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ATTORNEY GENERAL MADIGAN FILES LAWSUIT AGAINST CHICAGO AREA BUSINESS FOR MORTGAGE RESCUE, DEBT REDUCTION FRAUD***Madigan Seeks to Bar Defendants from Mortgage Rescue, Credit Services Businesses on Behalf of Consumers Who Lost Thousands***

Chicago — Attorney General Lisa Madigan today filed a lawsuit in Cook County Circuit Court against three men and their businesses, alleging repeated instances of fraudulently soliciting consumers for mortgage and credit card debt relief in violation of the state's Mortgage Rescue Fraud and Credit Services Organization Acts.

Madigan's lawsuit charges the Chicago-based Omega Business Center was an umbrella organization for several entities that solicited consumers through print and radio advertising in the Polish community to reduce their mortgages and bring down credit card debt but did not provide the promised services. The lawsuit alleges the organization charged consumers upfront fees for services that were never provided, and never issued refunds to customers who canceled their contracts.

Also named as defendants in the lawsuit were Michael Borowiak, of Niles, president of Omega Tax and Accounting and manager of Omega Investment and Development; Jorge Paredes, of Chicago, principal of Wall Street Inc.; and Jay Fortier, of Oak Park, manager of Habulst Asset Management LLC. These businesses, along with others registered with the state, all worked under the Omega Business Center, claiming to offer mortgage and credit card debt reduction assistance, the lawsuit states.

"Homeowners should be wary of any debt-assistance business that requires upfront fees for their services," Attorney General Madigan said. "Mortgage rescue scam artists should be aware that my office aggressively investigates these allegations and will pursue those who prey on unsuspecting homeowners."

The Attorney General received nearly a dozen complaints from consumers living in Cook, Lake and DuPage counties before filing her lawsuit. Those consumers together have lost \$300,000 as a result of entering into contracts with these companies.

Madigan is asking the court to prohibit the defendants from engaging in the businesses of mortgage foreclosure rescue or credit services and from future violations of the Consumer Fraud Act. The suit also asks the court to void all contracts between the defendants and Illinois consumers made through these unlawful practices and provide restitution for consumers. The action also asks the court to order the defendants to pay a \$50,000 civil penalty per count, additional penalties of \$50,000 for each violation found to have been committed with the intent to defraud, as well as \$10,000 per violation found to have been committed against a senior 65 years or older. The lawsuit also asks the court to require the defendants to pay the costs of the investigation and prosecution of the case.

Assistant Attorney General DaToya Burtin-Cox is handling the case for Madigan's Consumer Fraud Bureau.

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