STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re: Desert Star Financial, LLC and Joey DeBlanco, an individual Respondent.	**NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO REQUEST HEARING**

The licensing and regulation of mortgage brokers, mortgage bankers and escrow agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter 645A, respectively, of the Nevada Revised Statutes ("NRS"), and Chapter 645B, Chapter 645E and Chapter 645A, respectively, of the Nevada Administrative Code ("NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division") has the general duty to exercise supervision and control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Desert Star Financial, LLC is a corporation, and its principal is Joey DeBlanco (hereinafter collectively referred to as "Respondent").

2. On July 1, 2007, Respondent was issued a (check one):

☒ mortgage broker license pursuant to Chapter 645B of NRS;

☐ mortgage banker license pursuant to Chapter 645E of NRS; or

☐ escrow agency license pursuant to Chapter 645A of NRS.

3. At all relevant times herein mentioned, Respondent was operating within the State of Nevada pursuant to the terms of its license.

4. Pursuant to the Nevada Revised Statues and the regulations promulgated thereto, with limited exceptions, the Commissioner is charged with, among other things, conducting an annual examination of each mortgage broker, mortgage banker and escrow agency doing business in this State. *See*, NRS 645B.060(2)(d), NRS 645E.300(2)(d) and NRS 645A.050(2)(b).

5. An annual examination by the Commissioner of Respondent's books and affairs was scheduled for February 18, 2009 but Respondent did not agree to that date. Attempts at rescheduling with Respondent were ignored.

6. Respondent failed to appear for the examination or refused or failed, within a reasonable time, to furnish information or make a report required by the Commissioner pursuant to the provisions of NRS 645B.060, NRS 645E.300 or NRS 645A.050.

7. Pursuant to NRS 645B.670(2)(i) and NRS 645E.670(2)(i), for each violation committed by a mortgage broker or mortgage banker, the Commissioner may impose upon the mortgage broker or mortgage banker an administrative fine of not more than $10,000, may suspend, revoke or place conditions upon his license, or may do both, if the mortgage broker or mortgage banker has refused to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of the respective NRS chapter or a regulation adopted pursuant to such chapter.

8. Pursuant to NRS 645A.090(1)(i), for each violation committed by an escrow agency, the Commissioner may impose upon the escrow agency an administrative fine of not more than $500 and may suspend or revoke his license if upon a hearing it is determined that the escrow agency has refused to permit an examination by the Commissioner of his books and

affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of NRS 645A or a regulation adopted pursuant to such chapter.

VIOLATIONS OF LAW

Respondent has failed to permit an examination by the Commissioner of his books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to provisions of the applicable NRS chapter or a regulation adopted pursuant to such chapter, in violation of NRS 645B.670(2)(i), NRS 645E.670(2)(i) or NRS 645A.090(1)(i), as applicable.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to NRS 645B.750(2), NRS 645E.750(2), NRS 645A.100(2) or NRS 233B.121, as applicable, upon the timely filing of an application with the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a hearing with regard to the contents of this Order. At that hearing, the Division will seek:

a. The imposition of an administrative fine against Respondent if acting as either a mortgage broker or a mortgage banker in the amount of Two Thousand Five Hundred Dollars and No Cents ($2,500.00) for Respondent's violations of NRS Chapter 645B or 645E, respectively, as well as the Division's administrative costs and attorney's fees, if any, incurred herein, each to be proven at the hearing; or

b. The imposition of an administrative fine against Respondent if acting as an escrow agency in the amount of Five Hundred Dollars and No Cents ($500.00) for Respondent's violations of NRS Chapter 645A, as well as the Division's administrative costs and attorney's fees, if any, incurred herein, each to be proven at the hearing; and

c. Respondent's payment, in full, of the administrative fine, costs and fees to the Division within **thirty (30) days** of entry of the Final Order.

Should Respondent request a hearing, Respondent is advised of the following: a) Respondent is entitled to represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas, however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

Should Respondent not request a hearing within **twenty (20) days** of the date of this Order, the Division will enter a Final Order in this matter against Respondent, as otherwise required by law.

Dated this 19th day of May, 2009.

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

By: Joseph L. Waltuch
JOSEPH L. WALTUCH, COMMISSIONER

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on May 20, 2009, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing. NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO REQUEST HEARING for DESERT STAR FINANCIAL, LLC AND JOEY DEBLANCO, addressed as follows:

Joey DeBlanco
Desert Star Financial, LLC
2251 N. Rampart, No. 418
Las Vegas, NV 89128

Certified Receipt Number: 7006 2760 0000 0875 9698

DATED this 19th day of May, 2009

By: _____
Employee of the Division