



## New Jersey Chapter

50 Church Street, Suite 102  
Montclair, NJ 07042  
[www.NJABPsi.org](http://www.NJABPsi.org)

March 17, 2019

Honorable Gurbir S. Grewal  
Attorney General  
Richard J. Huger Complex  
25 Market Street 8th  
Po Box 80  
Trenton, NJ 0825-080

***Re: Subpoena for Wells Fargo forensic audit in matter of Ms. Fredrica Bey***

Dear Attorney General Grewal:

As the foreclosure rate, for some communities, in America is at epidemic proportions, please consider this statement, which intends to bring to the forefront the psychological impact of this trend.

For most of us, our home holds value that extends way beyond its fair market value; our homes hold profound emotional and sentimental value as well. The loss of a home to foreclosure, therefore, has a deep psychological impact. Every year in this country, hundreds of thousands of homes are foreclosed on driving millions of people into the trauma of forced displacement. If not mitigated, the toxic stress from foreclosure can have a dramatically deleterious effect on the psychological wellbeing of these individuals and communities.

The possible sequelae of impact on the individual and family unfolds as they face a future fraught with imminent uncertainty, residential instability or homelessness, damaged credit, financial instability, restricted housing options, crippling odds fettering their ability to rebuild, and relational hardship due to forced cohabitation with relatives or friends. The popular narrative that they face assumes their culpability and is the source of social scourge, self-debasing thoughts, and shame.

A vast number of foreclosures are to no fault of the homeowner but rather due to unfortunate life circumstances such as a lay off or health crisis and, in some cases, they are renters whose landlord was foreclosed on. For more than a decade, however, there has been a growing wave of foreclosures that has displaced people who were deliberately misled by the crafty sales pitch of an unethical mortgage lender. These victims are often of a very vulnerable segment of the population, who are uninformed and undereducated borrowers, disproportionately Black and Latino. They are deliberately preyed upon and

exploited by fraudulent peddlers of high-cost, high-risk mortgages. The traumatic human suffering that results is a foreknown outcome of a calculated scheme engineered by greedy bankers that generates untold sums of money in a system that egregiously lacks accountability, and oversight.

The individual trauma resulting from foreclosure is undeniable but just as undeniable, yet far more obscure, is the mass trauma that is inflicted on whole communities as a result of these unscrupulous business practices. Layered on top of the individual trauma inflicted by the foreclosure, is a structural trauma inflicted by banks on mass groups of Blacks and Latinos that erodes the very fabric of their communities leaving them crippled and unable to thrive.

This insidious, structural harm disintegrates social, political and economic efficacy and destabilizes community resilience. Moreover, community level trauma combined with individual trauma has a synergistic impact that carries implications of intergenerational disparity and disadvantage. Psychologically traumatized residents of these traumatized communities are left vulnerable and, in turn, perpetuate this cycle of violent victimization on each other. Make no mistake about it; this cyclical trend is, not unexpected. It is empirically predictable and well understood by social scientists. Consider the words of writer Victor Hugo, "If the soul is left in darkness, sins will be committed. The guilty one is **not** he who commits the sin, but the one who **causes** the darkness."

This foreclosure crisis is, without question, a systemic issue of public health proportions. Wells Fargo has smothered whole communities under a veil of darkness with their notoriously corrupted and deliberately destabilizing lending practices. This is beyond reprehensible and the trauma that they inflict must be stopped.

In the case of our dear Friend, Sister, Mother, Elder Fredrica Bey and all of those in the Essex County, Atlantic City, Trenton areas and beyond, who have suffered the psychological pain and trauma of a fraudulent foreclosure, **we demand REPARATION.**

Respectfully submitted.



Dr. Monique D. Swift  
President