Case Summary

Sometimes people can get behind in their payments when life's misfortunes strike. A decent financial company will help sort out the problem. La Trobe Financial did not help Sheril. The company used every trick in the book to take advantage of her.

How is it that a government and its regulators can allow a company to operate like a mafia racket? Sheril has dealt with a nightmare scenario. How long before she is compensated?

Story Details**Story Of:** Sheril Morris
Financial Institution (if other): La Trobe Financial
Bank Malpractice Type: Corruption
Powermongering & Greed
Unconscionable Conduct

Video - Extend Banking Royal Commission:

Bank Victim Story Sheril Morris (La Trobe Financial)

Video of Bank Victim Story Sheril Morris (La Trobe Financial)

Overview Of Bank Victim's Case

Bank Story Overview:

How wide does the Royal Commission need to go?

Sheril Morris (SM) – La Trobe Financial

Summary

- Marriage breakdown, Loss of a family member, house loan fell into arrears.
- Bailiff visits the property with documents saying vacate the property by 18/10/14
- Contacted a motel developer (previously interested) he agreed to buy the land for $250K
- 10/10/14 contract is ready to sign but dropped to $230K take it or leave it
- An issue with the contract was raised by La Trobe, so it was not signed by SM.
- **Property auctioned 14/2/15 to the same motel developer for $110K – a shortfall of $168K**

Issues that arose

- **La Trobe organised valuers whose valued property at $80K, well under the unimproved value of $136K**
- Issues of conflict of interest with the real estate agent, La Trobe is getting the sale price down when an agreed price ($250K) was already arranged

Outcome

- SM complains to Ombudsman who deems La Trobe not liable for loss, and they offer to not pursue the remaining debt if SM signs an agreement not to pursue the complaint.
- SM refuses and counter claims compensation.

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Further issues

- **La Trobe charged 35% interest on arrears when they said it was 3%**
- **La Trobe takes default judgement and applies the legal cost to loan when a default judgement was already put in place by Coastal and Hinterland and was still valid**
- The default notice was fraudulent
- Statement of claim should have been served on the sole owner of the property but was not.
- **Overcharging of interest because La Trobe did not apply the court ordered interest rate from judgement**
- Overcharging of Legal fees by La Trobe (which led SM to seek a sale to attempt to try to protect themselves)
- **La Trobe created a shortfall of $4531.22 on the payout, which allowed them to stop the sale going through.**

Transcript - Video Q&A Interview

Leon Ashby (LA) Asks...:

How wide does the Banking Royal Commission need to Go?

Extract From Video - Sheril Morris (SM) – La Trobe Financial

Interview with Leon Ashby (LA) 18th August 2018 - Extending The Bank Royal Commission, recorded at Parliament House, Canberra ACT Australia.

LA: Sheril, Did you have a loan with La Trobe that you fell behind in payments and interest due to a marriage breakdown and a family death?
SM: Yes

LA: When you were foreclosed on what was your plan?
SM: I contacted someone who previously had offered to buy our land and got a verbal agreement to buy it for $250, 000

LA: When the contract was ready to sign, was the price dropped to $230K take it or leave it?
SM: Yes

LA: Was it because La Trobe raised issues of uncertainty that caused you to not sign the Contract for $230,000?
SM: Yes

LA: When the Property was auctioned, what happened?
SM: The person I had the verbal agreement with bought it for $110K – leaving me with a shortfall of $168K

LA: When La Trobe organised valuers, what values did they give?
SM: $80,000 - well under the unimproved value of $136K

LA: Did La Trobe charged 35% interest on arrears when they said it was 3%?
SM: yes

LA: Did La Trobe take default judgement & apply the legal cost to the loan when a default judgement was already put in place by Coastal & Hinterland and was still valid?
SM: Yes

LA: Did La Trobe create a shortfall of $4531.22 on the payout, which allowed them to stop the sale

going through?
SM: Yes

LA: Does La Trobe's conduct deserve investigation by the Royal Commission?
SM: Yes, they are a very corrupt and deceptive financial organisation.

[Other Notes & Commentry]

Notes:

La Trobe Financial is a non-bank lender.

La Trobe Financial was formerly known as La Trobe Permanent Building Society and provides an alternative to bank lending and funds management. Offices are located in Melbourne, Sydney, Shanghai and Hong Kong.

Dec 18th 2017 - Australia's $1.7 trillion mortgage market has become a hotspot for global private equity titans. New York-based Blackstone has an **80 per cent stake in Melbourne-based lender La Trobe Financial** that will provide the 65-year-old privately owned lender with enough capital to double its $4.6 billion lending book within three years.

Sheril's story along with the stories of other victims of La Trobe Financial needs to be presented to an Extended Banking & Financial Services Royal Commission, so her case and that of many others can be investigated in full.



More Information:

Negative Customer Reviews Outweight Positive - Product Review
Sign Petition For Extended Banking Royal Commission
Bank Victims Horror Stories - Extend RC Series

Related Links:

Craig Caulfield - Victim of CBA
Extend Royal Commission Meeting Opens

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