

Consumer Defense Law Group Takes Legal Action in Foreclosure Dispute Involving Investor-Owned Loan Practices

MODESTO, CA, UNITED STATES, February 12, 2025 /EINPresswire.com/ -- The Consumer Defense Law Group, initiated legal proceedings against the investor behind a contentious loan. Led by attorney Tony Cara, the lawsuit—filed on February 22, 2024 (Case #CV-24-001447)—addresses allegations that the investor’s involvement was designed to bypass established protocols and undermine consumer protections in this high-profile foreclosure case.

Michael Angelo is at the center of the dispute. His family purchased a property in Modesto on September 7, 2001, for \$155,000, with a \$124,000 loan. The property was originally held in the family’s name until it was transferred from Tracy to Michael Angelo on December 23, 2014. Michael Angelo’s long-term investment came under threat when a notice of default was issued on July 14, 2023.

The situation escalated on October 11, 2023, when a notice of sale was issued, scheduling the property’s sale for November 20, 2023. By that time, delinquent fees had reached \$67,000. Recognizing the severity of the case, the Nonprofit Alliance of Consumer Advocates intervened on November 14, 2023, and submitted a formal request to the loan servicer seeking a postponement of the foreclosure process.

However, on November 15, 2023, the servicer rejected the postponement request, leaving Michael Angelo and his advocates with little choice but to pursue further legal action. The matter was referred to the Consumer Defense Law Group on November 16, 2023. Attorney Tony Cara, who spearheaded the filing of the lawsuit, asserts that the core issue extends beyond the servicer’s handling of the default; it lies with the investor’s direct influence on the foreclosure process. The lawsuit alleges that this influence represents a calculated effort to sidestep regulatory safeguards intended to protect homeowners.

“Michael Angelo’s case highlights systemic issues in our current lending practices,” said Tony Cara, lead attorney for the case. “The investor’s intervention in this foreclosure is not just an isolated incident—it reflects a broader strategy to circumvent homeowner protections. Our legal action is aimed not only at securing justice for Michael Angelo but also at setting a precedent that will fortify consumer rights in future cases.”

In a bid to resolve the dispute amicably, a [loan modification](#) offer was extended on June 17,

2024. This proposal represents a potential avenue to preserve Michael Angelo's equity and mitigate the severe consequences of foreclosure. The Consumer Defense Law Group, together with attorney Tony Cara, remains committed to ensuring fair lending practices and defending the rights of homeowners against exploitative financial maneuvers.

This case underscores the complex interplay between traditional servicer-owned loans and the emerging challenges posed by investor-owned loans. The legal action led by Tony Cara marks a significant step toward reforming practices that jeopardize the financial security of homeowners in Modesto and communities nationwide.

For additional information or to schedule an interview, please contact CDLG at 888-615-6765 or CDLGLAWYER@GMAIL.COM

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