



STATE OF CALIFORNIA

Department of Business Oversight

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For Immediate Release

May 27, 2020

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California Department of Business Oversight Files Order to Ban Encino Company from PACE Industry

SACRAMENTO – The California Department of Business Oversight (DBO) today filed an [order](#) to ban from the Property Assessed Clean Energy (PACE) industry an Encino company that allegedly engaged in a pattern of fraud that included peddling PACE as a “free government program,” forging signatures on contracts, and impersonating homeowners on contract confirmation calls.

A Desist and Refrain Order was filed against Eco Technology, Inc. (Eco Tech). A similar but separate action will be filed later against the company’s president, Norbertas Sinica, who had been enrolled as a PACE solicitor agent. The DBO on May 15 issued a demand to Eco Tech to discontinue its illegal practices and stop soliciting PACE contracts, which finance energy-efficient home improvements through property tax assessments.

“This shocking behavior has harmed too many vulnerable Californians and cannot be tolerated by the DBO or any PACE licensee,” said DBO Commissioner Manuel P. Alvarez. “Contractors who prey on homeowners have no place in an industry created to foster and encourage environmentally smart home improvements.”

A DBO investigation of 30 complaints filed in 2018 and 2019 against Eco Tech found that the homeowners alleged they had been urged to sign up quickly for a “free government program.” The DBO licenses and regulates PACE program administrators, such as Ygrene and Renovate America.

The complainants said an Eco Tech solicitor agent would ask homeowners for personal financial information such as tax statements and paycheck stubs to determine if they qualified for the “free government program.” Contracts were later submitted to PACE program administrators with forged electronic signatures, homeowners alleged.

A number of the contracts also contain email addresses and/or telephone numbers that homeowners said they had not established, indicating Eco Tech “created email addresses and phone numbers in order to have the financing documents routed to them rather than the homeowner,” the DBO’s order states.

In addition, several homeowners said the voice on a recorded contract “completion call” required under state law was not their voice but that of an impersonator. At least one complaint also appears to include a fraudulent IRS 1099 form submitted to increase a homeowner’s income level to meet “ability to pay” requirements of state law.

The DBO found that Eco Tech sold the products it offered at inflated prices – three to five times the usual industry rate – and used high-pressure tactics to prey on mostly elderly homeowners and those who did not speak English as their primary language.

The Eco Tech order follows a consumer alert the DBO issued earlier this month about misleading mailers sent to homeowners with PACE financing. The mailers falsely inform consumers they are behind on payments and facing foreclosure. The entities sending these notices may be in the business of buying properties in foreclosure or providing foreclosure rescue services.

The mailers often include a document from Retran Foreclosure Listing Service that falsely states a consumer is behind on their PACE financing payments. It appears that Retran Foreclosure Listing Service sells false documents to the companies that mail notices to consumers.

The DBO encourages consumers who receive such a notice from a third party claiming they are behind on payments to contact the company that provided their PACE financing or their county's tax assessor or collector. Consumers should carefully investigate their situation, particularly if they have no reason to think they are behind on payments or the notice includes a document from Retran Foreclosure Listing Service.

The DBO continues to investigate these activities and will take appropriate actions to ensure the perpetrators cease their deceptive and unlawful activities. Consumers can also submit complaints about these notices to the Department of Business Oversight at <https://docqnet.dbo.ca.gov/complaint/>.

In addition to PACE program administrators, the DBO licenses and regulates financial services, including state-chartered banks and credit unions, student loan servicers, money transmitters, securities broker-dealers, investment advisers, non-bank installment lenders, payday lenders, mortgage lenders and servicers, escrow companies, and franchisors.

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