

**Congress of the United States**  
**Washington, DC 20515**

October 15, 2010

The Honorable Neil M. Barofsky  
Special Inspector General for the Troubled Asset Relief Program  
1801 L Street N.W.  
Washington, D.C. 20220

Dear Mr. Barofsky:

We are writing you as the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) to request that you aggressively investigate the nation-wide foreclosure flawed and fraudulent paperwork debacle, which has heightened our concern of the potential for systemic wide fraud in the housing finance industry.

Last month, GMAC ordered its agents and brokers to stop foreclosures in 23 states across the country and to halt sales of previously foreclosed homes. In a Reuters' article dated Friday, September 24, 2010, the following disturbing information came to light:

“GMAC earlier this week said it discovered employees submitted affidavits containing information they did not personally verify, casting doubt over how much care was taken in dealing with the highly sensitive U.S. housing issue. The errors also applied to requirements that documents be signed in the presence of a public notary.”

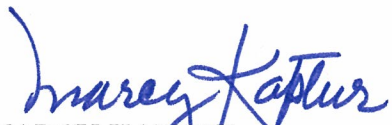
On October 13, 2010, GMAC stated it would review foreclosures in all 50 states, further increasing our concern over the practices of GMAC. As a recipient of approximately \$17 billion in TARP funds and with American taxpayers as the major shareholder, it is not enough to simply tell GMAC to clean up its act. A thorough audit must be completed to fully examine all aspects of the company and its subsidiaries that may have contributed to a culture at GMAC that allowed such activities as document fraud to occur. It is critical that the individuals responsible for any fraudulent acts be prosecuted and removed from the business in and around housing and finance.

In addition, because both the Federal National Mortgage Association (Fannie Mae) and the Federal Home Mortgage Corporation (Freddie Mac) are involved in the TARP's Making Homes Affordable Program (HAMP) and do business with GMAC and many other financial institutions currently evaluating their foreclosure procedures, we request that you also conduct a thorough audit of both Fannie Mae and Freddie Mac.

While other fraud task forces and divisions in the federal government could look into this matter, we feel that you are uniquely situated as a Special Inspector General and as a law enforcement office to protect and defend homeowners suffering at the hands of the banks who have more money, more lawyers, and a singular focus of profit. We share a deep concern for

mortgagees harmed by potential fraud, for the protection of American consumers, and for the restoration of integrity to our nation's housing and financial systems. We respectfully ask that you complete a thorough audit of GMAC, Fannie Mae, and Freddie Mac.

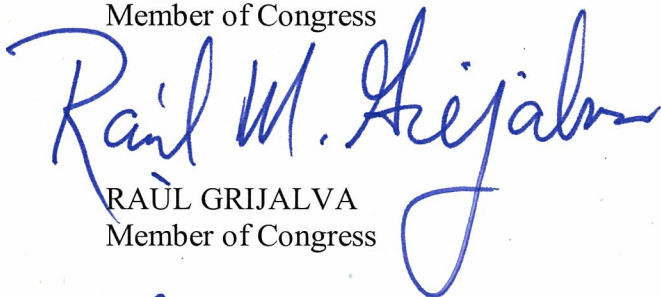
Sincerely,



MARCY KAPTUR  
Member of Congress



JOHN CONYERS JR.  
Member of Congress



RAÚL GRIJALVA  
Member of Congress



ALAN GRAYSON  
Member of Congress