

<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO</p> <p>1437 Bannock Street Denver, Colorado 80202</p> <hr/> <p>STATE OF COLORADO, <i>ex rel.</i> John W. Suthers, Attorney General,</p> <p>Plaintiff,</p> <p>v.</p> <p>PATRICK C. BRUNNER, an individual; JERRY OHU, an individual; GREGORY D. HOFFMAN, an individual; WILLIAM J. SCHULTZ, an individual; FORTUNE FINANCIAL GROUP, LLC, a Colorado limited liability company; and PLATINUM FINANCIAL GROUP, a sole proprietorship,</p> <p>Defendants.</p>	<p><b>FILED Document</b> <b>CO Denver County District Court 2nd JD</b> <b>Filing Date: Oct 14 2010 12:24PM MDT</b> <b>Filing ID: 33810131</b> <b>Review Clerk: Colin D Quinn</b></p> <p style="text-align: center;"><b>▲ COURT USE ONLY ▲</b></p>
<p>JOHN W. SUTHERS, Attorney General ANDREW P. McCALLIN, First Assistant Attorney General, Reg. No. 20909* ERIK R. NEUSCH, Assistant Attorney General, Reg. No. 33146* 1525 Sherman Street Denver, Colorado 80203 Phone: 303-866-5079 *Counsel of Record</p>	<p>Case No.:</p> <p>Courtroom:</p>
<p><b>COMPLAINT</b></p>	

Plaintiff, the State of Colorado, upon relation of John W. Suthers, Attorney General for the State of Colorado, by and through the undersigned counsel, states and alleges as follows:

**INTRODUCTION**

1. This matter is a civil law enforcement action by the State of Colorado, *ex rel.* John W. Suthers, Attorney General for the State of Colorado, under the Colorado Consumer Protection Act, C.R.S. §§ 6-1-101 – 6-1-1120, to permanently enjoin Defendants from engaging in deceptive trade practices, to obtain civil penalties and restitution, to disgorge unjust proceeds, and to recover attorney fees and costs.

## **PARTIES**

2. John W. Suthers is the duly elected Attorney General for the State of Colorado and has express authority under C.R.S. § 6-1-103 to enforce and prosecute violations of the Colorado Consumer Protection Act.

3. Defendant Patrick Charles Brunner (DOB 07/27/1979) is an individual residing at 429 Diamond Drive, Fort Collins, Colorado 80525. Brunner was the owner of Platinum Financial Group, a sole proprietorship, and he was an agent of Fortune Financial Group, LLC. Brunner acted individually and in concert with the other defendants to commit unlawful acts. He is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act, C.R.S. §§ 6-1-1101 – 6-1-1120.

4. Defendant Jerry Ohu (DOB 06/10/1974) is an individual residing at 4150 Broadmoor Bluffs Drive, Colorado Springs, Colorado 80906. Ohu was an owner and the managing member of Fortune Financial Group, LLC, and an agent of Platinum Financial Group. Ohu acted individually and in concert with the other defendants to commit unlawful acts. He is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act.

5. Defendant Gregory Dwinelle Hoffman (DOB 08/21/1969) is an individual residing at 2835 West 116th Place, No. 204, Westminster, Colorado 80234. Hoffman was an agent of Fortune Financial Group, LLC and Platinum Financial Group, and he acted individually and in concert with the other defendants to commit unlawful acts. He is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act.

6. Defendant William John Schultz (DOB 07/29/1974) is an individual residing at 9497 East 107th Avenue, No. 242, Henderson, Colorado 80640. Schultz was an agent of Fortune Financial Group, LLC and Platinum Financial Group, and he acted individually and in concert with the other defendants to commit unlawful acts. Schultz is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act.

7. Defendant Fortune Financial Group, LLC is a limited liability company organized under Colorado law on December 23, 2004 by Ohu with principal street addresses at 3095 South Parker Road, Suite 200, Aurora, Colorado 80014 and 26 Garden Center, Suite 1, Broomfield, Colorado 80020. Fortune Financial Group, LLC is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act.

8. Defendant Platinum Financial Group is a sole proprietorship formed by Brunner in concert with the other defendants to commit unlawful practices. Platinum Financial Group is a foreclosure consultant within the meaning of the Colorado Foreclosure Protection Act.

## **JOINT AND SEVERAL LIABILITY**

9. Defendants consciously conspired and deliberately pursued a common plan or design to commit acts that resulted in violations of the Colorado Consumer Protection Act. The execution of such common plan or design resulted in wrongful conduct causing harm and injury to consumers. Defendants executed this common plan or design by inducing homeowners to sell their homes to investors and transfer all the proceeds from the sale to Defendants. Accordingly, Defendants shall be liable jointly and severally under Colorado law.

## **JURISDICTION AND VENUE**

10. This Court has jurisdiction to enforce the Colorado Consumer Protection Act under C.R.S. §§ 6-1-103 and 6-1-110.

11. Under C.R.S. § 6-1-103 of the Colorado Consumer Protection Act, venue is proper in the City and County of Denver because at least a portion of the transactions involving deceptive trade practices occurred the City and County of Denver.

## **RELEVANT TIMES**

12. Plaintiff timely files this action under C.R.S. § 6-1-115, because it is commenced within three years after the date on which the false, misleading, or deceptive act or practices occurred or the date on which the last in a series of such acts or practices occurred or within three years after the consumer discovered or in the exercise of reasonable diligence should have discovered the occurrence of the false, misleading, or deceptive act or practice.

## **PUBLIC INTEREST**

13. Through the unlawful practices of their business, vocation, or occupation, Defendants deceived, misled, and financially injured Colorado homeowners by stripping hundreds of thousands of dollars in equity from them between in or around June 2006 and in or around March 2007. Defendants deceived Colorado homeowners through unlawful foreclosure consulting services, including sale-leaseback schemes, that unjustly enriched Defendants by depriving homeowners of substantial equity in their homes.

14. The Colorado General Assembly has declared that violations of the Colorado Foreclosure Protection Act have a significant public impact. C.R.S. § 6-1-1102.

15. Defendants' unlawful practices resulted not only in the homeowners' loss of equity ranging from approximately \$40,000 to \$140,000 per transaction to Defendants through a deceptive and misleading proceed assignment at closing, but also frequently the loss of their homes to eviction or foreclosure one or two years after the sale.

16. Defendants targeted and preyed on financially unsophisticated and vulnerable homeowners by convincing them that the best way to save their home from a foreclosure sale was to sell it to an investor from whom the homeowner would then lease the property back for two years with an option to repurchase.

17. Defendants misled and deceived homeowners to assign all the proceeds from the sale of their home at closing to Defendants through an assignment of proceeds document that was executed as part of the closing. Defendants failed to disclose to the homeowners, or affirmatively misled them regarding, the fact, purpose, or amount of the proceed assignment.

18. No homeowner was able to repurchase a property. Instead, nearly all the homeowners lost their homes starting in or around November 2007. This unlawful scheme devastated distressed Colorado homeowners in foreclosure who believed that they were saving their home from foreclosure by working with Defendants, not relinquishing all their equity.

19. Accordingly, the Colorado Attorney General believes that these proceedings are in the public interest.

## **STATUTORY BACKGROUND**

### **A. The Colorado Foreclosure Protection Act**

20. The Colorado General Assembly enacted the Colorado Foreclosure Protection Act, effective May 30, 2006, to protect homeowners in foreclosure from various conduct by foreclosure consultants, provide information to homeowners, and ensure fair transactions.

21. As the legislative declaration for the Colorado Foreclosure Protection Act states: “Unfortunately, too many home owners in financial distress, especially the poor, elderly, and financially unsophisticated, are vulnerable to a variety of deceptive or unconscionable business practices designed to dispossess them or otherwise strip the equity from their homes.” C.R.S. § 6-1-1102.

22. The act was enacted in order to “prevent the most deceptive and unconscionable of these business practices, to provide each home owner with information necessary to make an informed and intelligent decision regarding transactions with certain foreclosure consultants and equity purchasers, to provide certain minimum requirements for contracts between such parties, including statutory right to cancel such contracts, and to ensure and foster fair dealing in the sale and purchase of homes in foreclosure.” C.R.S. § 6-1-1102.

23. Under the Colorado Foreclosure Protection Act, the term “foreclosure consultant” “means a person who does not, directly or through an associate, take or acquire any interest in or title to the residence in foreclosure and who, in the course of such person's

business, vocation, or occupation, makes a solicitation, representation, or offer to a home owner to perform, in exchange for compensation from the home owner or from the proceeds of any loan or advance of funds, a service that the person represents will . . . [s]top or postpone a foreclosure sale.” C.R.S. § 6-1-1103(4)(a)(I).

24. The version of the Colorado Foreclosure Protection Act relevant to the events in this case applied to a “residence in foreclosure,” which means “a residence or dwelling . . . that is occupied as the home owner’s principal place of residence and against which any type of foreclosure action has been commenced.” C.R.S. § 6-1-1103(8) (2006).

25. The Colorado Foreclosure Protection Act contains requirements for contracts used by foreclosure consultants and prohibits certain conduct by foreclosure consultants, including unconscionable terms and circumstances. C.R.S. §§ 6-1-1104 – 6-1-1110.

#### **B. The Colorado Consumer Protection Act**

26. The Colorado Consumer Protection Act prohibits deceptive trade practices as set forth in C.R.S. § 6-1-105(1). A violation of the Colorado Foreclosure Protection Act is a violation of the Colorado Consumer Protection Act. C.R.S. § 6-1-105(1)(xx).

27. The Colorado Consumer Protection Act authorizes the Attorney General to obtain consumer restitution under C.R.S. § 6-1-110(1), civil penalties under C.R.S. § 6-1-112(1), and attorney fees and costs under C.R.S. § 6-1-113(4).

### **GENERAL ALLEGATIONS**

28. Beginning in or around June 2006 and continuing through in or around March 2007, Defendants deprived financially unsophisticated and vulnerable Colorado homeowners in foreclosure from significant amounts of equity in their homes through unlawful foreclosure consulting services involving sale-leaseback schemes. Defendants executed this scheme through the use of disparate bargaining power and inadequate disclosures. Homeowners not only lost all their equity to Defendants and Defendants’ investors but in some cases their homes to eviction.

29. While Defendants conspired through a common plan to deprive homeowners of substantial equity and shared in the equity proceeds without disclosure to the homeowners, each Defendant had discrete tasks as part of this common plan. Defendants discovered homeowners in foreclosure through referrals from Defendant Hoffman’s friend, John Reinholdt II, whose companies held the mortgage and commenced a foreclosure proceeding against the homeowners. Because of this relationship with Reinholdt Defendants knew of the equity position that the homeowners had before they targeted them with deceptive and misleading representations.

30. Many of the homeowners lived in the homes for a long period of time and had thus accumulated significant equity, but nevertheless faced foreclosure because of economic

hardship or personal tragedy.

31. Using Reinholdt's list, Defendant Hoffman, through approval of and direction by Defendants Ohu, Brunner and Schultz, contacted homeowners by telephone and informed them that Fortune Financial, LLC could assist them with saving their home from a foreclosure sale and allow them to remain in the home until they could repurchase it. After an initial contact by telephone, Defendant Hoffman set up a face-to-face meeting with the homeowner to explain how Defendants could purportedly save their home from foreclosure.

32. Defendant Brunner and Defendant Hoffman would then meet with these homeowners to discuss how they could assist them with saving their home from foreclosure and repurchase it in the future. Defendant Brunner and Defendant Hoffman never disclosed before closing the amount of equity that would be transferred to Defendants through Platinum Financial Group, which Defendant Brunner formed to obtain and then distribute the equity proceeds among Defendants.

33. Having found homeowner victims, Defendants Ohu, Schultz, and Brunner would locate and persuade acquaintances to purchase the homes and lease them back to the homeowner. Defendants did not disclose to the investors the substantial amount of equity that Defendants would obtain at closing. Defendants Ohu and Brunner would prepare the lease agreements and Defendants Ohu and Schultz would participate in eviction proceedings on behalf of the investors

34. Defendants provided homeowners with a sale contract and a lease agreement containing an option to repurchase the property. The homeowners were not told who was purchasing the home and were not allowed to negotiate the sale price or the repurchase price.

35. During the telephone and the face-to-face contact, Defendants misled the homeowners to believing that working with Defendants was the best way to save their home, but Defendants did not address the amount or fact of a proceed assignment that would occur at closing, and, as a result, induced the victims to sign the sale contract and lease agreement through false, misleading, and deceptive conduct.

36. To the extent any of the homeowners knew of the approximate amount of equity in their homes, Defendants would falsely promise that the equity would be used to assist the homeowners with improvements, repurchasing the home, put in escrow, and/or otherwise be available to homeowners in the future.

37. Defendants never disclosed to homeowners that all the equity at sale would instead be transferred to Defendants through Platinum Financial Group, which would then distribute the proceeds among the investor, Defendant Brunner, Defendant Ohu, Defendant Schultz, and Defendant Hoffman pursuant to their common plan.

38. At the closing, Defendants presented for the first time an assignment of proceeds document that operated to transfer all the proceeds from the sale to Platinum Financial Group.

The amount or purpose of this assignment were never disclosed to the homeowner in any contract as required by law.

39. Defendants also received loan origination and broker fees on the closing of the homes through Fortune Financial Group, LLC, because they brokered the loan for the investor. In order to obtain loans for their investors, Defendants at times misled lenders regarding the investor's assets, income, occupancy, and number of properties.

40. After closing, the homeowners would then become tenants of their former homes by leasing the property back from the investor who purchased it.

41. For each transaction, Defendants obtained from homeowners equity ranging from approximately \$40,000 to \$140,000.

42. Not one person was able to repurchase the home, in part because significant amounts of equity were stripped from the home, and the repurchase price was unreasonable.

43. Some of the victims could no longer afford the rental payments on their former homes during the two-year lease term and they were evicted, even though the equity from the sale of their home, Defendants promised, was to be used to assist them.

44. Other victims were forced to leave their homes after the investors allowed them to go to foreclosure in 2008 and 2009 as a result of the real estate market downturn and the investors' having mortgages on multiple properties.

45. Consequently, the victims not only lost substantial equity in their homes as a result of this scheme, but many also lost their longtime homes.

46. On November 14, 2006, for example, a victim assigned to Defendants at closing \$139,235 in equity from the sale of her home, only to be evicted one year later.

47. On December 8, 2006, for example, a victim assigned to Defendants at closing \$103,496 in equity from the sale of her home only to be evicted in the summer of 2008 from a home in which she lived for 20 years and was raising her child.

48. Defendants knowingly made a false representation as to the characteristics, uses, or benefits of foreclosure rescue services by claiming to save homeowners' homes from foreclosure but instead used the homeowners' equity for personal use. Contrary to their representations to homeowners, Defendants failed to use the equity to make improvements to the home and/or assist the homeowners in keeping the home.

49. Under the guise of foreclosure rescue, Defendants induced homeowners to sell their homes and assign substantial equity to Defendants by failing to disclose the fact, amount, and purpose of the proceed assignment, that homeowners would be permanently deprived of the

equity in their homes; and that the equity would instead be used by Defendants for personal use.

50. Defendants also disregarded the requirements of the Colorado Foreclosure Protection Act, which the Colorado General Assembly enacted by, effective May 30, 2006, to help prevent this very conduct by requiring certain disclosures by foreclosure consultants and preventing unconscionable terms and conditions.

51. Defendants' conduct is unconscionable and should be punished accordingly, including an order of restitution and disgorgement of all unjust proceeds, including the sale proceeds from each home transferred to Defendants through a proceed assignment at closing, and the loan origination and other fees obtained by Defendants.

### **FIRST CLAIM FOR RELIEF**

(Knowingly Making a False Representation As to the Characteristics, Uses, or Benefits of Services in Violation of C.R.S. § 6-1-105(1)(e))  
(All Defendants)

52. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 51 of this Complaint.

53. Through the above-described conduct in the course of their business, occupation or vocation, Defendants knowingly made a false representation as to the characteristics, uses, or benefits of foreclosure rescue services by claiming to save homeowners' homes from foreclosure but instead obtained the homeowners' equity for themselves, and by failing to use the equity to make improvements to the home and/or assist the homeowners with keeping the home.

54. Through the conduct set forth in the Complaint and in the course of their business, vocation, or occupation, Defendants violated C.R.S. § 6-1-105(1)(e).

### **SECOND CLAIM FOR RELIEF**

(Failing to Disclose Material Information Concerning Services Which Information Was Known at the Time of an Advertisement or Sale and Intended to Induce The Consumer into a Transaction in Violation of C.R.S. § 6-1-105(1)(u))  
(All Defendants)

55. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 54 of this Complaint.

56. Defendants induced homeowners to sell their homes and assign substantial equity to Defendants by failing to disclose to the homeowners the fact, amount, and purpose of the proceed assignment; that homeowners would be permanently deprived of the equity in their homes; and that the equity would instead be used by Defendants for personal use.

57. Through the conduct set forth in the Complaint and in the course of their business,

vocation or occupation, Defendants violated C.R.S. § 6-1-105(1)(u).

**THIRD CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1104(3), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

58. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 57 of this Complaint.

59. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

60. Defendants failed to comply with the requirement that “[a] foreclosure consulting contract shall fully disclose the exact nature of the foreclosure consulting services to be provided and the total amount and terms of any compensation to be received by the foreclosure consultant or associate.” C.R.S. § 6-1-1104(3).

61. In particular, Defendants never disclosed in any foreclosure consulting contract the total amount and terms of any compensation to be received by the foreclosure consultant.

**FOURTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1104(4), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

62. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 61 of this Complaint.

63. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

64. Defendants failed to comply with the requirement that “[a] foreclosure consulting contract shall be dated and personally signed, with each page being initialed, by each home owner of the residence in foreclosure and the foreclosure consultant and shall be acknowledged by a notary public in the presence of the home owner at the time the contract is signed by the home owner.” C.R.S. § 6-1-1104(4).

**FIFTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1104(5), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

65. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 64 of this Complaint.

66. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

67. Defendants failed to comply with the requirement that “[a] foreclosure consulting contract shall contain the following notice, which shall be printed in at least fourteen-point bold-faced type, completed with the name of the foreclosure consultant, and located in immediate proximity to the space reserved for the home owner's signature:”

Notice Required by Colorado Law

\_\_\_\_\_ (Name) or (his/her/its) associate cannot ask you to sign or have you sign any document that transfers any interest in your home or property to (him/her/it) or (his/her/its) associate.

\_\_\_\_\_ (Name) or (his/her/its) associate cannot guarantee you that they will be able to refinance your home or arrange for you to keep your home.

You may, at any time, cancel this contract, without penalty of any kind.

If you want to cancel this contract, mail or deliver a signed and dated copy of this notice of cancellation, or any other written notice, indicating your intent to cancel to \_\_\_\_\_ (name and address of foreclosure consultant) at \_\_\_\_\_ (address of foreclosure consultant, including facsimile and electronic mail address).

As part of any cancellation, you (the home owner) must repay any money actually spent on your behalf by \_\_\_\_\_ (name of foreclosure consultant) prior to receipt of this notice and as a result of this agreement, within sixty days, along with interest at the prime rate published by the federal reserve plus two percentage points, with the total interest rate not to exceed eight percent per year.

This is an important legal contract and could result in the loss of your home. Contact an attorney or a housing counselor approved by the federal department of housing and urban development before signing.

C.R.S. § 6-1-1104(5).

**SIXTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1104(6), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

68. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 67 of this Complaint.

69. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

70. Defendants failed to comply with the requirement that “[a] completed form in duplicate, captioned "Notice of Cancellation" shall accompany the foreclosure consulting contract. The notice of cancellation shall:

- (a) Be on a separate sheet of paper attached to the contract;
- (b) Be easily detachable; and
- (c) Contain the following statement, printed in at least fourteen-point type:

Notice of Cancellation

(Date of contract)

To: (name of foreclosure consultant)

(Address of foreclosure consultant, including facsimile and electronic mail)

I hereby cancel this contract.

\_\_\_\_\_ (Date)

\_\_\_\_\_ (Home owner's signature)

C.R.S. § 6-1-1104(6).

**SEVENTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1104(7), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

71. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 70 of this Complaint.

72. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

73. Defendants failed to comply with the requirement that “[t]he foreclosure consultant shall provide to the home owner a signed, dated, and acknowledged copy of the foreclosure consulting contract and the attached notice of cancellation immediately upon execution of the contract.” C.R.S. § 6-1-1104(7).

**EIGHTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1107(1)(d), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

74. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 73 of this Complaint.

75. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

76. Defendants violated C.R.S. § 6-1-1107(1)(d) by receiving “consideration from a third party in connection with foreclosure consulting services provided to a home owner unless the consideration is first fully disclosed in writing to the home.” The foreclosure consultant defendants received consideration from Fortune Financial Group, LLC and/or Platinum Financial Group from the distribution of the proceed assignment, without disclosing it to homeowners.

**NINTH CLAIM FOR RELIEF**

(Violates Subpart 2 of the Colorado Foreclosure Protection Act, C.R.S. § 6-1-1109(1), in violation of C.R.S. § 6-1-105(1)(xx))  
(All Defendants)

77. Plaintiff incorporates herein by reference all of the allegations contained in paragraphs 1 through 76 of this Complaint.

78. Defendants were foreclosure consultants within the meaning of the Colorado Foreclosure Protection Act.

79. Defendants facilitated transactions that are “unconscionable given the terms and circumstances of the transaction” in violation of C.R.S. § 6-1-1109(1). These contracts were the product of bad faith overreaching by Defendants and resulted in contract terms that were unreasonably favorable to Defendants, because Defendants obtained from homeowners equity ranging from \$40,000 to \$140,000 from homeowners without disclosure and provided little to no benefit to homeowners. Most of the homeowners were unsophisticated, vulnerable, and desperate to save their longtime homes. By contrast, Defendants were knowledgeable about mortgages, real estate, market value, and closings.

80. Through the conduct set forth in the Complaint and in the course of their business, vocation or occupation, Defendants violated C.R.S. § 6-1-105(1)(xx).

### **RELIEF REQUESTED**

WHEREFORE, Plaintiff respectfully requests that Defendants be permanently restrained and enjoined from doing any of the wrongful acts referenced in this Complaint or any other act in violation of the Colorado Consumer Protection Act relating to real estate transactions, mortgages, foreclosure rescue, and foreclosure consulting.

In addition, Plaintiff prays for judgment against the Defendants, jointly and severally, for the following relief:

- A. An order that Defendants’ conduct violates the Colorado Consumer Protection Act, including C.R.S. §§ 6-1-105(1)(e), 6-1-105(1)(u), and 6-1-105(1)(xx), including violations of C.R.S. §§ 6-1-1104(3)-(7) ; C.R.S. §§ 6-1-1107(1)(d); and C.R.S. §§ 6-1-1109(1);
- B. A judgment pursuant to C.R.S. § 6-1-110(1) against Defendants, jointly and severally, for restitution to consumers injured as a result of Defendants’ violations of the Colorado Consumer Protection Act;
- C. An order pursuant to C.R.S. § 6-1-110(1) requiring Defendants, jointly and severally, to disgorge all unjust proceeds derived from their unlawful conduct;
- D. An order pursuant to C.R.S. § 6-1-110(1) for a permanent injunction or other orders or judgments relating to any misleading and deceptive trade practice;
- E. An order pursuant to C.R.S. § 6-1-112(1) for civil penalties against Defendants, jointly and severally, payable to the general fund of this state of not more than two thousand dollars for each such violation of any provision of the Colorado

Consumer Protection Act with respect to each consumer or transaction involved;

- F. An order pursuant to C.R.S. § 6-1-112(3) for civil penalties against Defendants, jointly and severally, payable to the general fund of this state of not more than ten thousand dollars for violations of any provision of the Colorado Consumer Protection Act with respect to each elderly person;
- G. An order pursuant to C.R.S. § 6-1-113(4) requiring Defendants, jointly and severally, to pay the costs and attorney fees incurred by the Attorney General; and
- H. Any such further relief as this Court may deem just and proper to effectuate the purposes of the Colorado Consumer Protection Act.

Respectfully submitted this 14th day of October, 2010.

JOHN W. SUTHERS  
Attorney General

/s/

---

ANDREW P. McCALLIN\*  
First Assistant Attorney General  
ERIK R. NEUSCH\*  
Assistant Attorney General  
Antitrust, Tobacco and Consumer Protection Unit  
Consumer Protection Section

Attorneys for Plaintiff  
\*Counsel of Record

Plaintiff's Address:  
Colorado Attorney General's Office  
1525 Sherman Street  
Denver, Colorado 80203

*Pursuant to C.R.C.P. 121, § 1-26(7), the original of this document with original signatures is maintained at the offices of the Colorado Attorney General, 1525 Sherman Street, Denver, Colorado 80203, and will be made available for inspection upon request.*