



FACT SHEET

Viera v. Bella Homes, LLC et al.

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All statements below are allegations provided by the plaintiffs. None of these allegations have been proven yet.

ABOUT *Viera v. Bella Homes, LLC et al.*

This lawsuit, brought on behalf of a Hispanic couple in Northern Virginia, seeks to address discrimination on the basis of national origin by Bella Homes, LLC (Bella) and its principals and agents, who targeted Hispanic homeowners in Northern Virginia for their foreclosure rescue scam. The complaint also alleges violations of the Credit Repair Organizations Act, the Virginia Credit Services Business Act, and the Virginia Consumer Protection Act, and asserts several common-law fraud claims. The plaintiffs, who were defrauded into signing title of their home over to Bella for \$0, then paying “rent” to Bella while Bella did nothing to help them, seek to recover clear title to their home, (monetary) damages, and an injunction against the defendants to prevent them from perpetrating their scam on other homeowners. K&L Gates LLP, the Lawyers' Committee for Civil Rights Under Law, and the Washington Lawyers' Committee for Civil Rights & Urban Affairs are representing the plaintiffs in this matter *free of charge*.

Homeowners who believe that they have been victims of a scam, or individuals who have information about a loan modification or foreclosure rescue scam, or a potential scam, are encouraged to report such scams by visiting www.preventloanscams.org and clicking “[Report A Scam](#)” or calling 888-995-HOPE (4673).

Homeowners in need of help with their mortgage should remember that the best help is free.

Homeowners should work with a HUD-approved housing counseling agency and their loan servicer for such assistance.

A SOPHISTICATED SCHEME TO LURE DESPERATE HOMEOWNERS

Defendants' business is based on a sophisticated “leaseback/rent-to-buy” scheme in which Bella lures desperate homeowners into its “program” with promises of lower monthly payments and “no foreclosure.” (Complaint ¶¶ 31-33, 38.) Bella is based in Georgia (Complaint ¶ 10) and operates in at least six states through a diffuse network of “representatives,” but this lawsuit is focused on Northern Virginia, where Defendants have targeted Hispanics for their foreclosure rescue scheme. (Complaint ¶¶ 22-30.) In the scheme, Bella claims to “buy” homes from their owners, but, in reality, Bella takes title

to the home for \$0 and does not assume the mortgage or any other responsibility for upkeep of the property. (Complaint ¶¶ 2, 34, 37, 71.) Instead, Bella simply collects thousands of dollars in “rent” payments, pursuant to a strict Lease Agreement that the homeowner must sign when he/she signs over title of his/her home to Bella. (Complaint ¶¶ 2, 32, 36, 71, 72.) The mortgage remains the responsibility of the homeowner, but the homeowner is instructed to stop making mortgage payments and pay “rent” to Bella instead because Bella “owns” the home. (Complaint ¶¶ 36, 37, 66, 67.) Bella assures the homeowner that it will conduct a “forensic audit” and work with the homeowner’s lender to buy the mortgage, but Bella does no such thing. (Complaint ¶¶ 36, 68, 82, 83.) In the end, the homeowner has paid thousands of dollars in bogus “rent” payments and faces foreclosure. (Complaint ¶ 2.)

Bella and several of the named defendants in this action are currently defendants in an action brought by the U.S. Attorney for Colorado and the Colorado Attorney General (hereafter “the Colorado Enforcement Action”). The defendants in the Colorado Enforcement Action have agreed to a preliminary injunction, under which they have agreed to cease further operations and transfer approximately \$500,000 to the government, pending final resolution of the case or further orders from the court. The complaint in that action states that Bella derived more than \$3 million in “rent” payments as part of its scheme, the vast majority of which was used to pay the personal expenses of Bella’s founder, senior corporate attorney, and other persons affiliated with Bella. The Colorado Enforcement Action is *United States v. Bella Homes LLC et al.*, No. 12-cv-390-MSK-MEH (D. Colo.) (preliminary injunction entered Feb. 22, 2012).

ABOUT THE DEFENDANTS

The defendants include the following:

- Bella Homes: A Delaware LLC with its principal place of business in Atlanta, Georgia. (Complaint ¶ 10.)
- Mark Diamond: Founder, President and CEO of Bella. (Complaint ¶ 11.) He resides in Arizona (Complaint ¶ 11), and has been named as a defendant in the Colorado Enforcement Action as well.
- Daniel Delpiano: According to the complaint in the Colorado Enforcement Action, Mr. Delpiano is the “mastermind” of the Bella scam. He has been named as a defendant in the Colorado Enforcement Action as well. According to the complaint in the Colorado Enforcement Action, Mr. Delpiano resides in Georgia and is currently on supervised release for federal criminal convictions; he has federal state and felony convictions, including conspiracy to commit wire fraud, conspiracy to commit mail fraud, wire fraud, money laundering, mortgage fraud, and racketeering.
- Jose Flores: A Bella “representative” located in Northern Virginia (Complaint ¶ 13) who works to recruit Hispanics into the Bella program. Mr. Flores has conducted half-hour specials on Spanish-language radio in the Northern-Virginia listening area about Bella’s program. (Complaint ¶ 26.) Mr. Flores also hosts regular meetings, conducted in Spanish, to recruit more Bella “representatives,” who will then bring other Hispanic homeowners into Bella’s program. (Complaint ¶¶ 27, 29.) The plaintiffs attended one such meeting hosted by Mr. Flores at which he also stated that Bella was working to create a Spanish-language video to explain the program to homeowners. (Complaint ¶ 27.)
- Jose Alvarez: A Bella “representative” located in Northern Virginia (Complaint ¶ 14) who works to recruit Hispanics into the Bella program. Mr. Alvarez personally recruited the Vieras into Bella’s program. (Complaint ¶¶ 48-52.)

- Grace Holland: A Notary Public in Virginia who attended the Vieras' "closing" and represented that she worked for the government. (Complaint ¶¶ 62-64.)

ABOUT THE PLAINTIFFS

- Jose and Margarita Viera are a married couple who live in Northern Virginia. (Complaint ¶ 9.) They speak Spanish as their primary language. (Complaint ¶ 9.)
- Mr. Viera was approached by Mr. Alvarez in early September 2011 regarding the Bella program. (Complaint ¶ 48.) Mr. Alvarez explained to Mr. Viera that Bella would buy the Vieras' home, and then lease it back to the Vieras for less than their current monthly mortgage payments. (Complaint ¶ 49.) At the end of the lease term, Mr. Alvarez explained, the Vieras would be able to obtain a low-interest fixed rate mortgage to repurchase their home. (Complaint ¶ 1.)
- Mr. and Mrs. Viera were pressured by Bella to close the transaction in a short period of time, were not given time to review the transaction documents, and were provided with documents only in English, with no translation. (Complaint ¶¶ 3, 61.) The time between when the Vieras first learned of Bella and their "closing" was less than two weeks. (Complaint ¶ 74.)
- At their "closing," the Vieras signed over 30 pages of documents – which they had never seen before – as Ms. Holland purported to paraphrase the documents into Spanish. (Complaint ¶¶ 60, 70.) They transferred the title of their home for \$0 and signed a three-year "Lease Agreement," but Bella did not assume the mortgage, take responsibility for property taxes or homeowners insurance, and did not undertake any of the duties normally assigned to a *bona fide* landlord, such as maintaining the heating/cooling and electrical systems, the plumbing, and hot and cold water supply in good working order. (Complaint ¶¶ 65, 67, 71-73.)
- Also at the "closing" Mr. Alvarez and Ms. Holland told the Vieras that, because Bella now "owns" their home, they should no longer pay their mortgage, but should just pay "rent" to Bella. (Complaint ¶¶ 66, 73.) Mr. Alvarez and Ms. Holland also reassured the Vieras that they would no longer have any dealings with their lender because Bella would handle all negotiations with their lender. (Complaint ¶ 68.) Mr. Alvarez and Ms. Holland never told the Vieras that they were still responsible for the mortgage on their home, that the act of transferring title of their home made both of their mortgages subject to acceleration, pursuant to which their lenders could demand payment of all amounts due and owing under their mortgages, and that they were still at risk of foreclosure. (Complaint ¶¶ 67-69.)
- Relying on the statements of Mr. Alvarez and Mr. Holland, the Vieras stopped making payments on their primary mortgage and began to pay "rent" to Bella. (Complaint ¶¶ 66, 81.)
- The Vieras have paid almost \$5000 in "rent" to Bella. (Complaint ¶ 2.)
- There is no evidence that Bella has ever contacted the Vieras' lender on their behalf, conducted a "forensic audit" of their mortgage, or undertaken any steps to purchase the Vieras' mortgage. (Complaint ¶¶ 82, 83.)
- As a result of the defendants' actions, the Vieras have lost the title to their home and thousands of dollars, are in default on their primary mortgage, and are at risk of foreclosure and of damage to their credit. (Complaint ¶ 2.)