed to become current on my mortgage. I am fearful that Homecomings will initiate foreclosure proceedings on my house even though I am eligible for HAMP.

FURTHER YOUR AFFIANT SAITH NOT

Dated: July 27, 2009



Nichole Williams

Subscribed and sworn to before me
This 27th day of July 2009.


Notary Public

