

Chicago owner loses home in mortgage scam

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By [Paul Meincke](#)

June 12, 2009 (BERWYN, Ill.) -- A Chicago woman is battling to keep the home she has owned for 40 years. Lessie Towns is a victim of mortgage fraud, and she could lose her home, despite the fact she has never missed a mortgage payment. Towns, who is 75 years old, raised five children as a single mother in her South Side home. Four years ago, she was astonished to discover that her home was in foreclosure. She says she was current with her payments, although her lender had changed hands.

Then came a cold-call visit from a lender who knew about the pending foreclosure.

"I said, 'I don't want to sell my house. I don't want to lose my house. I just want somebody to save my house,' and he said, 'We're not gonna take your house,'" said Towns.

She signed what she thought was a refinancing agreement with Oak Brook based Trust One Mortgage. She was regularly making payments until she found the company's south suburban office empty and padlocked.

Then, Lessie Towns discovered she no longer owned her home. It had been sold, investigators say, at least twice to straw buyers who made a profit.

"We believe this is part of a broader scheme involving these players that have implicated other homes as well," said Brent Adams of the Il. Dept. of Financial and Professional Regulation.

Adams heads that department's mortgage fraud task force. Last month, it revoked the licenses of Trust One Mortgage and its owner, Paul Shelton, saying the alleged

fraud scheme involved Lessie Towns and at least 13 other homeowners.

Towns was back in court Friday in the fight to keep her home. When asked if she was angry she responded:

"No, I'm not angry. I'm disgusted. Just tired of fraud, tired of people using people," Towns said.

Her attorney is optimistic Towns will win the fight to keep her home, but it's been a very emotional fight for the homeowner who technically does not own her home. She says she won't yield.

"When you're right, right follows you, and I'm gonna stand on my right until I die," Towns said.

The Department of Financial and Professional Regulation continues its investigation through its mortgage fraud task force. Its findings have been turned over to the attorney general for review.

ABC7 Chicago was not able to reach Trust One Mortgage's Paul Shelton for comment. Shelton's firm is appealing its license revocation.

Lessie Towns' effort to stay in her home is set for a court ruling July 14.



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