



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Contact:

DFPI.media@dfpi.ca.gov

DFPI, FTC Take Down Multimillion-Dollar Mortgage Assistance Scam that Preyed on Struggling Homeowners

SACRAMENTO – The California Department of Financial Protection and Innovation (DFPI) announced today that, in partnership with the Federal Trade Commission (FTC), it has secured a key consumer protection victory for struggling homebuyers.

The U.S. District Court for the Central District of California [found defendants](#) Michael Nabati, Armando Solis Barron, Dominic Ahiga (a/k/a Michael Grinnell), and Roger S. Dyer doing business through Los Angeles-based Home Matters USA and related firms, liable for approximately \$19 million in combined penalties and victim restitution.

The ruling resolves a joint civil action [filed in September 2022](#) by the DFPI and FTC. The Court found that the defendants falsely promised to reduce homeowners' mortgage payments and prevent foreclosures, defrauding distressed homeowners out of millions of dollars. The scheme harmed more than 3,000 people nationwide, particularly elders and veterans. The defendants violated multiple federal and state laws, including the California Consumer Financial Protection Law ([CCFPL](#)).

The ruling represents DFPI's first civil enforcement action filed jointly with the FTC. It also produced the highest penalties to date through the DFPI's expanded authority under the California Consumer Financial Protection Law.

"This case also demonstrates the value of the California Consumer Financial Protection Law as a tool to combat deceptive and predatory financial schemes. Fraudsters everywhere should take note – DFPI will find you, expose you, and hold you accountable. Victims of fraud should likewise take heart. The DFPI has your back," said DFPI Commissioner Clothilde Hewlett.

"Our win in this case sends a clear message to scammers who target consumers facing financial hardship: the FTC and our law enforcement partners are focused on fighting fraud and halting it," said Samuel Levine, Director of the FTC's Bureau of Consumer Protection. "We look forward to more opportunities to partner with the California DFPI on behalf of consumers."

To date, approximately \$3.5 million has been recovered by a court-appointed receiver as a result of this action. The defendants were ordered to pay approximately \$16 million in restitution and \$3 million in penalties.

The Court also [entered a judgment](#) against the companies used by the four defendants to carry out their scheme. Together, the Court's orders bar the individuals and their companies from directly or indirectly engaging in telemarketing, debt relief services, and making any misrepresentations or unsubstantiated claims about any product or service.

The DFPI encourages consumers who have experienced unfair, unlawful, deceptive, and abusive practices from a financial service provider to submit a complaint with the Department online: dfpi.ca.gov/submit-a-complaint.

About DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at dfpi.ca.gov.

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