

**Statement of Captain Kenneth R. Gonzales  
Army, Homeowner**

**Forum on Military Foreclosure**

**July 12, 2011**

Ladies and gentlemen, Chairman Rockefeller, Ranking Member Cummings, Members of Congress, America Cares, staff, friends. Hello and good day.

Let me first start by saying it is an honor and pleasure to be able to provide a statement on behalf of my family and myself. I am in awe that my story, along with my fellow Army Brother, would be heard in such a forum. Again, truly an honor and privilege to be here. Thank you for this opportunity to voice our stories.

Starting with a small background of myself, let's get started.

Background:

I served a small stint in the US Marine Corps from (2000-2002), enlisted in the US Army (2005-2008), commissioned at the Pentagon (having the chance to meet JCCS ADM Mike Mullen arrive at the end of my ceremony) and I now serve as a Medical Service Corps Officer at the DoD's largest Medical Treatment Facility, Brooke Army Medical Center in my hometown of San Antonio, TX.

I am a father of four and a veteran of Operation Iraqi Freedom and Operation New Dawn. I am a business owner (Vocals Magazine), private pilot, and a chemist by undergraduate degree/Public Relations by Graduate degree.

Background to situation:

I am a first-time home buyer, utilizing a VA loan for this purchase of the home in question. When I deployed, I was stationed in "The Great Place," Ft Hood, TX. In preparation to deploy, I decided to purchase a home in San Antonio for my family to be secure, in our native home town, and my family would have immediate family access to deal with any issues in my absence. In my checklist, I called and notified Chase Bank about my deployed. No copies of orders were asked for.

However, I don't think anyone could've forecasted what happened next.

Situation:

While I was serving in Iraq (11/2009-11/2010), I was foreclosed on by Chase Bank. My first month out on deployment (Dec 2009), I put an online request to draft from our account. However, my wife had paid it in cash that same month. I tried to undo the online request. It locked the online system. I was told, by Chase, that it was no big deal and I'd have to wait for 6

months to regain online access. I had my wife contact Chase to receive further instructions as my mission ramped up. My wife was then instructed, by Chase Bank, to mail in the payments to the PO Box address in Phoenix, AZ.

She continued to mail in the payments to the Phoenix address for the next 5 months. Fast forward to June (2010), I attempted to go online and pay the mortgage. No luck. Finally, after several attempts to get someone on the phone at Chase Bank, I was told my home was foreclosed on, and there is a sale date since April 2010. From my understanding, we never received any notice of late payments, and never received a foreclosure notice. All this, while I was deployed in Iraq.

I was told by Chase bank that, "payments will not be applied nor returned if in late status." I was floored by that policy. I immediately requested to physically locate our money order payments at their AZ location. Their response was they could not find anything. I was completely floored. How could this be allowed? Luckily, the Soldiers and Sailors Relief Act was implemented, known officially as (SCRA) Servicemembers Civil Relief Act. This bought me brief relief; however, the checklist to get this rectified was growing by the minute.

We were able to recover 3 of the 5 money order receipts. None of the money orders were cashed. Within 48-72 hrs, we were able to have the amount ready to bring the account current. I had to pay over \$2,370 out of pocket to account for the missing money orders. I had to come up with roughly \$7,110. I was told to deal with the Legal Firm for our reinstatement quote and expect legal fees. All this, while I was deployed in Iraq.

I didn't want to waste any time as I felt the clock was ticking before my family would be on the street. I had to act fast. I researched our US Senators from Texas and found Sen Kay Bailey-Hutchison was (at the time) a member of the Banking Committee. I contacted Sen. Kay Bailey-Hutchison's TX office to see if they could assist. I prepared a Power point presentation and emailed it to them. Her staff turned & burned on this pressing issue, resulting in Big Army JAG contacting me and started immediately assisting. It was sent to the OCC (Office of the Comptroller of the Currency) for review. Additionally, I felt I was wronged by Chase and filed an FTC complaint. All this, while I was deployed in Iraq.

CPT Melissa Halsey represented me on my behalf. Her long, troubling efforts to get someone on the phone at Chase Bank were unbelievable. If she, being nearby, had this much trouble, imagine how much struggle I had calling from the other side of the world. Unheard of, CPT Halsey ended up having to contact the American Bar Association to get someone on the phone at Chase. Finally, after such effort, she was able to break through to someone. All this, while I was deployed in Iraq.

CPT Halsey went back and forth with her contact at Chase. From my understanding, her contact at Chase relayed they hadn't received the sent documents when, in fact, they had. Again, if they were playing games with a member of Big Army JAG, imagine how I was given the run around. I didn't have time for games. I needed solid and secure documentation that this was completely closed out, and my issue was complete. It would take months later.

That same month of June 2010, my interim Secret security clearance was suspended. It took until May 2011 before it was fully granted (almost a year later). It took lots of documentation, lots of effort, and lots of patience.

Overall:

With several failed attempts to rectify the situation, I felt Chase disregarded all attempts to assist a deployed Soldier calling from Iraq. I felt their customer service was poor and they continually shrugged me off. Finding time, a clear phone, working around an 8hr time difference from the other side of the world, and struggling not to let this situation impact my role in the mission I was given became an obstacle in itself. As this unfolded, it compounded resulting in a suspended security clearance, emotional duress, and lost hope in the financial system.

Obviously, I was not engaged (mentally) in my mission as I was losing sleep, stressing out, and fully engaged to make sure my family wouldn't suffer. To have to work my 12 hour shift, then begin round-the-clock work to fix home life... it took a significant toll on me. I was in belief that my family would be on the street if I didn't continually engage the situation.

This caused a significant issue in my ability to perform my mission as the OIC of Warehouse Blood Support Operations. I must mention, our team's Blood Support Operation was our sole unit of less than 20 to support the entire country of Iraq, roughly the size of Idaho.

In closing, I leave you with this. Do you feel any service member should have to deal with this enormous task while expected to be saving American lives in a combat environment? Do you feel that the service members who experienced this, perhaps much farther than my situation, should have been expected to be split in half, as split seconds could mean the difference in life and death?

It was through the help of my Senator Kay Bailey Hutchison, Big Army JAG and the strength of the Good

Lord that I was able to get this matter resolved. However, it took several painful and uncertain months before all my records were set straight. Thank you, Senator Kay Bailey-Hutchison and your incredible staff. And a very heartfelt thank you, CPT Melissa Halsey. These two people and their staff reaffirmed my faith in the strength of the American Dream.

Thank you,

Ken Gonzales