



Roy Cooper North Carolina Attorney General

Fighting Foreclosure Scams

Attorney General Roy Cooper has taken action against more than 130 foreclosure assistance scams since January of 2008. In 2005, Cooper helped win a law that makes it illegal to charge an upfront fee for foreclosure assistance in North Carolina. To enforce the law, Cooper and his Consumer Protection team have:

- Issued 138 cease and desist letters to warn foreclosure relief schemes to stop violating North Carolina law.
- Won judgments worth close to \$1 million from foreclosure scammers and recovered more than \$100,000 in refunds for consumer victims of these schemes.
- Taken nine foreclosure scammers to court:

Mortgage Assistance of the Carolinas and Alan Steve Seabolt (2006)

This Charlotte company targeted distressed homeowners with promises of special expertise in rescuing homes from foreclosure, collecting an upfront fee but doing little or nothing to help consumers save their homes. Cooper filed suit against Seabolt and his company in August 2006. In September 2007, the court entered a default judgment and permanent injunction against the defendants, barring them from engaging in any foreclosure assistance or related services in North Carolina and ordering them to pay \$105,000.

Mortgage Assistance Solutions, LLC, doing business as Fresh Start, and Michael Thomas Stoller

Fresh Start contacted North Carolina homeowners facing foreclosure and told that they would negotiate with their lenders and help them get a new loan in exchange for an upfront fee of \$1,200 to \$1,400. In February 2008, Cooper won a court order barring the Florida company and its Beverly Hills-based manager from conducting foreclosure assistance services in North Carolina. In May of 2008, the court imposed a permanent injunction on the defendants. The company is no longer doing business in North Carolina.

Alphin Marketing Group, Inc., Alphin Group, Inc., and Russell E. Alphin

The Alphin Group targeted distressed homeowners with false offers to help save them from foreclosure. In May 2008, Cooper won a court order to stop the defendants from taking consumers' money. In May 2009, the Attorney General won a permanent injunction to bar the company from offering foreclosure assistance and debt adjusting services in North Carolina and a monetary judgment of \$30,000.

Robert E. Cassell, Jr., doing business as American Mortgage Assistance (2008)

Home Assure, LLC and its vice president Michael Grieco (2008)

Metrolina Mortgage Relief, LLC and its president Jeffery Mika (2008)

In October 2008, Cooper took action against these three Charlotte area foreclosure rescue companies that charged homeowners facing foreclosure high fees but failed to save their homes. The firms are currently barred

from offering foreclosure services in NC. In May of 2009, the Attorney General won a permanent injunction and judgment worth \$10,000 against Metrolina. In July 2009, the Attorney General won a permanent injunction and judgments worth more than \$147,000 against Grieco and Home Assure.

Mortgage Help Services and Nathaniel Livingston (2009)

In June of 2009, Cooper won a court order to stop Mortgage Help Services Inc. of Raleigh and its CEO from advertising, performing or taking money for loan modification and foreclosure assistance services. The company advertised on local TV stations and Christian radio stations that its experts could rescue homes from foreclosure, but homeowners who paid Mortgage Help Services between \$500 and \$1,500 upfront got little or no help.

Peoples First Financial (2009)

21st Century Legal Services (2009)

In July of 2009, Cooper joined federal officials and attorneys general from 17 other states to crack down on foreclosure scammers nationwide. Cooper filed suit against two California companies, Peoples First Financial and 21st Century Legal Services, which promised to help North Carolinians negotiate lower mortgage payments and save their homes from foreclosure. Both companies took money upfront and did little or nothing to help homeowners. A North Carolina court agreed with Cooper's request to bar the companies from doing business with North Carolina consumers.