



PRESS RELEASE

Colorado Department of Law
Attorney General John W. Suthers

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COLORADO ATTORNEY GENERAL SETTLES WITH THREE ADDITIONAL FORECLOSURE LAW FIRMS

DENVER — [Colorado Attorney General John Suthers](#) today announced civil law enforcement actions against [three additional Colorado foreclosure law firms](#). The firms are accused of allegedly inflating foreclosure costs charged to homeowners and others and charged with violations of the Colorado Consumer Protection Act and the Colorado Fair Debt Collection Practices Act. Simultaneously, the Attorney General's Consumer Protection Section announced it has reached settlement agreements with the three firms and their principals:

- Janeway Law Firm, P.C. and Lynn M. Janeway;
- Medved Dale Decker & Deere, LLC; Foothills Title and Escrow, Inc.; Toni M.N. Dale; Holly L. Decker; and Heather L. Deere; and
- Law Office of Michael P. Medved, P.C.; Wise Posts, LLC; Michael P. Medved; Tracie D. Castanon; Beth A. Maloney; and Patrick R. Maloney.

“We continue to uncover improper and deceptive billing practices by foreclosure law firms operating in Colorado,” said Attorney General Suthers. “These inflated costs were passed on to homeowners trying to save their homes from foreclosure, successful bidders for properties at foreclosure sales, and to investors and taxpayers.”

The complaints, filed in Denver District Court, allege that these law firms charged improper and inflated costs for title products and, in the case of the Law Office of Michael P. Medved, posting of two foreclosure notices, during a foreclosure.

The defendants also agreed to pay to the State, for restitution, costs, and fees, the following amounts:

- Janeway Law Firm: \$650,000, with an additional \$350,000 suspended pending compliance with the consent judgment;
- Medved, Dale, Decker & Deere: \$150,000, with an additional \$350,000 suspended pending compliance with the consent judgment; and
- Law Office of Michael P. Medved: \$1,000,000, with an additional \$350,000 suspended pending compliance with the consent judgment.

“These three law firms handled a small fraction of the foreclosures in Colorado compared to the two largest foreclosure law firms, Castle Law Group and Aronowitz & Mecklenburg, which combined handled about 75 percent of foreclosures in the state,” said Suthers.

Per the terms of the consent judgments, the defendants agreed that for all future foreclosures in Colorado:

- to use their best efforts to reduce costs so that any cost charged by a hired vendor is competitive;
- to not use any affiliated vendor to perform any non-legal foreclosure-related services such as issuing title products or posting foreclosure notices, or to receive any financial benefit from a vendor for foreclosure-related services;
- to obtain the most cost-effective title products from unaffiliated third-party vendors and to discontinue charging homeowners who stop the foreclosure a \$500 cancellation fee for a title commitment; and
- to charge only costs for third-party vendors that are reasonable and necessary, and only for the actual amount incurred, at the market rate by a third-party vendor.

On July 14, 2014, the Attorney General brought civil enforcement actions against Castle and Aronowitz, settling with Aronowitz for \$13 million. The case against Castle is pending in Denver District Court.

The Consumer Protection Section is currently working on a process for compensating victims. Anyone who believes they may be eligible for restitution should contact 1-800-222-4444.

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