

Senator TYDINGS. Now you are getting into the second-mortgage business and the usury business, which I understand is another problem.

Let us stick with the problem of protecting the consumers from having their property sold out from under them without the real protection. I grant that if you are talking about a citizen who goes to a lawyer, he protects himself. They can go into equity court and handle it there. We are concerned with people who have never been to a lawyer before.

Mr. MARSALEK. Let us, for example, take a foreclosure proceeding, Mr. Chairman, in the State of Maryland. I am a trustee under many, many deeds of trust in Prince Georges and Montgomery Counties.

Senator TYDINGS. Tell us the difference now between foreclosure proceedings and its relationship to the poor in Maryland and in the District of Columbia.

Mr. MARSALEK. In Maryland, advertising is made in the same manner that it is made in the District of Columbia. At the time of the foreclosure, the attorney preparing the foreclosure proceedings files the case, which merely means that he——

Senator TYDINGS. Actually, the court appoints, in Maryland, a special auditor, a master, or somebody to audit the proceedings.

Mr. MARSALEK. Yes, but that is no more than auditing a settlement, say, after a trustee has made a settlement.

Senator TYDINGS. It depends on the court. It is under the court's jurisdiction. Right?

Mr. MARSALEK. Yes.

Senator TYDINGS. And anytime the consumer or the mortgagee, feels aggrieved, he can file——

Mr. MARSALEK. An exception.

Senator TYDINGS. What happens in the District of Columbia?

Can you do that in the District of Columbia?

Mr. MARSALEK. Yes; he can file injunctive proceedings.

Senator TYDINGS. In the District of Columbia each mortgage is not under the personal control and supervision of the court like it is in Maryland, is it?

Mr. MARSALEK. Not to the same extent.

Senator TYDINGS. Is that not the problem we are faced with here?

Mr. MARSALEK. You have no jurisdiction by the courts in Maryland any more than you would have in the District of Columbia.

Senator TYDINGS. To the extent that in Maryland, the minute that you go in for foreclosure, you are automatically under the court's supervision. The auditor of the account is an officer of the court; the auditing of the account is done by an officer of the court.

Mr. MARSALEK. I would like to relate to you some of the experiences I have had.

Senator TYDINGS. Is that right?

Mr. MARSALEK. No; I would say that that is not completely correct, because——

Senator TYDINGS. What is incorrect?

Mr. MARSALEK. It does not come about until such time as there is a ratification.

Senator TYDINGS. During the time that the account is being re-