

Biden acts to protect Delaware homeowners from mortgage rescue scam

Files lawsuit in coordinated federal/state effort to crack down on foreclosure relief schemes that target distressed homeowners

Wilmington – Today, Attorney General Beau Biden a filed a lawsuit against a California-based company alleging it operates a mortgage rescue and loan assistance scam that illegally collects large upfront fees from Delaware consumers facing financial distress with the promise to secure loan modification or other relief from their mortgage lenders.

“Mortgage rescue scammers target vulnerable homeowners, taking thousands of dollars from struggling families who ultimately receive no meaningful services, lose valuable time, and are instead left at greater risk of foreclosure,” Biden said. “We are protecting Delaware homeowners from these deceptive and harmful schemes. Our Office of Foreclosure Prevention, Delaware’s certified housing counselors, and other agencies provide free foreclosure and mortgage modification help to homeowners – Delawareans should never pay a dime to anyone for assistance in seeking a loan modification or other services.”

Biden’s Consumer Protection Unit [filed today’s lawsuit](#) against Irvine, California-based Consumer Relief Program, Inc, which conducted business under the name Consumer Advocacy Assistance, and its owner Marinus Pieter Van Sweeden. It

alleges the company violated Delaware's Mortgage Loan Modification Services Act, Consumer Fraud Act, and Deceptive Trade Practices Act by targeting struggling homeowners with a promise to save their homes by negotiating lower mortgage payments with the homeowners' lenders for an upfront fee.

After five Delaware homeowners collectively paid the company more than \$8,000, none of the homeowners received the promised services.

Under Delaware law, mortgage modification businesses are required to register with Biden's Consumer Protection Unit and are prohibited from soliciting, collecting or attempting to collect any fees or other compensation from consumers before an offer for a modification of the loan terms is actually received from the lender/servicer. Over the past year, Biden's office has investigated multiple complaints about this company, which was not registered as a loan modification services provider as required.

Biden urged Delaware homeowners who are behind on their mortgage, are worried about making their mortgage payments, or who suspect a mortgage rescue fraud to contact the Delaware Homeowner Relief Hotline at 1-800-220-5424 or visit www.delawarehomeownerrelief.com.

[Click here to read Biden's Consumer Advisory on Mortgage Loan Modification Services.](#)

Delaware's lawsuit seeks restitution for the homeowners, the payment of civil penalties, and a Court order requiring the company to cease and desist its illegal activities. It was

filed in a coordinated nationwide effort among the federal Consumer Financial Protection Bureau, the Federal Trade Commission, and 17 states that together filed more than 30 lawsuits today targeting dozens of scam operations that prey on delinquent homeowners or those facing foreclosure.

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