

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS  
COUNTY DEPARTMENT - CHANCERY DIVISION

THE PEOPLE OF THE STATE OF ILLINOIS,

Plaintiff,

-vs-

SAFEGUARD PROPERTIES, LLC, a Delaware  
corporation licensed as a foreign corporation in  
Illinois,

Defendant.

2013CH20715  
CALENDAR/ROOM 11  
TIME 00:00  
Injunction

Case No.

**COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF**

Now comes the Plaintiff, People of the State of Illinois, by Lisa Madigan, Attorney General of the State of Illinois, and brings this action for injunctive and other relief against Defendant Safeguard Properties, LLC ("Safeguard"), a Delaware corporation licensed as a foreign corporation in Illinois, for violations of the Consumer Fraud and Deceptive Business Practices Act ("Consumer Fraud Act"), 815 ILCS 505/1, *et seq.*

**NATURE OF THE CASE**

1. Safeguard contracts with mortgage lending and servicing institutions to manage and preserve at-risk and foreclosed properties. Specifically, Safeguard determines the occupancy status of properties and secures vacant properties for lending and servicing institutions.
2. Under Illinois law, homeowners in default on their mortgage payments have the right to remain in their home until the foreclosure process has been completed and an order of possession has been entered against the homeowner. Similarly, tenants in foreclosed buildings

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CHANCERY DIVISION  
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DOROTHY BROWN  
CLERK OF THE CIRCUIT COURT  
CHANCERY DEPARTMENT

often have the right to remain in their homes for the duration of their lease, even after the foreclosure process has been completed.

3. Despite these protections, Safeguard has unlawfully dispossessed legal occupants of their homes by breaking into occupied houses, locking the occupants out of their homes, removing the occupants' personal property, and shutting off utilities in the home, often in the face of clear evidence that the property remains legally occupied.

4. Similarly, Safeguard has misrepresented to homeowners and tenants that they are no longer entitled to live in their homes when, in fact, the occupants are entitled to remain in their homes.

5. Such practices constitute a current and ongoing harm to Illinois consumers.

#### **PUBLIC INTEREST**

6. The Illinois Attorney General believes this action to be in the public interest of the citizens of the State of Illinois and brings this lawsuit pursuant to the Illinois Consumer Fraud Act, 815 ILCS 505/7(a).

#### **JURISDICTION AND VENUE**

7. This action is brought for and on behalf of the People of the State of Illinois, by Lisa Madigan, Attorney General of the State of Illinois, pursuant to the provisions of the Consumer Fraud Act, 815 ILCS 505/1, *et seq.*, and her common law authority as Attorney General to represent the People of the State of Illinois.

8. Venue for this action properly lies in Cook County, Illinois, pursuant to section 2-101 of the Illinois Code of Civil Procedure, in that some of the transactions complained of herein out of which this action arose occurred in Cook County. 735 ILCS 5/2-101.

## PARTIES

9. Plaintiff, the People of the State of Illinois, by Lisa Madigan, the Attorney General of the State of Illinois, is authorized to enforce the Consumer Fraud Act. 815 ILCS 505/7(a).

10. Safeguard is a Delaware corporation, with its primary place of business at 7887 Safeguard Circle, Valley View, Ohio.

11. Safeguard is the nation's largest privately-held mortgage field services provider.

12. Safeguard conducts extensive business in Illinois.

13. Safeguard contracts with and employs agents in Illinois to provide property inspection and preservation services for homes located in Illinois.

14. For the purposes of this Complaint, any references to the acts and practices of Safeguard shall mean such acts and practices that were performed by Safeguard, its employees, agents, representatives, subcontractors, and all persons or entities directly or indirectly under Safeguard's control.

## TRADE AND COMMERCE

15. Subsection 1(f) of the Consumer Fraud and Deceptive Business Practices Act defines "trade" and "commerce" as follows:

The terms 'trade' and 'commerce' mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.

815 ILCS 505/1(f).

16. Safeguard was at all times relevant to this Complaint and remains engaged in trade and commerce in the State of Illinois by advertising, offering for sale, selling and providing property management and property preservation services within the State of Illinois.

### **BACKGROUND**

17. For purposes of this Complaint, “at-risk properties” shall refer to properties where the homeowners are delinquent on their mortgage payments.

18. Properties “in foreclosure” shall refer to properties in active foreclosure litigation.

19. “Foreclosed properties” shall refer to properties that have been sold at foreclosure auction.

20. “REO properties” shall refer to properties which the foreclosing mortgage-lender or servicer acquired through the foreclosure process. In Illinois, a vast majority of foreclosed properties are purchased in the foreclosure auction by the foreclosing lender or servicer, thus becoming REO properties.

#### **Legal Protections of Occupants of At-Risk and Foreclosed Properties**

21. Under Illinois law, homeowners are entitled to remain in their homes even though they are delinquent or in default on their mortgage payments. Illinois homeowners are entitled to live in their homes until the completion of the foreclosure process, which requires the court to confirm the foreclosure sale and enter an order of possession against the homeowner.

22. Illinois law protects both defaulting homeowners, tenants, and other occupants who reside in foreclosed buildings by setting forth specific procedures which must precede eviction of the occupants of foreclosed properties. This process protects occupants from being evicted without legal justification and gives most occupants the right to remain in the home during and, often, after the judicial foreclosure process. *See, e.g.,* the Illinois Mortgage

Foreclosure Law, 735 ILCS 5/15-1504.5, 1508.5, and 1701; *see also* the Forcible Entry and Detainer Act, 735 ILCS 5/9-101 and 102.

23. As an additional safeguard for occupants of properties in foreclosure, Illinois requires that, even before taking possession of seemingly abandoned property, parties must follow a certain court process and obtain a court order allowing them to take possession. *See* 735 ILCS 5/15-1701(b)(1) and 1706.

24. Tenants in foreclosed properties receive additional federal protections. In 2009, after widespread reports of abuse and forced displacement of tenants in foreclosed properties, Congress passed the Protecting Tenants at Foreclosure Act. The Act requires owners of foreclosed properties to provide 90 days written notice to any bona fide tenant residing in the property prior to filing to evict the tenant or, if the tenant has a lease with more than 90 days remaining on the lease term, allow the tenant to remain in the property for the duration of the lease. *See* the Protecting Tenants at Foreclosure Act, Pub. L. No. 111-22, § 702, 123 Stat. 1632, 1660-61; 12 U.S.C. § 5220 note.

25. Despite these legal protections, Safeguard has ignored and severely curtailed the rights of occupants of at-risk properties, properties in foreclosure, and REO properties by illegally breaking into homes, removing occupants' personal property, locking out occupants, turning off utilities for legally occupied property, refusing to allow re-entry into these properties, and making coercive and deceptive representations to legal occupants.

#### **SAFEGUARD'S UNFAIR AND DECEPTIVE BUSINESS PRACTICES**

26. On its website, Safeguard advertises its services to potential clients as follows:

Safeguard is a turnkey resource for all aspects of default property management. Through continuous training of internal staff and local contractors, Safeguard ensures that all work performed meets investor/insurer requirements and agreed-upon timeframes, in the most

cost-effective manner, to help save money and prevent curtailment penalties. We offer a full spectrum of inspection, preservation, valuations, and title services. As an industry leader, we pride ourselves on our attention to detail, our quick turnaround times, and our high levels of quality service in the field and in our corporate office.

<http://www.safeguardproperties.com/Services.aspx>, last visited September 6, 2013.

*Safeguard's Arrangements with Mortgage Institutions*

27. Safeguard enters into written contracts with mortgage lenders and servicers to provide property inspection and preservation services for properties whose owners are delinquent or have gone into default on their mortgages.

28. Through these contracts, Safeguard agrees to determine the occupancy status of the property and to provide property preservation services, such as boarding up doorways, changing the locks or padlocking the entrance, winterizing the home, and removing debris from unoccupied property.

29. Safeguard, in some instances, contracts with lenders and servicers to provide other services as well, such as presenting property occupants with "cash-for-keys" or deed-in-lieu of foreclosure offers, coordinating evictions, and providing broker price opinions of the value of the home.

30. For each task Safeguard performs, Safeguard collects a pre-determined flat fee payment. For example, Safeguard often charges around \$12 to determine whether a property is occupied or vacant. However, if Safeguard determines that a property is vacant, Safeguard may then charge substantially larger fees for "securing" the home, such as \$100 to board up the doorway, \$40 for padlocking the entrance, \$60 for changing a lock, \$75 to shut off utilities, \$185 for winterizing the home, \$35 per cubic yard for trash removal, and \$120 for removing a car.

31. Safeguard's involvement with a piece of residential property generally begins once a homeowner becomes delinquent or defaults on his or her mortgage.

32. Once a homeowner becomes delinquent or defaults on his or her mortgage, Safeguard is then responsible for performing property management and preservation services on the home.

33. Safeguard then instructs one of its Illinois subcontractors to begin inspecting the property to determine its occupancy status.

34. Once Safeguard deems the property to be vacant, Safeguard instructs its subcontractors to secure the property by boarding up the doorway, turning off the water and winterizing the home, and placing lockboxes or padlocks on the doors.

35. Safeguard continues its efforts to inspect and preserve the home throughout the foreclosure process and after the mortgage lender purchases the property in the foreclosure auction.

#### Safeguard's Arrangements with Subcontractors

36. Safeguard performs occupancy determination and property preservation services through a diffuse network of subcontractors trained and supervised by Safeguard.

37. Safeguard, however, does not adequately train or supervise its subcontractors.

38. Subcontractors perform the work as agents of Safeguard.

39. Safeguard's subcontractors perform the work pursuant to specific orders from Safeguard.

40. In its contract with mortgage lenders and servicers, Safeguard represents that it "will supervise properly all [Safeguard] Personnel," which includes subcontractors of Safeguard.

41. In this contract with mortgage lenders or servicers, Safeguard also assumes liability and responsibility for the actions of its subcontractors.

42. Safeguard, similarly, represents in this contract with mortgage lenders or servicers that it “shall provide knowledgeable, skilled, proficient and experienced employees and subcontractors to enable full performance . . . with prudent, high quality mortgage servicing standards . . . .”

*Safeguard's Process in Determining the Occupancy Status of Property and Securing Property*

43. Safeguard's process in inspecting and securing a home starts when Safeguard sends a work order to one of its subcontractors ordering that the subcontractor determine the occupancy status of the property.

44. Safeguard does not provide its subcontractors with a clear standard for determining the occupancy status of property.

45. Safeguard stresses to subcontractors that the subcontractors should make occupancy determinations quickly.

46. Safeguard also tells its subcontractors that an occupancy status report of “unknown” is unacceptable and that the subcontractors will not be compensated for subsequent inspections to clarify the occupancy status.

47. In some instances, Safeguard instructs its subcontractors to determine the occupancy status of the property after just one visit to the property or without making any effort to contact the potential household occupants.

48. In many instances, Safeguard or its subcontractors inaccurately deem a property vacant when that property is, in fact, legally occupied.

49. Safeguard or its subcontractors often deem property to be vacant despite clear signs that the property is not vacant, such as a barking dog inside the home, a car in the driveway, garbage cans placed outside for pickup, a neighbor's statement that the property is occupied or even the actual presence of a legal occupant in the home when the subcontractors arrive at the property.

50. Once Safeguard or its subcontractor deems the property vacant, Safeguard orders its subcontractor to secure the property by gaining access to the property, turning off the water, placing a lockbox on the doors, and/or boarding the windows and doorways.

51. In many instances Safeguard, through its subcontractors, also unlawfully removes personal property from the homes they are securing.

52. The Illinois Attorney General's Office is aware of over 200 complaints from Illinois consumers against Safeguard concerning the removal of personal property.

53. Safeguard stresses to its subcontractors that the goal is to put each piece of property back on the market as quickly as possible.

54. In many instances, however, the properties Safeguard orders its subcontractors to secure are not vacant or insecure.

55. Instead, in many instances these properties are lawfully occupied and well-maintained by homeowners or tenants.

56. Nonetheless, Safeguard orders its subcontractors to dispossess legal occupants of their homes without legal justification.

57. As such, in many instances and without legal justification, Safeguard, through its subcontractors:

- a. Breaks into legally occupied property;

- b. Locks legal occupants out of their property;
- c. Turns off the water in legally occupied property; and
- d. Removes personal property from a legally occupied home.

58. Safeguard takes advantage of instances where legal occupants are momentarily out of the house by using such opportunities to break into the home, winterize the property, remove personal items, and/or change the locks.

59. In some instances, Safeguard tells the locked-out legal occupant that he or she is not entitled to re-enter the property.

60. When Safeguard learns that an occupant has been unlawfully locked out of his or her home, in some instances Safeguard only provides re-entry after several days.

61. In some instances, a subcontractor determines the property to be occupied, but Safeguard orders the subcontractor to secure the property anyway.

62. Often, after removing the personal property of a legal occupant, Safeguard represents to the occupant that it will reimburse the occupant or return the personal property to the occupant.

63. The occupant, however, is seldom reimbursed for the property, and the personal property is often not returned.

64. In at least one instance, Safeguard's subcontractor removed vital medical supplies, including the tenant's asthma pumps, from a legally-occupied home.

65. In some instances, Safeguard subcontractors enter property even though an occupant is actually home at the time of the unlawful entry.

66. Even when Safeguard learns that the property is occupied, Safeguard will repeatedly post notices on the home claiming that the property is vacant. This practice

intimidates legal occupants into believing that Safeguard is trying to force the occupants to move out, despite the legal protections afforded to occupants of distressed property.

67. Safeguard's practice of continually sending its subcontractors to occupied properties, locking legal occupants out of their homes and wrongfully securing occupied homes is deceptive, injurious and oppressive to Illinois consumers. Such practices, in some instances, leave the resident-victims homeless. Moreover, these practices often leave the resident-victims missing vital possessions, without running water, and/or in a continuous state of discomfort and insecurity.

68. Moreover, Safeguard's practice of securing properties and forcibly evicting legal occupants without legal justification violates public policy as defined by, *inter alia*, the Protecting Tenants at Foreclosure Act, the Illinois Mortgage Foreclosure Law, and the Illinois Forcible Entry and Detainer Act.

*Safeguard Provides Lawful Occupants with Misleading Notices*

69. Safeguard issues notices to occupants that state that the foreclosing lender has the right to protect and secure the property, that the property has been deemed vacant by Safeguard, and that, if the property is not vacant, the occupant must contact Safeguard within three days or the property will be re-keyed and winterized.

70. An example of a notice issued by Safeguard is attached as Exhibit 1.

71. Safeguard provides its notices regardless of whether the property is in foreclosure or not.

72. Safeguard provides these notices in instances where it does not have a good faith basis to believe that the home is vacant, such as in instances where the homeowner is in current

and ongoing loan modification negotiations with the loan servicer, or where the home is well-maintained, secured and filled with personal items.

73. Safeguard's notices, expressly or by implication, represent to the legal occupants that Safeguard is entitled to dispossess them of the property if the occupants fail to call Safeguard within three days.

74. Safeguard's notices fail to inform legal occupants they have the legal right to remain in the property.

75. Safeguard provides its notices to legal occupants before the confirmation of the foreclosure auction sale.

76. The confirmation of sale triggers mandatory notices to occupants under the Illinois Mortgage Foreclosure Law, informing them that they are potentially entitled to remain in the property. *See* 735 ILCS 5/15-1508 and 1508.5. Furthermore, under the Protecting Tenants at Foreclosure Act the new owner must provide *bona fide* tenants a 90 day notice before seeking to evict after the confirmation of sale. *See* Pub. L. No. 111-22, § 702, 123 Stat. 1632, 1660-61; 12 U.S.C. § 5220 note.

77. As such, Safeguard represents to legal occupants that they are not entitled to live in their homes before the occupants are provided with legally-required notices which convey that they are potentially entitled remain in their homes.

### **CONSUMER ILLUSTRATIONS**

78. Consumers have filed complaints against Safeguard with the Illinois Attorney General and Better Business Bureau. Moreover, hundreds of Illinois consumers have complained directly to Safeguard. Therefore, any examples of specific consumer experiences are simply illustrations and should not be construed as the only instances in which an Illinois consumer was

harm or could potentially be harmed by Safeguard. Plaintiff reserves the right to prove that consumers other than those illustrated below and other than those who have complained to the Office of the Illinois Attorney General have been injured because of Safeguard's unlawful practices.

**a. Barry Tatum**

79. Barry Tatum is a homeowner residing in Cook County, Illinois.

80. Around late 2010, Mr. Tatum fell behind on his mortgage payments when his appraisal business began to suffer.

81. In response, he began working with his servicer to avoid foreclosure, through a short sale or loan modification.

82. On July 19, 2011, the servicer filed for foreclosure against him.

83. Mr. Tatum continued to live in the property and pursue various means of avoiding foreclosure.

84. Mr. Tatum's servicer hired Safeguard to determine the occupancy status of the property and perform property preservation services on his home.

85. Safeguard, in turn, subcontracted this work to Central Valley Mortgage Services ("Central Valley") and another subcontractor ("the subcontractor").

86. Around August 2012, Mr. Tatum found a note on his door from the subcontractor stating that the property was determined vacant and instructing Mr. Tatum to call Safeguard's number if he still lived in the property.

87. Mr. Tatum called Safeguard to report that he still lived in the property.

88. Thereafter, on approximately 12 separate occasions through December 2012, Mr. Tatum discovered notes taped to his door stating the property was determined vacant.

89. In each instance, Mr. Tatum called Safeguard to report that the property was occupied.

90. Mr. Tatum interpreted the vacancy notices habitually posted on his home as a means to intimidate him into leaving his home.

91. Mr. Tatum communicated to Safeguard by phone that he felt Safeguard was trying to drive him out of his home.

92. On or about December 11, 2012, Safeguard told the subcontractor that Mr. Tatum's property was vacant and that it should secure the property.

93. The subcontractor gained entry to Mr. Tatum's house by knocking down the door with a sledge hammer.

94. At the time the subcontractor knocked down Mr. Tatum's door, Mr. Tatum's porch light was on.

95. Upon entering the property, the subcontractor saw that Mr. Tatum's house was full of his possessions and determined that the property was occupied.

96. The subcontractor left without securing the door that it knocked in.

97. On or about that same day, Safeguard, through Central Valley, left a letter on Mr. Tatum's door, representing that Mr. Tatum's servicer was entitled to enter and secure the property.

98. The letter also apologized for the property being deemed vacant and stated that Central Valley had re-secured the property after breaking down the door.

99. In truth, Safeguard and its subcontractors left Mr. Tatum's door off the hinges.

100. On or about December 12, 2012, Mr. Tatum returned home to find his door off the hinges.

101. Mr. Tatum immediately called Central Valley.

102. Central Valley referred Mr. Tatum to Safeguard.

103. After approximately two weeks of calls to Safeguard, Safeguard finally agreed to repair Mr. Tatum's door on or about December 28, 2012.

104. Mr. Tatum remains in his home and continues to speak with his lender about foreclosure avoidance options.

105. At no point has Mr. Tatum's mortgage servicer or Safeguard obtained a court order allowing either entity to enter, secure, or take possession of Mr. Tatum's home.

**b. Sherry Eubanks**

106. Sherry Eubanks lived in a home in Will County, Illinois, with her fifteen year old daughter.

107. Ms. Eubanks had a mortgage on her home.

108. Around September 2009, Ms. Eubanks fell behind on her mortgage payments because the preschool she operated lost business.

109. In February 2010, the mortgage servicer filed a foreclosure action against Ms. Eubanks.

110. On or about October 20, 2010, Ms. Eubanks' home was sold in a judicial foreclosure auction.

111. Shortly before October 29, 2010, Safeguard told its subcontractor that Ms. Eubanks' property was vacant and instructed its subcontractor, Exclusive Properties, to winterize Ms. Eubanks' home.

112. On or about the afternoon of October 29, 2010, at Safeguard's instruction, Exclusive Properties visited Ms. Eubanks' home.

113. At the time, Ms. Eubanks' daughter was home alone.

114. Exclusive Properties, at Safeguard's instruction, sought entry to the property.

115. Ms. Eubanks' daughter saw men she did recognize at the back of the house, hid in the bedroom, and called 9-1-1.

116. The subcontractors knocked on the door.

117. Ms. Eubanks' daughter heard knocking on the door but did not answer.

118. One of the Exclusive Properties' employees broke a window in the back of the house, entered the house through the broken window, and unlocked the back door for the other employee.

119. The police arrived and arrested the Exclusive Properties employees.

**c. Mark Fencke**

120. In 2009, Mark Fencke lived in a home in Cook County, Illinois.

121. Mr. Fencke had a mortgage on his home.

122. Mr. Fencke fell behind in his mortgage payments in the summer of 2008 after he lost his full-time job.

123. In early 2009, Mr. Fencke was in the process of working out a short sale with his mortgage servicer.

124. From approximately mid-February to mid-March 2009, Mr. Fencke, a reserve member of the U.S. Armed Forces, was in Fort Devens, Massachusetts, for a mandatory military training.

125. When he left his home to attend the military training, Mr. Fencke left his property secured and well maintained.

126. Mr. Fencke had his mail held at the post office so it would not pile up while he was gone.

127. Nonetheless, on or about March 2, 2009, Safeguard broke into Mr. Fencke's home and shutoff his water, electricity, and gas.

128. Safeguard also changed Mr. Fencke's backdoor lock and broke Mr. Fencke's backdoor and the glass door to his shower.

129. When Mr. Fencke returned from training, he found that his utilities had been disconnected and his home damaged.

130. Mr. Fencke contacted the Village government to have the water service restored. It took approximately two days for the water service to be restored.

131. Mr. Fencke also contacted his gas and electric companies. It took approximately four days for the gas and electric utilities to be restored.

132. Safeguard did not reimburse Mr. Fencke for any of the damage to his property or for the time that he was without basic utility service.

**d. Dilene Bishop**

133. Dilene Bishop owns a home in DuPage County, Illinois.

134. Ms. Bishop has a mortgage on her home, and her mortgage servicer is CitiMortgage.

135. After Ms. Bishop fell behind on her mortgage payments, Safeguard contracted with CitiMortgage to provide property inspection and preservation services for the property.

136. On or about January 4, 2008, Safeguard's subcontractor broke into Ms. Bishop's home.

137. At this time, Ms. Bishop was temporarily living with her mother because Ms. Bishop had been recently diagnosed with cancer.

138. Ms. Bishop continued to keep her possessions in her own home, maintain the property, and habitually visit the property with every intention of continuing to live in the property full time.

139. On or about January 4, 2008, Safeguard's subcontractor locked Ms. Bishop out of her property by changing the locks or placing glue in the locks to prevent re-entry.

140. Safeguard's subcontractor winterized the property by shutting off the water and pouring anti-freeze in the pipes.

141. At the time Safeguard broke into Ms. Bishop's home, Ms. Bishop's home was not in foreclosure.

142. Neither CitiMortgage nor Safeguard had legal justification to dispossess Ms. Bishop or her home.

143. Safeguard's subcontractor left a notice on Ms. Bishop's door stating that her locks had been changed.

144. This notice failed to inform Ms. Bishop that she had the right to remain in the property.

145. Ms. Bishop contacted Safeguard on or around January 4, 2008, and informed Safeguard that she still lived in the property and requested re-entry.

146. Safeguard told Ms. Bishop that she was not entitled to reside in the property.

147. CitiMortgage filed a foreclosure action against her on or about January 8, 2008.

148. In February 2008, Safeguard finally provided Ms. Bishop with keys to the property, but Safeguard did not restore Ms. Bishop's water.

149. As of March 2008, Safeguard still refused to restore the water in the property, leaving Ms. Bishop unable to live there.

150. After seeking counsel and filing counterclaims in the foreclosure case against Safeguard and Citimortgage, Ms. Bishop was able to have the water restored and move back into the property.

### **APPLICABLE STATUTES AND REGULATIONS**

151. Section 2 of the Consumer Fraud Act prohibits unfair or deceptive practices:

Unfair methods of competition and unfair or deceptive acts or practices, including but not limited to the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact, or the use or employment of any practice described in section 2 of the "Uniform Deceptive Trade Practices Act", approved August 5, 1965, in the conduct of any trade or commerce are hereby declared unlawful whether any person has in fact been misled, deceived or damaged thereby.

815 ILCS 505/2.

### **THE CONSUMER FRAUD ACT**

152. While engaged in trade or commerce, Defendant committed unfair and/or deceptive acts or practices declared unlawful under Section 2 of the Consumer Fraud Act, 815 ILCS 505/2, by:

- a. Representing to occupants, either expressly or by implication, and with the intent that occupants rely on such representations, that the occupants are not entitled to occupy residential property when the occupants are, in fact, entitled to occupy the property;

- b. Intimidating legal occupants by habitually sending agents to their home and posting notices stating that their home has been deemed vacant while the occupants legally occupy the property;
- c. Taking possession of residential property without legal justification;
- d. Unlawfully breaking into legally-occupied homes;
- e. Locking legal occupants out of their homes;
- f. Turning off the water or other utilities in legally-occupied homes;
- g. Unlawfully removing personal property from legally-occupied homes;
- h. Representing to occupants, with the intent that occupants rely on such representations, that the occupants will be reimbursed or have their personal property returned, but then failing to reimburse occupants or return their personal property;
- i. Providing notices to lawful occupants in foreclosure which represent, with the intent that the consumers rely on such representations, that the occupants may be dispossessed of their property without a court order if they do not call the Defendant within three days of the notice date, when such is not the case.
- j. Providing notices to lawful occupants of residential property which fail to inform the occupants that the occupants have the right to occupy the property until a court order has been entered against the occupants.
- k. Failing to adequately train, manage and supervise its subcontractors in the performance of property inspection and preservation services.

### **REMEDIES**

153. When the Office of the Illinois Attorney General files an action under the Consumer Fraud Act, the following remedies are available to the Court:

(a) Whenever the Attorney General or a State's Attorney has reason to believe that any person is using, has used, or is about to use any method, act or practice declared by this Act to be unlawful, and that proceedings would be in the public interest, he or she may bring an action in the name of the People of the State against such person to restrain by preliminary or permanent injunction the use of such method, act or practice. The Court, in its discretion, may exercise all powers necessary, including but not limited to: injunction; revocation, forfeiture or suspension of any license, charter, franchise, certificate or other evidence of authority of any person to do business in this State; appointment of a receiver; dissolution of domestic corporations or association suspension or termination of the right of foreign corporations or associations to do business in this State; and restitution.

(b) In addition to the remedies provided herein, the Attorney General or State's Attorney may request and the Court may impose a civil penalty in a sum not to exceed \$50,000 against any person found by the Court to have engaged in any method, act or practice declared unlawful under this Act. In the event the court finds the method, act or practice to have been entered into with the intent to defraud, the court has the authority to impose a civil penalty in a sum not to exceed \$50,000 per violation.

(c) In addition to any other civil penalty provided in this Section, if a person is found by the court to have engaged in any method, act, or practice declared unlawful under this Act, and the violation was committed against a person 65 years of age or older, the court may impose an additional civil penalty not to exceed \$10,000 for each violation.

815 ILCS 505/7.

154. Section 10 of the Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/10, provides that “[i]n any action brought under the provisions of this Act, the Attorney General is entitled to recover costs of the use of this State.”

**PRAYER FOR RELIEF**

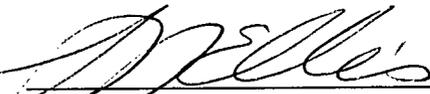
Wherefore, the Plaintiff prays that this Honorable Court enter an Order:

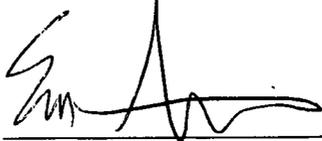
- A. Finding that Defendant engaged in trade or commerce within the meaning of Section 1(f) of the Consumer Fraud Act;
- B. Finding that in the course of trade or commerce, Defendant engaged in unfair and deceptive acts or practices within the meaning of Section 2 of the Consumer Fraud Act by, but not limited to, the unlawful acts and practices alleged in this Complaint;
- C. Permanently enjoining Defendant from engaging in the deceptive and unfair acts and practices alleged herein, including a permanent injunction barring Defendant from engaging in the business of advertising, soliciting, offering for sale, and selling property management and preservation services, including but not limited to determining the occupancy status of property, winterizing property, securing property, providing board-up services, and removing personal property from residential property, whether done by Defendant directly or by Defendants' agents, subcontractors, or any other third party in the State of Illinois;
- D. Revoking, forfeiting or suspending any and all licenses, charters, franchises, certificates or other evidence of authority of the Defendant to do business in the State of Illinois;
- E. Ordering Defendant to pay a civil penalty of \$50,000 if the Court finds that Defendant has engaged in methods, acts or practices declared unlawful by the Consumer Fraud Act without the intent to defraud;

- F. Ordering Defendant to pay an additional civil penalty of \$50,000 for each violation of the Consumer Fraud Act found to have been committed with the intent to defraud;
- G. Ordering Defendant to pay an additional civil penalty of \$10,000 for each violation of the Consumer Fraud Act found to have been committed against a person 65 years of age or older;
- H. Requiring Defendant to pay all costs for the prosecution and investigation of this action; and
- I. Providing such equitable and other relief as justice may require.

Respectfully Submitted,

THE PEOPLE OF THE STATE OF ILLINOIS,  
by LISA MADIGAN  
ATTORNEY GENERAL OF ILLINOIS

By:   
Susan Ellis  
Bureau Chief  
Consumer Fraud Bureau

By:   
Eric Sirota  
Assistant Attorney General  
Consumer Fraud Bureau

Attorney No. 99000  
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# IMPORTANT!

We found this property to be vacant/abandoned. This information will be reported to the mortgage holder. The mortgage holder has the right and duty to protect this property. The property will be rekeyed and/or winterized within 3 days. If this property is **NOT VACANT**, please contact Safeguard Properties at **877-340-8482**.