



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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Business Owner Pleads Guilty to Illegal Loan Modifications *City Attorney's Office seeks homeowners victimized by Best Mortgage Solutions and BMS Law*

San Diego, CA: Distressed homeowners were lured with the promise of lower monthly payments. That's why several San Diego homeowners signed up with *Best Mortgage Solution* or *BMS Law* to help modify their mortgage – for an up-front fee. Such fees are illegal under California law.

Adnan Khatib, owner of *Best Mortgage Solutions and BMS Law*, pleaded guilty in San Diego Superior Court on May 26, 2011, to acting as a real estate agent without a license and illegally taking up-front fees in connection with home loan modifications. Khatib was ordered not to own, manage or have any financial interest in any loan modification business. He was also ordered to pay a \$3,000 fine, complete 15 days of public work service (roadside trash pick-up), and pay \$7,250 in restitution to the known victims of the crime. Khatib's businesses were located at 6440 Lusk Blvd in the Mira Mesa area of San Diego.

The San Diego City Attorney's Office filed charges against Khatib last year after investigating consumer complaints from homeowners who paid him \$1,000 to \$3,000 for loan modification services. None of the homeowners received new loans.

"Homeowners struggling to save their homes from foreclosure were lured by this loan modification business to pay advance fees for help modifying their loans and received no help," said City Attorney Jan Goldsmith. "Requiring up-front payments for loan modifications is illegal, and my office will continue to aggressively prosecute anyone who violates those laws," added Goldsmith.

Khatib must make full refunds to homeowners who paid him up-front for home loan modifications. Homeowners who believe they are victims of *Best Mortgage Solutions* or *BMS Law* are urged to file a claim with the City Attorney's Office immediately by calling the City Attorney's Help Line at (619) 533-5600.

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