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Attorney General Balderas Obtains Restraining Order to Protect Homeowners

Consumers who have had contact with Praedium Preservation, Khalsa, Molinar, Lucero or Simms should call the Office of the Attorney General

Albuquerque, NM – Today, Attorney General Hector Balderas announced that the Office of the Attorney General obtained a temporary restraining order and injunction against a New Mexico attorney, Joshua R. Simms, and a group of non-attorneys who operate a mortgage assistance relief business which operates under the name "Praedium Preservation." The Attorney General alleged that Praedium Preservation took advantage of and profited from consumers in financial distress who are trying to avoid a foreclosure on their homes. "Praedium Preservation" is headed by Mukthiar S. Khalsa, Gregory B. Molinar, and Paul A. Lucero. Yesterday, Judge Malott of the Second Judicial District Court granted the Attorney General's motion and agreed that the defendants should be enjoined from violating the law. The court also imposed requirements on Simms' practice of law including that he must have a face-to-face meeting with his clients if he wishes to represent them.

"Our mission is to protect all New Mexico families and our economy, especially vulnerable consumers who are in foreclosure and face losing their home," said Attorney General Hector Balderas. "Yesterday Judge Malott agreed with us, saw through the defendants' scheme, and ordered them to stop violating the law."

In its ninety-seven (97) page complaint and one-hundred and five (105) page Motion for Temporary Restraining Order, the Office of the Attorney General ("OAG") alleged that Simms and the non-attorneys violated both federal and state laws and abused court processes for their own gain, including taking in nearly \$365,000 from homeowners in foreclosure, of which around 55% was spent by the Praedium operators on their own personal expenses, and about 45% was given to Simms. The OAG alleged that defendants did so by engaging in a scheme to take money, deeds, and powers of attorney from consumers facing foreclosure after defendants told consumers that defendants could "fight the foreclosure" for the consumer. Instead, defendants in some cases placed their friends or family in homes which were being foreclosed upon to live rent-free and failed to assist the consumer in the foreclosure. Also the OAG alleged that these defendants filed sham lawsuits and other false or deceptive pleadings in the courts and county clerks' offices for the purpose of delaying foreclosures or to trick judges into signing orders giving the defendants title to a home.

In addition, the OAG alleged that the non-attorneys engaged in the unauthorized practice of law by giving homeowners legal advice and pleadings to file in the homeowner's foreclosure case, and that Simms entered his appearance in some cases without the knowledge or consent of the homeowner.

No trial date has been set, but it is expected that the case will be tried sometime in 2017. **Consumers who have had contact with Praedium Preservation, Khalsa, Molinar, Lucero or Simms should call the OAG's Consumer & Environmental Protection Division at 505-222-9100.**

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