

After ongoing INVESTIGATIONS: Lender Processing Services (LPS) closed the offices of its subsidiary, Docx, LLC, in Alpharetta, Georgia

**American Home Mortgage Servicing
Deutsche Bank National Trust Company
Docx, LLC
Lender Processing Services**

Action Date: April 13, 2010

Location: Jacksonville, FL

On April 12, 2010, Lender Processing Services closed the offices of its subsidiary, Docx, LLC, in Alpharetta, Georgia. That office was responsible for pumping out **over a million mortgage assignments in the last two years so that banks could foreclose on residential real estate**. The law firms handling the foreclosures were retained and largely controlled by Lender Processing Services, according to a Sanctions Order entered by U.S. Bankruptcy Judge Diane Weiss Sigmund (In re Niles C. Taylor, EDPA, Case 07-15385-sr, Doc. 193). Lender Processing Services, the largest “default management services company” in the country, has already made at least partial admissions that **there were faults in the documents** produced by the Docx office – although **courts and homeowners were never notified**. According to Lender Processing Services, over 50 major banks use their default management services. The banks that especially need the services provided by Lender Processing Services **include Deutsche Bank, Citibank, Wells Fargo and U.S. Bank, acting as trustees for mortgage-backed securitized trusts**. **These trusts, in the rush to securitize mortgages and sell them to investors, often ignored the critical step of obtaining mortgage assignments from the original lenders to the securities companies to the trusts. Now, years later, when the companies “servicing” the trusts need to foreclose, they retain Lender Processing Services to draft the missing documents. The mortgage servicers, including American Home Mortgage Services, Saxon Mortgage Services, and American Servicing Company, never disclose that the trusts are missing essential documents – they just rely on Lender Processing Services to “fix” the problems. Although the Alpharetta office has been closed, Lender Processing Services continues to mass produce “replacement” assignments from its Jacksonville, Florida, and Dakota County, Minnesota offices. Law firms retained by Lender Processing Services also often use their own employees, posing as officer of Mortgage Electronic Registration Systems, to produce the needed Assignments. Since the vast majority of homeowners do not retain counsel in foreclosure proceedings, this flawed system has worked very effectively for the last few years, with courts all over the country rarely questioning why so many mortgage companies had officers in Alpharetta, Georgia, or why Trusts that closed in 2005 and 2006 were just obtaining Mortgage Assignments in 2009 and 2010.** Most courts never even questioned why companies long-dissolved, such as Option One, could still be executing documents years after the dissolution. While the closing of the Alpharetta office may be a sign that these fraudulent activities will finally be exposed and addressed, for the time being, it is just a matter of an unsatisfactory end of one small facet of an enormous and far-reaching problem.