

IN THE MATTER OF RESIDENTIAL MORTGAGE
FORECLOSURE PLEADING AND DOCUMENT
IRREGULARITIES

Administrative Order 01-2010
Docket # F-238-11

CLOSURE OF DECEMBER 20, 2010
ADMINISTRATIVE ORDER DIRECTING
SUBMISSION OF INFORMATION FROM
RESIDENTIAL MORTGAGE FORECLOSURE
PLAINTIFFS CONCERNING THEIR DOCUMENT
EXECUTION PRACTICES TO A SPECIAL
MASTER

To: Foreclosure Plaintiffs Filing 200 or more residential mortgage
foreclosure actions in 2010:

AURORA LOAN SERVICES
BANK OF NEW YORK MELLON
BAYVIEW LOAN SERVICING, LLC
BENEFICIAL NEW JERSEY
DEUTSCHE BANK, N.A.
FEDERAL HOME LOAN MORTGAGE
FEDERAL NATIONAL MORTGAGE ASSOCIATION
HOUSEHOLD FINANCE CO
HSBC BANK USA, N.A.
HSBC MORTGAGE CORPORATION
HUDSON CITY SAVINGS
METLIFE HOME LOANS

MIDFIRST BANK
MORTGAGE ELECTRONIC REGISTRATION SYSTEM
NATIONSTAR MORTGAGE
NJ HOUSING & MORTGAGE FINANCE AGENCY
PHH MORTGAGE CORP
PNC BANK
SOVEREIGN BANK
SUNTRUST MORTGAGE INC.
TD BANK, N.A.
THE BANK OF NEW YORK
US BANK, N.A.
WACHOVIA BANK N.A.

Administrative Order 01-2010 was issued on December 20, 2010, and modified by Supplemental Administrative Order on January 31, 2011, in response to the request by the Chief Justice for an examination into residential mortgage foreclosure document preparation and filing practices, in order to protect the integrity of the process and ensure the veracity of filings with the court in foreclosure cases.

The operative provisions of Administrative Order 01-2010 provided *inter alia* that the twenty-four foreclosure plaintiffs that each filed 200 or more residential mortgage foreclosure actions in 2010 as identified in the caption were required to provide the

Special Master, Recall Judge Walter R. Barisonek, with certifications detailing their roles and the roles of their subsidiaries, servicers, and outsource firms in the foreclosure process and demonstrating affirmatively the absence of irregularities in their handling of residential mortgage foreclosure proceedings. Having found as to each respondent that the submitted documents are sufficient to establish that the institution has not engaged in irregular practices, the Special Master has entered dismissals in favor of each of the respondents, thereby allowing residential mortgage foreclosure actions involving those institutions to continue to be processed by the Superior Court Clerk's Office and the Office of Foreclosure in the normal course.

In a separate but related proceeding (In the Matter of Residential Mortgage Foreclosure Pleading and Document Irregularities, Docket No. F-59553-10), Judge Mary C. Jacobson, Presiding Judge of the General Equity Division, Mercer County, issued a December 20, 2010 order directing six lenders and service providers¹ that had been implicated in irregularities in connection with their handling of residential mortgage foreclosure matters to show cause why the processing of uncontested residential foreclosure matters they had filed should not be suspended. By order dated March 29, 2011, Judge Jacobson appointed a Special Master, retired Judge Richard J. Williams, to inquire into the document preparation practices of those entities and to review any remediation plans they may be directed to submit. Pursuant to Reports of Special Master Williams determining that each of the respondents in that order to show cause had made a prima facie showing of the reliability of its processes and upon agreement

¹ The six lenders and service providers named in Judge Jacobson's order to show cause were Bank of America; JPMorgan Chase; Citi Residential; GMAC (now Ally Financial); OneWest Bank; and Wells Fargo.

by those respondents to a compliance monitoring program, Judge Jacobson subsequently ordered that each of the six respondents in the order to show cause may resume the filing and prosecution of uncontested residential mortgage foreclosure cases.

In accordance with the Judiciary's continuing obligation to protect the integrity of the residential mortgage foreclosure process and to ensure the veracity of filings with the court in residential mortgage foreclosure cases and pursuant to the authority of the Administrative Director of the Courts as set forth in the December 20, 2010 Administrative Order, it is ORDERED that:

1. The operative provisions of the Administrative Order 01-2010 related to the twenty-four foreclosure plaintiffs identified in the caption are hereby closed. However, pursuant to the findings of Special Master Barisonek, as set forth in his Final Report, I hereby instruct the Office of Foreclosure to periodically review submissions of respondent PHH Mortgage Corporation ("PHH") and servicer EverBank, d/b/a Everhome Mortgage ("EverBank/Everhome"),² in order to verify that they remain in full compliance with the provisions of the Rules of Court relating to residential mortgage foreclosures. If in that periodic review the Office of Foreclosure finds documents submitted by PHH and/or EverBank/Everhome to be insufficient or finds that those documents raise concerns that either of the two institutions has engaged in irregular practices, the Office of Foreclosure may refer the matter to the Mercer Vicinage General Equity Presiding Judge for appropriate action, which action might include conducting a

² EverBank, d/b/a Everhome Mortgage, serviced mortgages for respondents Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Bank of New York Mellon.

hearing and, depending on her findings, ordering the suspension of the processing of residential mortgage foreclosure actions involving those institutions.

2. The operative provisions of Administrative Order 01-2010 that make reference to Judge Jacobson's separate order to show cause also are hereby closed, subject to Special Master Williams' continued compliance monitoring as agreed to by the six respondents.

/s/ Glenn A. Grant

Hon. Glenn A. Grant, J.A.D.
Acting Administrative Director of
the Courts

Date: February 2, 2012