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**Attorney General Abbott Takes Enforcement Action Against Dallas-area
'Mortgage Rescue' Operation**
'Behind on Mortgage' defendants bilked unwitting homeowners

DALLAS – Texas Attorney General Greg Abbott today took legal action to obtain restitution for a fraudulent “mortgage rescue” firm’s victims.

Dallas County 134th District Judge James M. Stanton granted an agreed temporary injunction barring Markus and Tyrone Bailey from deceptively operating the unlicensed businesses, Behind on Mortgage and Behind on Mortgages USA at 6060 N. Central Expressway in Dallas. The agreement requires the defendants to either reimburse all customers from whom it collected unlawful fees, or place these monies in a trust pending final judgment.

The defendants have been subject to a Nov. 2 temporary restraining order halting their deceptive practices that harmed struggling homeowners. While the Baileys never obtained a license as a mortgage broker from the Texas Department of Savings and Mortgage Lending, they nonetheless solicited distressed homeowners who had fallen behind on their mortgage payments.

The defendants visited homeowners facing foreclosure and pitched a way for them to obtain new loans, renewals, extensions of time to pay and modifications of existing mortgage loans. In return, the defendants required at least \$1,000 in advance from homeowners and demanded they have no contact with – or make future payments to – their original mortgage servicers.

The defendants retained homeowners’ fees for services and provided no measurable foreclosure relief, nor did they negotiate with mortgage servicers. Thus, many homeowners who dealt with the defendants ultimately lost their homes to foreclosure action. The defendants even continued to operate unlawfully despite a late-October cease-and-desist order from the Department of Savings and Mortgage Lending.

In addition to restitution, the attorney general seeks civil penalties of up to \$20,000 per violation of the Texas Deceptive Trade Practices Act, as well as attorneys’ fees. The attorney general contends the defendants also violated other provisions of the Texas Business and Commerce Code by failing to provide homeowners with a required option to cancel the in-residence solicitation. Defendants violated the Texas Finance Code by failing to obtain a license.

Homeowners who believe they have been deceived by similar fraudulent business practices

may call the Office of the Attorney General's toll-free complaint line at (800) 252-8011 or file a complaint online at www.texasattorneygeneral.gov.

Texans may learn more about buying a home and avoiding pitfalls and scams by reading an online bulletin from the Office of the Attorney General at this link: http://www.oag.state.tx.us/AG_Publications/pdfs/home_buying.pdf.

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