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## **Washington Mutual Down Most in 20 Years on Cuomo Suit**

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An Article Written By Elizabeth Hester and Karen Freifeld

Appraisals that don't accurately reflect a home's price could allow unscrupulous loan officers or brokers to close a deal that would otherwise be scotched, said Terry Wakefield, a mortgage industry consultant at the Wakefield Co. in Grafton, Wisconsin.

Mortgage brokers are typically paid when they close a loan, and the "temptation to cheat is overwhelming" when home prices fall, Wakefield said.

"The fact that Washington Mutual and every other lender allow this conflict to take place within their organization is something they need to take responsibility for," he said. "If this turns up an indication of rampant inflated valuations, it's going to be a problem."