

Houston Attorney Branch Sheppard Obtains Favorable Settlement in Wrongful Foreclosure Matter in Central Texas

Branch Sheppard from the Houston office obtained a favorable settlement in a wrongful foreclosure matter in Central Texas. In representing the plaintiff, Branch was successful in getting the foreclosing mortgagee to pay our client his full purchase price of the lot (twice its current value) and reimburse our client for all property taxes and HOA dues he paid over the years making him 100% whole. The mortgagee further agreed to pay the title insurer's attorneys' fees. In this complicated case, Borrower owned two adjoining lots encumbered by a single mortgage. The mortgagee accepted a partial payoff and released its lien on one of the two lots. Borrower then sold the unencumbered lot to our out of state client. Our client owned the lot free and clear for several years continuing to pay property taxes and HOA dues. The mortgagee retained its lien on the adjoining lot. Borrower defaulted on the adjoining lot. The mortgagee failed to recognize the prior partial release of lien. The mortgagee erroneously foreclosed on both lots. The mortgagee sold both lots to a third party. The third party then sold both lots before our client learned of the erroneous foreclosure.