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What happens to mortgages if the bank goes out of business and no one wants to buy them?

I hear that if a bank goes under other banks will buy these mortgages. But with so many mortgages exceeding values of homes, many banks might not want to buy the mortgages. What would happen if a bank goes under, and no one wants to buy their crappy mortgages?

It would not happen. Some other lender would purchase the mortgages, simply because there is value there. No bank has ALL crappy mortgages. Another lender(s) will analyze the quality of the 'paper' and make a decision what the entire package is worth, and would purchase same, perhaps for less than the actual outstanding amount.

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