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Florida sues Countrywide Financial

A lawsuit filed by Florida Attorney General Bill McCollum alleges that lending giant Countrywide Financial used deceptive and unfair trade practices to entice borrowers into accepting loans they couldn't afford and misleading them about rates and penalties. Countrywide was acquired by Bank of America on Tuesday becoming the nation's largest mortgage provider.

McCollum's office has received over 150 complaints from consumers which prompted the investigation and ultimately the lawsuit. "They knew very well these people didn't qualify," he told reporters adding, "We believe Countrywide took steps they shouldn't have ... to allow people to own property that they could not reasonably be expected to have made payments on."

Florida becomes the third state to sue the Calabasas, Ca. mortgage lender behind California and Illinois. In an e-mailed statement Countrywide responded to the suit saying "We are not going to comment on the specifics of the lawsuit, except to say that we are fully cooperating with the office of the Florida attorney general. Our mission remains to assist our customers. We are particularly focused on working with our customers who are having difficulty making their mortgage payments, or who foresee difficulty with future rate resets."

Countrywide was recently acquired by Bank of America for approximately \$2.5 billion and has committed to not originate any more subprime mortgages.