

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

Before the Commissioner of the Division of Mortgage Lending

In the Matter of:

JUMBO, INC.,
Covered Service Provider License No.: UNL,

and

IRA L. MELTZER,
Associated Covered Service Provider License No.: UNL,

Respondents.

Order No. 2015-019

Case No. 2015-019

ORDER TO CEASE AND DESIST,
ORDER TO MAKE RESTITUTION,
ORDER IMPOSING AN ADMINISTRATIVE FINE AND INVESTIGATIVE COSTS,
ORDER TO PRODUCE RECORDS,
AND
NOTICE OF OPPORTUNITY FOR HEARING

Issued and Entered,
This 31st day of August, 2016,
By Nancy Corbin,
Acting Commissioner

I.
ORDER TO CEASE AND DESIST,
ORDER TO MAKE RESTITUTION,
ORDER IMPOSING AN ADMINISTRATIVE FINE AND INVESTIGATIVE COSTS
AND
ORDER TO PRODUCE RECORDS

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") having been statutorily charged with the responsibility and authority to administer and enforce Chapter 645F of the Nevada Revised Statutes, NRS 645F.010 *et seq.* ("NRS 645F" or "the Statute"), and Chapter 645F of the Nevada Administrative Code,

1 NAC 645F.005 *et seq.* (“NAC 645F” or “the Regulation”), governing the licensing and conduct of
2 covered service providers in the State of Nevada; and,

3 The Commissioner having been vested with general supervisory power and control over all
4 covered service providers doing business in the State of Nevada pursuant to NRS 645F; and,

5 The Commissioner having been further vested with broad authority to conduct investigations to
6 determine whether any person has violated any provision of the Statute or the Regulation; and,

7 The Division of Mortgage Lending (the “Division”) having received information indicating that
8 JUMBO, INC. (“JUMBO”) and IRA L. MELTZER (“MELTZER”) (collectively, the
9 “RESPONDENTS”) were engaged in activities requiring licensure as a covered service provider under
10 the Statute and the Regulation; and,

11 The Division having received a complaint against RESPONDENTS on or about
12 January 26, 2015 and commenced an investigation pursuant to NAC 645F.435 and NAC 645F.440 and
13 determined, from that investigation, that RESPONDENTS were engaged in activities requiring
14 licensure as a covered service provider under the Statute and the Regulation; and,

15 The Division staff having reported the results of its investigation to the Commissioner; and,

16 The Commissioner having reviewed the results of the investigation and makes the following
17 FINDINGS OF FACT and CONCLUSIONS OF LAW:

18 **Findings of Fact**

19 1. NAC 645F.200 and NAC 645F.800 prohibit any person from providing or offering to
20 provide any of the services of a covered service provider, foreclosure consultant or loan modification
21 consultant or otherwise engaging in, carrying on or holding himself or herself out as engaging in or
22 carrying on the business of a covered service provider, foreclosure consultant or loan modification
23 consultant without first obtaining the applicable license issued pursuant to this chapter and NRS 645F,
24 unless the person is properly exempt from licensure.

25 2. NRS 645F.310(11) includes in its definition of “covered service,” the provision of the
26 services of a loan modification consultant, which NRS 645F.365 defines as follows:

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1 “Loan modification consultant” means a person who, directly or
2 indirectly, makes any solicitation, representation or offer to a homeowner
3 to perform for compensation, or who, for compensation, performs any act
4 that the person represents will adjust the terms of a mortgage loan in a
5 manner not provided for in the original or previously modified mortgage
6 loan. Such an adjustment includes, without limitation:

- 7 1. A change in the payment amount;
- 8 2. A change in the loan amount;
- 9 3. A loan forbearance;
- 10 4. A change in the loan maturity; and
- 11 5. A change in the interest rate.

12 3. The Division’s investigation specifically found the following:

13 a. JUMBO is an active, domestic corporation (NV Entity No. C14953-2000) whose
14 registered agent is located at 112 North Curry Street, Carson City, NV, 89703.

15 b. MELTZER is the Director, President, and Treasurer of JUMBO.

16 c. JUMBO and MELTZER are not currently and have at no time relevant to this matter
17 been licensed as an independent or associated covered service provider in Nevada under the Statute and
18 the Regulation.

19 d. On or about December 14, 2012, R.S. met with MELTZER to obtain loan modification
20 assistance from RESPONDENTS to adjust the terms of the mortgage loans on four Nevada residential
21 properties owned by R.S. (including his primary residence at Prescott Way, Reno, Nevada 84509), as
22 well as a California parcel owned by R.S. MELTZER informed R.S. of a required retainer payment of
23 \$5,000.00 (\$2,500.00 for the Nevada properties and \$2,500.00 for the California property) with
24 additional monies due on a monthly basis.

25 e. On December 14, 2012, R.S. paid RESPONDENTS the \$5,000.00 retainer in the form of
26 a Nevada State Bank check which was deposited into JUMBO’S Wells Fargo account on
27 December 17, 2012.

1 f. On or about December 15, 2012, R.S. entered into a written agreement entitled “Retainer
2 agreement” with MELTZER (as operating through JUMBO). R.S. agreed to pay JUMBO an upfront
3 \$2,500.00 fee with respect to the services to be performed concerning the loan on R.S.’s “Reno, Nevada
4 property,” and commencing on January 15, 2012 [sic], agreed to make monthly \$1,000.00 payments
5 (until terminated by Claimant) to JUMBO as the work progressed.

6 g. At or about the time that Complainant R.S. met with MELTZER, or entered into the
7 “Retainer agreement” with RESPONDENTS, MELTZER provided Complainant with a written
8 description of his abilities, skills and accomplishments, dated December 10, 2012, in which among
9 other things, represented that he had formed a company to successfully assist “hundreds of homeowners
10 save their homes primarily through mortgage modifications,” which additionally “provided advise [sic]
11 that kept homeowners in their homes for many months with reduced or no monthly mortgage
12 payments.”

13 h. In an e-mail directed to R.S. by MELTZER in the express capacity of “Lending
14 Consultant” on January 31, 2013, MELTZER stated that he, MELTZER, had assured Chase (the lender
15 on the Prescott Way property) that R.S.’s loan modification package would be “in their hands by
16 tomorrow” and requested that the Complainant review for signature some attached documents.

17 i. From approximately December 14, 2012 through November 12, 2013, RESPONDENTS
18 engaged in, carried on, or held themselves out as engaging in or carrying on the business of a covered
19 service provider, when in exchange for compensation, on behalf of R.S., they directly communicated
20 with, or represented to R.S. that they had directly communicated with, R.S.’s creditors or lenders in
21 arranging or attempting to arrange for R.S., a reduction of the principal, interest, or payment amounts
22 due on his Nevada mortgage loans.

23 j. In connection with the foregoing described services with respect to R.S.’s Nevada
24 properties, R.S. paid to RESPONDENTS a total of approximately \$25,000.00 in fees (including the
25 \$2,500.00 retainer), tendered either in the form of checks drawn from R.S.’s bank account, or directly
26 deposited from R.S.’s account into JUMBO’S Wells Fargo account.

27 k. R.S. did not obtain a modification of any loan for which R.S. paid RESPONDENTS to
28 negotiate on his behalf.

1 11. By providing or offering to provide covered services and/or the services of a foreclosure
2 consultant and/or loan modification consultant for compensation without having first obtained the
3 applicable license under the Statute and the Regulation, and not being exempt from the licensure
4 requirements, RESPONDENTS are in violation of NAC 645F.200 and NAC 645F.800.

5 12. In connection with the complaint investigated by the Division with respect to R.S.'s
6 Nevada properties, RESPONDENTS received payments totaling approximately \$25,000.00 from R.S.
7 RESPONDENTS' unlicensed activity, in violation of NAC 645F.200 and NAC 645F.800, resulted in
8 direct economic loss to R.S. in the approximate amount of \$25,000.00.

9 13. Any conclusion of law that may be deemed a finding of fact shall be so construed.

10 **Order**

11 The Commissioner having formed the opinion based upon the foregoing that RESPONDENTS
12 have been or are engaged in unlicensed activities in violation of the Statute and the Regulation and
13 concluded and determined that RESPONDENTS should be ordered to: 1) cease and desist from
14 engaging in any activity requiring licensure under NRS 645F and NAC 645F; 2) make restitution;
15 3) pay an administrative fine; 4) pay the Division's investigative costs; and 5) produce and submit
16 records to the Division:

17 NOW, THEREFORE, IT IS ORDERED that JUMBO, INC. and IRA L. MELTZER shall
18 immediately CEASE AND DESIST from advertising, engaging in, or otherwise carrying on or holding
19 themselves out as engaging in or carrying on any activities that require licensure as a covered service
20 provider, foreclosure consultant, or loan modification consultant under the Statute and the Regulation.

21 IT IS FURTHER ORDERED that RESPONDENTS make RESTITUTION to R.S. in the sum of
22 \$25,000.00 no later than 30 days after the effective date of this Order. The RESTITUTION shall be and
23 hereby is required, jointly and severally, by JUMBO, INC. and IRA L. MELTZER in accordance with
24 NAC 645F.835(2). RESPONDENTS shall contact the Division within 21 days of the effective date of
25 this Order to make arrangements for the delivery of the required restitution to R.S.

26 IT IS FURTHER ORDERED that an ADMINISTRATIVE FINE in the amount of \$25,000.00
27 shall be and hereby is imposed, jointly and severally, on JUMBO, INC. and IRA L. MELTZER in
28 accordance with NRS 645F.410(1). The ADMINISTRATIVE FINE shall be due and payable on the

1 30th day following the effective date of this Order and shall be tendered to the Division in accordance
2 with the attached wire transfer instructions.

3 IT IS FURTHER ORDERED that RESPONDENTS shall be and hereby are assessed, jointly and
4 severally, on JUMBO, INC. and IRA L. MELTZER, the Division's INVESTIGATIVE COSTS in the
5 amount of \$3,030.00 in accordance with NRS 622.400. The INVESTIGATIVE COSTS shall be due
6 and payable on the 30th day following the effective date of this Order and shall be tendered to the
7 Division in accordance with the attached wire transfer instructions.

8 IT IS FURTHER ORDERED that within ten (10) calendar days of the effective date of this
9 Order, RESPONDENTS shall produce and submit to the Division the records identifying each Nevada
10 homeowner for whom RESPONDENTS have engaged in loss mitigation consulting, foreclosure
11 prevention, mortgage loan modification, or similar services. The records produced shall, at a minimum,
12 provide: 1) the name, address and home and mobile telephone numbers of each Nevada homeowner
13 that paid RESPONDENTS a fee or entered into an Agreement with RESPONDENTS; 2) a copy of each
14 Agreement entered into with each Nevada homeowner; 3) the date(s) that RESPONDENTS had contact
15 with the Nevada homeowner and description of the nature of such contact(s); and 4) the amount of
16 compensation that each Nevada homeowner paid to RESPONDENTS and the date upon which it was
17 paid. The records shall be delivered to the Division at 7220 Bermuda Road, Suite A, Las Vegas,
18 Nevada, 89119, attention Jessica Monsour, Chief Compliance Investigator, at jrmonsour@mld.nv.gov.

19 IT IS FURTHER ORDERED that an administrative hearing shall be scheduled in this matter
20 only if RESPONDENTS timely request an administrative hearing in accordance with the instructions
21 set forth in Section II of this Order entitled Notice of Opportunity for an Administrative Hearing. **If no
22 administrative hearing is requested within 20 calendar days of the effective date of this ORDER,
23 RESPONDENTS shall be deemed to have waived and relinquished the right to an administrative
24 hearing in this matter and a FINAL ORDER shall be issued.**

25 IT IS FURTHER ORDERED that this Order shall be and is effective and enforceable on the
26 date that it is issued and entered, as shown in the caption hereof.

27 IT IS FURTHER ORDERED that this Order shall remain effective and enforceable until
28 terminated, modified, set aside, or suspended in writing by the Commissioner.

1 IT IS FURTHER ORDERED that the Commissioner specifically retains jurisdiction over the
2 matters contained herein and has the authority to issue such further order(s) as she shall deem just,
3 necessary, and appropriate to enforce NRS 645F and NAC 645F and protect the public.

4 IT IS SO ORDERED.
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6 DIVISION OF MORTGAGE LENDING
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8 By: 

9 Nancy Corbin, Acting Commissioner
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II.

NOTICE OF OPPORTUNITY FOR ADMINISTRATIVE HEARING

NAC 645F.850 provides as follows:

1. If a person engages in an activity in violation of the provisions of this chapter or chapter 645F of NRS or an order of the Commissioner, the Commissioner may issue an order to the person directing the person to cease and desist from engaging in the activity.

2. The order to cease and desist must be in writing and must state that, in the opinion of the Commissioner, the person has engaged in an activity:

(a) For which the person has not received a license as required by this chapter or chapter 645F of NRS; or

(b) In a manner that violates the provisions of this chapter or chapter 645F of NRS or an order of the Commissioner.

3. A person who receives an order to cease and desist pursuant to this section shall not engage in any activity governed by this chapter or chapter 645F of NRS after receiving the order unless the order is suspended or rescinded.

4. Not later than 20 calendar days after receiving an order pursuant to this section, the person who receives the order may file a verified petition with the Commissioner to request a hearing. Upon receipt of the verified petition, the Commissioner may, for good cause shown, suspend the order pending the hearing. The Commissioner will hold the hearing on a date not later than 30 calendar days after the date the petition is filed unless the Commissioner and the person agree to another date. The order to cease and desist is rescinded if the Commissioner fails to:

(a) Hold a hearing:

(1) Not later than 30 calendar days after the petition is filed; or

(2) On a date agreed to by the Commissioner and the person; or

1 (b) Render a written decision within 45 days after the hearing is
2 concluded.

3 5. The decision of the Commissioner after a hearing is a final decision of
4 the Commissioner for the purposes of judicial review. [Emphasis added.]

5 NAC 645F.855 provides as follows:

6 1. If the Commissioner enters an order taking any disciplinary action
7 against a person, denying a person's application for a license, denying a
8 provider the right to teach approved courses, denying the approval of a
9 provider's course or denying the right of an instructor of a provider to
10 teach an approved course or approved courses, the Commissioner will
11 cause a written notice of the order to be served personally or sent by
12 certified mail or telegram to the person.

13 2. Unless a hearing has already been conducted concerning the matter,
14 the person, upon application, is entitled to a hearing. If the person does
15 not make such an application within 20 days after the date of the initial
16 order, the Commissioner will enter a final order concerning the matter.

17 3. A person may appeal a final order of the Commissioner taking any
18 disciplinary action against the person in accordance with the provisions of
19 chapter 233B of NRS that apply to a contested case. [Emphasis added.]

20 **If you wish to exercise your right to an opportunity for an administrative hearing, within**
21 **20 calendar days after receiving this Order, you must file a verified petition with the**
22 **Commissioner to request a hearing.**

23 The verified petition requesting a hearing must be delivered to:

24 Division of Mortgage Lending
25 Attn. Susan Slack
26 7220 Bermuda Road, Suite A
Las Vegas, Nevada 89119

27 **If you fail to timely file a verified petition to request a hearing, your right to a hearing to**
28 **contest this matter will be deemed waived and relinquished.**