

# THE REAL DEAL

## As Lenders Admit to Flawed Foreclosure Procedures, Experts Weigh In On Impact

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In the wake of some of the nation's biggest lenders -- including GMAC Mortgage, JPMorgan Chase and Bank of America -- conceding that their foreclosure procedures might have been improperly handled, real estate attorneys **Adam Leitman Bailey** and Shari Olfson discuss the impact of this revelation on the real estate market, in the CNBC video above. In the short term, it's "very good for stabilizing prices," according to **Bailey**. Since less homes are going into foreclosure, there is less inventory on the market and existing homes prices will drop, **Bailey** explained, though he said that the fact that Americans are unable to afford housing is "horrible" and that the market needs to progress. Olfson disagreed, saying that this foreclosure mess "will create more problems than it will solve." She believes that it creates doubt in the market "and the last thing we need in housing is uncertainty," she said. "Nobody really knows how the judicial system is going to handle this," she added.