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For Immediate Release

**FCC TAKES ON MORTGAGE SCAM ROBOCALL CAMPAIGN
TARGETING HOMEOWNERS**

***MV Realty Apparently Used Twilio Networks and PhoneBurner Dialing Tools to
Flood Homeowners with Robocalls with Misleading Claims About Mortgages***

WASHINGTON, January 24, 2023—The FCC’s Robocall Response Team today took decisive actions to shut down an apparent homeowner-focused robocall scam campaign. The FCC’s Enforcement Bureau [ordered](#) telecommunications companies to effectively mitigate suspected illegal traffic from dialing platform PhoneBurner facilitating apparently illegal robocall traffic from real estate brokerage firm MV Realty to targeted consumers. The Bureau also [demanded](#) that voice service provider Twilio cease and desist from carrying the suspected illegal robocall traffic which it was apparently receiving from PhoneBurner. Twilio is the [largest](#) voice service provider yet to receive a cease-and-desist letter from the FCC.

According to lawsuits from the Attorneys General of [Florida](#), [Massachusetts](#), and [Pennsylvania](#), real estate brokerage firm MV Realty used misleading robocalls to “swindle” and “scam” residents into mortgaging their homes in exchange for small cash payments. The FCC’s action not only targets calls from the robocaller but also the networks that apparently carried the calls around the country: Twilio.

Commission Leadership:

FCC Chairwoman Jessica Rosenworcel: “Mortgage scams are some of the most pernicious types of robocalls we see. Sending these junk calls to financially-stressed homeowners just to offer them deceptive products and services is unconscionable. That’s why we are shutting down these calls right now.”

Enforcement Bureau:

Enforcement Bureau Chief Loyaan A. Egal: “‘Know Your Customer’ (KYC) principles should be at the forefront of all communications service providers’ business practices. It is concerning to see such a large provider allowing this kind of traffic on its networks. I hope and expect Twilio to immediately cease and desist. I also thank our partners in state Attorneys General offices around the country for their strong enforcement efforts against MV Realty.”

FCC Investigation

Between May 1, 2022 and December 6, 2022, the Traceback Consortium investigated prerecorded voice message calls that YouMail, a robocall tracking software company, flagged as robocalls made to wireless numbers without the consent of targeted consumers. The Consortium told Twilio, the voice service provider on whose networks these calls were traveling, about these calls and provided evidence. Twilio told the Traceback Consortium that PhoneBurner had obtained called parties’ consent for the robocalls. Neither Twilio nor PhoneBurner provided the Traceback Consortium with evidence of consent.

State Investigations

At least three state Attorneys General have sued MV Realty:

- **Florida Attorney General Ashley Moody** “filed a complaint for injunctive and monetary relief against Florida-based MV Realty and its principals for deceptive, unfair and unconscionable business practices that result in homeowners signing away home equity for a paltry upfront payment. The defendants offer homeowners \$300 to \$5,000 as a cash loan alternative in exchange for an agreement to use the company as an exclusive listing broker. However, after accepting the payment, homeowners discover that MV Realty files a 40-year lien on the property that requires paying 3% of the value of the home to MV Realty, regardless of whether the company ever provides any real estate listing services.” ([press release](#))
- **Massachusetts Attorney General Maura Healey** alleged “that MV of Massachusetts, LLC, a/k/a MV Realty, sells a product called a ‘Homeowner Benefit Agreement’ (HBA) that offers small dollar cash payments in exchange for a 40-year exclusive right for MV Realty to act as the listing brokerage when the homeowner decides to sell. The complaint also alleges that MV Realty uses unfair and deceptive marketing and sales tactics to hide the true terms of the contract, which, effectively amounts to a loan, and uses illegal methods for securing its rights under the contracts, including mortgaging homeowners’ properties in violation of Massachusetts laws. The AG’s Office also filed a request for a temporary restraining order and preliminary injunction to ban MV Realty from offering these deceptive contracts to consumers in Massachusetts. Terms buried in the contract include: a clause that allows MV Realty to assign the right to be the homeowner’s broker to anybody it wants to, without restriction; a clause ensuring a minimum payment to MV Realty, even if it overestimated the value of the home; a clause that requires tenfold repayment of the advance if the owner loses the home to foreclosure; and a clause that says that if MV Realty does act as a broker it will not owe homeowners the duty of loyalty or duty of confidentiality real estate agents generally owe their clients.” ([press release](#))
- **Pennsylvania Attorney General Josh Shapiro** “announced a lawsuit against Florida-based MV Realty PBC, LLC and its founder, Amanda Zachman. The suit alleges that the defendants misled Pennsylvania consumers regarding the terms of the company’s so-called Homeowner Benefit Program and obtained mortgages on consumers’ homes without their knowledge. The Homeowner Benefit Program currently offered by MV Realty scams consumers with a one-time upfront payment in exchange for the exclusive opportunity for MV to list the consumer’s home on the realty market if the consumer sells at any time in the next forty years. Consumers who try to withdraw from the program find themselves at risk for substantial penalties to be paid to MV Realty or they may be blindsided with a mortgage placed against their property.” ([press release](#))

Homeowner Scams:

The FCC received around 1,500 unwanted call complaints from consumers related to mortgages in 2022. These complaints could include robocalls, telemarketing, and/or spoofing calls.

Mortgage scammers often target homeowners that they know to be or expect to be in financial distress. Fraudsters prey on people’s fear and anxiety, and often use real news or public policy efforts as a ruse to gain trust and establish faux legitimacy.

The Federal Trade Commission [highlighted](#) some common warning signs of a mortgage relief scam:

- Scammers will demand payment upfront, before you get any services. That’s illegal — and a warning sign to avoid them.

- Scammers may want you to pay only by cashier's check, [wire transfer](#), or a [mobile payment app](#). Scammers like you to pay this way because it's hard to get your money back.
- Scammers may try to convince you to transfer the deed to your home to them. The deed is the legal document that proves who owns the home. If you transfer the deed, you're not likely to get it back.

Consumer Tips:

The FCC advises consumers who receive unwanted or suspicious calls to:

- Not answer calls from unknown numbers;
- Be aware that spoofing can make scam calls appear to be local and/or from a trusted institution;
- Do not provide any personal or financial information – including mortgage or home ownership information – to unknown callers;
- Know that legitimate callers will generally not use pressure tactics or demand immediate payment;
- Only contact your financial institution using their legitimate contact info from their website or a bill rather than trusting that the unknown caller is calling from that institution;
- Talk to friends and family who might be targeted so they understand how to protect themselves from scam robocallers;
- File a complaint with the FCC at www.fcc.gov/complaints; and,
- Contact law enforcement if you have been victim of a scam.

How We Got Here:

- **Shutting Down Active Robocall Campaigns** – The Enforcement Bureau has been targeting active robocall scam campaign with new types of actions. Based on investigations including input from the Industry Traceback Consortium, the FCC has twice issued a “K4 Notice” and an “N2 Order” directing all U.S.-based voice service providers to cease carrying specified traffic related to, respectively, an auto warranty and a student loan debt relief scam robocall campaign. In the case of the auto warranty calls, this resulted in a massive, 99% drop in the volume of such calls since June, [according](#) to RoboKiller. In that case, the FCC continued investigation even after its campaign shutdown order and recently adopted a record-breaking [\\$299 million](#) proposed fine against the apparent robocallers. The instant action is one in which the “N2 Order” is preceded by an “N2 Notice.” The “N2 Order” will follow the Notice if mitigating action is not taken. This tool is another one we can use to attack robocalls at the network level.
- **Cease and Desist** – Prior [cease-and-desist letters](#) resulted in those providers taking steps to mitigate robocall traffic. These companies have reported their robocall mitigation efforts to both the FCC and the Industry Traceback Consortium. In some cases, the providers reported to the Commission that they would shut down their operations. The FCC continues to monitor these efforts and would take further action should a company backslide.

The Bigger Picture:

Chairwoman Rosenworcel established the FCC's Robocall Response Team to serve as an FCC staff working group to combat the unyielding menace of illegal spoofed, scam, robocalls. The team pulls together expertise from across the agency to leverage the talents of enforcers, attorneys, policy makers, engineers, economists, and outreach experts.

Getting Results:

- Blocking active robocall scam campaigns by issuing first-of-their-kind actions resulting, in the case of a massive auto warranty robocall scam campaign, in a 99% drop in the volume of such calls;
- Numerous record-breaking spoofing and robocall fines;
- Closing gateways used by international robocallers to reach Americans' phones;
- Widespread implementation of STIR/SHAKEN caller ID authentication standards to help traceback illegal calls and improve blocking tools to protect consumers;
- Cutting voice service providers off from other networks for failing to meet the FCC's requirements for protecting consumers against scam robocalls and malicious spoofing;
- Signing robocall investigation partnerships with [43 states](#) plus the District of Columbia and Guam as well as international partnerships with Australia, Canada, Brazil, Romania, and the European Union;
- Launching an unprecedented proceeding to combat the rising threat of bogus robotexts.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).