



## Roy Cooper North Carolina Attorney General

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### **AG Cooper stops mortgage elimination scam from preying on homeowners, defrauding lenders**

*Judge blocks California outfit from promising to eliminate mortgages for a fee*

**Raleigh:** A deceptive scheme that promised to get rid of North Carolina homeowners' mortgages has been ordered to stop operating in the state, Attorney General Roy Cooper said today.

"These scammers claim they can erase your mortgage through a convoluted system of filing paperwork," said Cooper. "Their scheme leaves homeowners out thousands of dollars and possibly without a home."

Wake County Superior Court Judge Abraham Penn Jones has agreed with Cooper's request to stop D. Scott Heineman and Kurt F. Johnson, both of California, and their company, The Dorean Group, from advertising or operating their mortgage elimination scheme in North Carolina. The judge's order prevents Dorean from doing business in the state while Cooper's suit against the company goes forward. Cooper is also asking the court to permanently bar the company from North Carolina, cancel its contracts, pay refunds to homeowners in the state, and void all documents it filed in the state's public records.

As alleged in the complaint filed yesterday, Dorean advertises via the Internet on websites such as [www.byebyemortgage.net](http://www.byebyemortgage.net) that it has found "a PROVEN legal and moral way of eliminating your mortgage while adding \$32K to your pocket." Dorean has taken money from at least 25 North Carolina homeowners to perform "mortgage elimination" services based on the faulty premise that the United States banking system is fraudulent and illegitimate and that borrowers are not legally responsible for repaying their mortgage loans.

According to Cooper's complaint, Dorean charges homeowners \$3,000 for its services. Once it has the money in hand, the company begins the process by filing false documents with the Register of Deeds in the county where the homeowner's property is located. These baseless documents are supposed to create the appearance that the homeowner's loan is cancelled and that there are no outstanding liens on the property. Dorean next instructs the homeowner to refinance the property, with seventy-five percent of the proceeds going to Dorean. In the final step of the scam, defendants promise that they will wipe out this refinanced mortgage by filing another series of baseless documents with the Register of Deeds.

As alleged in the complaint, the entire process from initial payment to the elimination of the refinanced mortgage is supposed to take five to seven months. Consumers who go through the process can risk losing their homes to foreclosure and end up with far greater debt on their homes. The process also defrauds lenders.

The complaint also names a Guilford County man, Joyce Earle Delancy Lambeth, who participated in the scheme with the other defendants and touts the mortgage elimination program on his website, [www.savetoday.cc](http://www.savetoday.cc).

"For the real estate market to work for consumers and lenders, everyone has to have faith in the documents filed in our county courthouses," said Cooper. "These scammers are damaging that trust and that's unacceptable."

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