



FTC Action: Court Orders Ban Mortgage Relief Scammers from Mortgage Modification and Debt Relief Business

FOR RELEASE

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The principals of a mortgage relief operation and their companies are banned from the mortgage loan modification and debt relief business under court orders obtained by the Federal Trade Commission. The orders resolve charges that the scheme falsely promised financially distressed homeowners they would receive legal representation to prevent foreclosure or lower their mortgage payments and interest rates, and illegally charged thousands of dollars in advance.

The FTC charged the Jacksonville, Florida-based operation in 2014 as part of a federal-state enforcement sweep, [Operation Mis-Modification](#). The court subsequently ordered defendants to stop misleading consumers and froze their assets pending litigation.

The FTC alleged that the defendants typically told consumers they would get a loan modification or that their chance of getting one was 85 percent to 100 percent, and collected up to \$4,000 in advance, and sometimes an ongoing monthly fee of \$300 or more. In some cases, they told people not to pay their mortgages while their supposed loan modifications were pending, and falsely claimed that, by auditing their mortgage documents for lender errors or lender fraud, they would be able to convince the lenders to modify the consumers' home loans.

Under a stipulated order for permanent injunction that [Edward William Rennick III, Surety Law Group LLP and Redstone Law Group LLC](#) agreed to, they are banned from selling secured and unsecured debt relief products or services, and prohibited from misrepresenting any financial products and services, and from violating the Do Not Call Registry rules. The order imposes an \$8 million judgment that will be suspended upon surrender of frozen assets.

On July 7, 2016, [the court granted the FTC's motion for summary judgment](#) against Michael W. Lanier, Rogelio Robles, Lanier Law LLC, Fortress Law Group LLC, Fortress Law Group PC and Liberty & Trust Law Group of Florida LLC for violations of the FTC Act and the Mortgage Assistance Relief Services Rule. The order found the facts of the case indisputable, including:

Members of the operation made numerous misrepresentations to consumers;

The companies operated as "law firms" via agreements with lawyers in various states who did little or no actual legal work for the defendants' clients;

Some attorneys' names and signatures were used on documents without their authorization;

Consumers stated that despite being led to believe that a lawyer would work on their case, many never spoke to one, never got a lawyer's name, and never saw anything to suggest that a lawyer had done any work for them;

Some consumers who began paying the defendants stopped hearing from them;

Some consumers who contacted their lenders directly were told no paperwork had come from the defendants; and

Some consumers received mortgage modifications, but not on the terms they were promised, and sometimes with a higher monthly payment than they had been paying.

The Court imposed a permanent order on these defendants that subjects them to the same conduct terms as the defendants who settled with the agency and includes a judgment of more than \$13.5 million, which represents the defendants' net revenues. The orders bar the defendants from profiting from customers' personal information and failing to dispose of it properly.

The Commission vote authorizing the staff to file the proposed stipulated final order against Rennick, Surety Law Group and Redstone Law Group was 4-0. The U.S. District Court for the Middle District of Florida, Jacksonville Division, entered the order on August 12, 2016. The court granted the FTC's motion for summary judgment against Lanier, Robles, Lanier Law, Fortress Law Group, Fortress Law Group PC and Liberty & Trust Law Group of Florida on July 7, 2016, and entered a permanent injunction against them on August 12, 2016.

To learn more, read [*Mortgage Relief Scams*](#) and [*Trouble Paying Your Mortgage?*](#)

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#) and [subscribe to press releases](#) for the latest FTC news and resources.

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