



---

## TEXAS ATTORNEY GENERAL ISSUES FORECLOSURE SUSPENSION AND DEMAND LETTER

---

The Texas Attorney General (“AG”) has issued a demand letter to approximately 30 lenders and servicers alleging that these organizations had some of the same foreclosure issues that Ally Financial had (e.g., falsely claiming personal knowledge of facts and filing inaccurate affidavits). The AG went on to demand that those organizations immediately suspend all foreclosure sales, all sales of previously foreclosed properties, and all evictions until such organizations satisfy various demands relating to their foreclosure process. The AG gave a deadline for compliance of October 15, 2010.

### FAILURE TO COMPLY

If an organization fails to comply with the demand, the AG has the ability to raise this matter to the next level, that of an investigation at which point various discovery tools and enforcement means come into play.

### HOW CAN WE HELP?

Should your organization be unfortunate enough to receive an AG letter, Jeff Boyd, the former Deputy Attorney General in charge of Civil Litigation for the State of Texas, is standing by to work with you. He is a Partner in our Austin office and brings special insight into how the AG’s Office operates. If you have not received the AG’s letter but want to pro-actively protect your organization, we are available to meet with your mortgage foreclosure group and review its processes.

Please contact one of the Thompson & Knight attorneys listed below, or the attorney with whom you usually work, for more information.

---

### CONTACTS:



**Jeffrey S. Boyd**  
512.469.6109  
[Jeff.Boyd@tklaw.com](mailto:Jeff.Boyd@tklaw.com)



**John S. Orton**  
713.951.5806  
[John.Orton@tklaw.com](mailto:John.Orton@tklaw.com)

*This Client Alert is sent for the information of our clients and our friends. This communication is provided by Thompson & Knight LLP for educational and informational purposes only and is not intended, nor should it be considered, as legal advice. The lawyers at Thompson & Knight LLP are available to assist you in working through any of these topics.*