

Eric Forster

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EXPERIENCE

Forster Realty Advisors (Principal) Los Angeles, CA 1997-present

Consulting in the areas of:

Mortgages and real estate finance.

Real Estate industry standards and practices.

Lenders/Borrowers standards and practices.

Plaintiff and Defense strategies concerning breach of contract and/or fraud.

Mortgage fraud litigation.

Credit underwriting (commercial & residential loans)

Brokers' malpractice issues; conflicts of interest

Title insurance coverage, exclusions and claims

Escrow standards and practices

Commission compensation issues

Fannie Mae/Freddie Mac credit score & automated underwriting issues.

Real estate damage calculations.

Eric Forster 1993-2011

All aspects covered by the California Real Estate Broker's license: Property sales,

Residential property management and leasing, as well as Production,

processing and underwriting mortgage loans for residential,

commercial and industrial properties. Ensuring compliance with investor guidelines

(FNMA, FHLMC, portfolio). Instituting Quality Assurance procedures and full

compliance with HUD and DRE regulations, including title, escrow and appraisal compliance.

Training and supervising loan officers.

Superior Court of California for Santa Barbara County (Special Master) 2009-2010

Tasked with asset dissolution and with providing restitution to the victims of a major real estate Ponzi scheme, involving 147 felony counts, including selling a security under a misrepresentation, grand theft and forgery.

Great Western Bank (Loan Officer) 1990-1993

Home Savings (Loan Officer) 1986-1990

Bankers Group (Partner) 1983-1986

Production, processing and underwriting mortgage loans for residential, commercial and industrial properties. Ensuring compliance with investor guidelines (FNMA, FHLMC, portfolio). Instituting Quality Assurance procedures and full compliance with HUD and DRE regulations, including title, escrow and appraisal compliance. Training and supervising loan officers.

J.D. Kelleher Realty (Branch Manager) Pacific Beach, CA. 1981-1982

Managing and supervising realty sales staff. Training agents in standards, procedures and compliance with regulations.

Expert Witness Court Qualifications:

Qualified in state courts in CA, AZ, NV, FL, IL, TX, WA, NY, NJ, AZ, MD, DC, ID and TN.

Federal courts in California, Mississippi, Kentucky and Alabama.

EDUCATION

- Pepperdine University Graziano Graduate School of Business, MBA
(Thesis: The economics of enterprise IT conversion)
- Cornell University Johnson Graduate School of Management
(Graduate Certificate in Economics and business strategies)
- Columbia University, History
- Albert List College (JTS) TD, History

ADR:

- Harvard Law School (PON), Advanced training in negotiations
- American Arbitration Association, Arbitration I and II
- UCLA , Advanced mediation training
- GTF, D. Med., Mediation ethics

Recognition & Honors

California State Senate
Los Angeles City Attorney
Los Angeles County Superior Court

MEMBER

American Bar Association (Chair, Real Estate Experts Subcommittee 2009-2012)
State Bar of California (Public Member, Committee on Mandatory Fee Arbitration 2011-2013)
American Academy of Economic and Financial Experts
American Real Estate and Urban Economic Association
American Arbitration Association (Real Estate panel)
San Fernando Valley Bar Association (Mandatory Fee Arbitrator)
Board of Arbitrators, Financial Industry Regulatory Authority (Arbitrator No. A55740)
Board of Arbitrators, National Futures Association (Arbitrator No. 0412838)
Mediation panel, Los Angeles County Superior Court (Neutral No. AD0679)
Southern California Mediation Association
Institute of Forensic Science and Public Policy - AJS
Beverly Hills/Los Angeles Association of Realtors

LICENSES

CA DRE Broker License No. 827388
Federal NMLS License No. 354426
Freddie Mac Underwriter & Seller No. 121555
California Insurance broker (inactive)

Pro Bono

Los Angeles City Attorney Dispute Resolution Program (Mediator)
First AME Church/UCLA legal clinic (1997-2004)
Board of Directors, American Youth Hostels-LA (2007-2009)

Media

Interviews on CNN, FOX, AP, NPR, Newsweek, magazines and newspapers.

Sample Cases handled:

Standing (Chain of title) (for Plaintiff): The foreclosing entity, a secondary market trust, did not hold proper title to the loan it brought the action against. The loan had been transferred to the trust – against regulations – more than 90 days after its formation.

Standard of Care (for Defendant): Plaintiff purchased an interest in a trust deed, having relied on an obsolete appraisal of the property. That appraisal had been done when the market was trending up, and was used by the Plaintiff even though the market was already trending down at the time of the purchase. The Judge agreed with us that the Plaintiff did not do proper due diligence when the purchased the trust deed, and gave the verdict to the defense. (Stuart et al. v. Gary H. Kent, Inc.).

RESPA Violations: Assisted Plaintiffs in a class-action lawsuit against RealtySouth, a subsidiary of the second-largest realty in the US and an affiliate of Berkshire Hathaway. The case concerned a certain administrative charge collected by RealtySouth on federally-related transactions and which was deemed to be a RESPA violation (Busby v. RealtySouth).

Standards & Practices of Settlement Agent: Assisted Plaintiff, a savings bank, in a case in which the settlement agent, a subsidiary of a title insurance company, aided and abetted a condo converter in defrauding the bank by using straw men as buyers. (Confidential settlement.)

Fraud: Assisted the defense in assessing the scope of a large mortgage-lending Ponzi scheme, and was subsequently hired by the court as the court's expert (People v. Wilson).

Standard of Care (for Plaintiff): Plaintiff-Borrower sued both lender and mortgage broker for approving a loan for which Plaintiff was clearly not qualified and which ended in default. (*Sahle v. Countrywide*).

Fraud (for Plaintiff): Plaintiff lent money to a friend for a down payment on a home purchase, to be repaid in 3 years. The lender required it to be a gift and not a loan, and Plaintiff agreed to sign a bank form to that effect. Defendant relied on that form in refusing to pay back the loan. (*Lit. Con*)

Fraud (for Defendant): Lenders evaluation of income shown on loan application in stated income loans, where income documentation is not required. Is the income shown on the application the projected income for the coming year, or must it reflect last year's income? (*U.S. v. Daoudi*)

Standard of care (for Plaintiff): Plaintiff purchased a home using the services of a realtor, who referred Plaintiff to a mortgage broker to arrange for a mortgage. After the closing, Plaintiff discovered that the terms of the loan had been misrepresented, and that mortgage broker and realtor failed to disclose that mortgage broker was an employee of the realtor. (*Lit. Con*)

Standard of care/Fraud (for Defendant): Defendant (mortgage broker) used the same appraiser for many of his loans. Plaintiff (lender) claimed that it was the Defendants duty to personally inspect the comps used by the appraiser in arriving at his valuations, and confirm their validity (*Lit. Con*).

Standard of care (for Plaintiff): Plaintiff purchased a home with a 30-year fixed rate mortgage. Five years later, Defendant (lender) notified Plaintiff that her loan would revert to an adjustable loan since the fixed period was for five years only. Lender could not document the reasons for using the wrong trust deed forms (*Lit Con*).

Publications by Eric Forster

Editor:

[Mortgage Litigation and Forensics](http://www.mortgageforensics.wordpress.com) (www.mortgageforensics.wordpress.com)

Mortgage issues in courts of law - fraudulent application, loan origination and underwriting.

Books

The Mortgage Applicants Bible (2000 edition. ISBN 0-595-09171-7)

Articles

Israel Shelanu/Shalom L.A. Real Estate advice column 1988-2007. Approx. 650 articles.

For **Real Estate Today** (National Association of Realtors publication):

Are ARM Borrowers Overpaying? *Real Estate Today* 9/92

Chart a Course to Smart Real Estate Investing *Real Estate Today* 9/93

For **AOL O'Reilly Publishing** Personal Finance Center *Buying a Home* series:

Buying a Home: Buy v. Rent Considerations 5/95

Buying a Home: Meet Your Realtor 5/95

Buying a Home: Financing Available 6/95

Buying a Home: Who Are The Lenders? 7/95

Buying a Home: Qualifying for the Loan 7/95

Buying a Home: Your Credit 8/95

Buying a Home: Appraisal Considerations 9/95

Shopping for Rates in a Fixed Market 1/96

For **AllExperts.com** (A New York Times Company):

Real Estate / Finance Q&A Articles 2004-Present. Approx. 200 articles.

Continuing Education Courses and Seminars

DRE No. Title

240-78 *Legal Aspects of Real Estate*

1161-90 *Real Estate Finance*
237-78 *Real Estate Practices*
1204-90 *Escrows*
234-78 *Real Estate Appraisal*
323-1016 *Real Estate Agency Rules*
323-1014 *Contracts, Disclosures & Environmental Issues*
323-1012 *Ethics and Professional Conduct of R.E. Licensees*
323-1013 *Fair Housing*
323-1015 *Trust Funds*
743-85 *Real Estate Principles*
1281-08 *Ethics and Professional Conduct of R.E. Licensees II*
384-42 *Tax Planning for Real Estate*
591-05 *Consumer Protection in Real Estate Transactions*
103-118 *Proving Fraud Cases*
323-1041 *Disclosure Obligations in Real Estate Transactions*
323-1034 *Red Flags*
323-1035 *Survey of Real Estate Regulations*
323-1042 *The Listing Agreement and its Application to the Seller of Real Estate Property.*
2062-1041 *Environmental review.*
2062-1044 *Risk management.*
2062-1042 *Investment real estate.*
2062-1043 *Real estate demographics.*
1986 *Appraisers training course.*