

Foreclosure is Preferred Choice for Banks to Quiet Title

In the Page entitled "Foreclosure Profits Deter Loan Mod" last week I suggested three possible motivators for banks to foreclose in preference to short sale or loan modification. Then I went to a seminar by attorney Michael T. Pines and another light bulb lit up brightly. Given the muddled situation with respect to rights and interests in loans that have undergone the securitization process, foreclosure is the quickest way to clean up the mess and consolidate profits with clear title to the asset underlying the mountain of paperwork. After all, the home is the only thing of real value in all this. In addition, the trail back to ill begotten profits that were pocketed during the course of previous loan cycling is erased and there's a clear slate for renewed pillaging of the home when it gets back into the marketplace.