

Settlement between Big Banks, the Feds, and State Attorneys General: Is It Stalling Out or Not? Florida Developers Need Resolution.

October 13, 2011 by [Rosa Schechter](#)

Earlier this week, [there was a lot of hoopla over a report from Iowa Attorney General Tom Miller, the head honcho over the Attorneys General settlement talks with the top mortgage banks and servicers](#) over ForeclosureGate issues, that the banks, the states, and the feds were close to finalizing a settlement agreement. Other news was popping up that the big banks were hinting that the deal was done, with the [banks putting a total of \\$20 billion](#) on the table.

For [over a year now, we have been monitoring these talks](#) among the 50 state attorneys general (including our own Attorney General Pam Bondi), the federal government (through representatives of the Departments of Justice and Treasury along with the newly-created [CFPB \(Consumer Financial Protection Bureau\)](#)), and the big financial powerhouses in the national home mortgage industry, including Ally, Bank of America, Citigroup, JP Morgan Chase, and Wells Fargo.

Meanwhile, over at the *New York Times*, [Pultizer-Prize winning journalist Gretchen Morgenson has been reporting on various attorneys general balking at the settlement](#), because they feel it's got more holes than swiss cheese, and [Florida's Attorney General Pam Bondi went on the record yesterday](#) that Florida's position is the settlement isn't about to happen, especially after some of the attorneys general walked away from the talks, and efforts include getting these folk back to the table.

What This ForeclosureFraud Big Bank - Government Settlement Means to Florida Developers

This deal, if done, would not solve every ForeclosureGate problem out there. However, this deal would be a big, big step toward getting ForeclosureGate behind us, and business moving forward again. The AG-Bank-Gov settlement would resolve a lot of claims in exchange for the estimated \$20 billion, and the nation's biggest financial institutions could start moving forward in the business of banking.

Bottom line: practically speaking, Florida development is at a stand-still domestically because Florida developers need Florida interim financing (as well as other banking needs) in order to complete their projects.

Florida needs Florida banks. Florida developers need resolution of ForeclosureGate.