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

\* \* \*

In re:  
SUPERIOR ESTATES  
CORPORATION, dba FIRST  
AMERICAN MORTGAGE, JUAN  
MACHADO,  
  
Respondent.

**FINAL ORDER**

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending Division (hereinafter, the "DIVISION"), having served the Respondent, FIRST AMERICAN MORTGAGE and JUAN MACHADO, (hereinafter, "RESPONDENT") on February 27, 2009, with its Notice of Intent to Impose Fine and Notice of Right to Request Hearing, attached hereto as Exhibit "1" and incorporated herein by reference, which notified RESPONDENT that a final order would issue in this matter unless, within twenty (20) days of entry and receipt of said Order, RESPONDENT requested a hearing to contest the charges against it, with said request to be made in writing, and;

Said Order having been sent to RESPONDENT via certified mail and regular mail, and received by RESPONDENT on March 2, 2009, and;

RESPONDENT having failed to request a hearing in this matter, and good cause appearing:

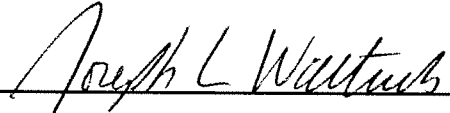
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1 NOW, THEREFORE, **IT IS HEREBY ORDERED** that, pursuant to NRS 645B.670 and  
2 NRS 645B.690, RESPONDENT will be subject to an administrative fine in the amount of FIVE  
3 THOUSAND THREE HUNDRED DOLLARS (\$5,300.00);

4 **IT IS FURTHER ORDERED** that the sum of said administrative fine be paid in full within  
5 **thirty (30) days** of entry of the instant Order;

6 Dated this 27<sup>th</sup> day of March, 2009.

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8 **STATE OF NEVADA**  
9 **DEPARTMENT OF BUSINESS AND INDUSTRY**  
10 **DIVISION OF MORTGAGE LENDING**

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14 By:   
15 **JOSEPH L. WALTUCH, COMMISSIONER**  
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# **EXHIBIT “1”**

1 STATE OF NEVADA  
2 DEPARTMENT OF BUSINESS AND INDUSTRY  
3 DIVISION OF MORTGAGE LENDING

4 In re:

5 SUPERIOR ESTATES  
6 CORPORATION, dba FIRST  
7 AMERICAN MORTGAGE, JUAN  
8 MACHADO,

9 Respondent.

10 **NOTICE OF INTENT TO IMPOSE FINE AND**  
11 **NOTICE OF RIGHT TO REQUEST HEARING**

12 The licensing and regulation of mortgage brokers and mortgage agents in the State of  
13 Nevada is governed by Chapter 645B of the Nevada Revised Statutes ("NRS") and Chapter  
14 645B of the Nevada Administrative Code ("NAC"). The State of Nevada, Department of  
15 Business and Industry, Division of Mortgage Lending (the "Division") has the general duty to  
16 exercise supervision and control over mortgage brokers and mortgage agents, as well as  
17 mortgage broker and mortgage agent activity. See, NRS 645B.060(1), NRS 645B.670 and  
18 NRS 645B.690. Pursuant to that authority, the Division makes the following Factual  
19 Allegations, Violations of Law, and Order, as follows:

20 **FACTUAL ALLEGATIONS**

21 1. SUPERIOR ESTATES CORPORATION dba FIRST AMERICAN MORTGAGE and  
22 its principal, JUAN MACHADO (hereinafter collectively referred to as "RESPONDENT") was a  
23 licensed mortgage broker operating within the State of Nevada. RESPONDENT initially  
24 registered with the DIVISION as a mortgage broker on November 17, 2004. The DIVISION  
25 currently classifies RESPONDENT'S license as active.

26 2. On October 6, 2008, the Division received a complaint from Rafael Carrasquillo  
27 and Gloria Velez Soto, alleging the RESPONDENT'S agent, Yasmit Requena ("REQUENA")  
28 engaged in fraudulent credit reporting activity leading to the identity theft of Gloria Velez Soto.

1           3.     The Division investigated the complaint during which RESPONDENT'S agent  
2     REQUENA admitted she ran a potential customer's credit report (Gloria Soto's) without her  
3     permission on August 22, 2008 as a favor to her cousin Rodolfo Alvarez and not for mortgage  
4     business purposes associated with First American Mortgage. Rodolfo Alvarez then gave that  
5     information to Sergio Gomez.

6           4.     The Division's investigation concluded that RESPONDENT failed to exercise  
7     reasonable supervision over the activities of his mortgage agent REQUENA when REQUENA  
8     unlawfully submitted and requested credit information pertaining to Gloria Velez Soto under  
9     false pretense and without Ms. Soto's knowledge, permission, or signature, in violation of 15  
10    United States Code § 1681q and First American Mortgage's policy.

11           5.     Pursuant to NRS 645B.460 (1)(b) "A mortgage broker shall exercise reasonable  
12    supervision over the activities of his mortgage agents. Such reasonable supervision must  
13    include, as appropriate: The establishment of a system to review, oversee and inspect the  
14    activities of his mortgage agents, including, without limitation: 1) Transactions handled by his  
15    mortgage agents pursuant to this chapter; 2) Communications between his mortgage agents  
16    and a party to such a transaction; 3) Documents prepared by his mortgage agents that may  
17    have a material effect upon the rights or obligations of a party to such a transaction; and 4)  
18    The handling by his mortgage agents of any fee, deposit or money paid to the mortgage  
19    broker or his mortgage agents or held in trust by the mortgage broker or his mortgage agents  
20    pursuant to this chapter." See, NRS 645B.460 (1)(b).

21           6.     Pursuant to NRS 645B.670 (2)(b) "For each violation committed by a mortgage  
22    broker, the Commissioner may impose upon the mortgage broker an administrative fine of not  
23    more than \$10,000, may suspend, revoke or place conditions upon his license, or may do  
24    both, if the mortgage broker, whether or not acting as such...(l)s grossly negligent or  
25    incompetent in performing any act for which he is required to be licensed pursuant to the  
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1 provisions of this chapter." See, NRS 645B.670 (2)(b).

2 **VIOLATIONS OF LAW**

3 After investigating this matter, it has been determined that RESPONDENT was grossly  
4 negligent or incompetent in supervising and/or establishing a system of review in order to  
5 inspect the actions of his mortgage agents. As such, RESPONDENT'S mortgage agent  
6 engaged in conduct constituting a deceitful, fraudulent or dishonest business practice when  
7 on August 22, 2008 RESPONDENT'S mortgage agent knowingly and willingly obtained  
8 information on a consumer (Soto) from a consumer reporting agency under false pretense, in  
9 violation of 15 U.S.C. § 1681q.

10  
11 **ORDER**

12 **NOW, THEREFORE, IT IS HEREBY ORDERED** that, pursuant to NRS 645B.750,  
13 upon the timely filing of an application with the Division within **twenty (20) days** of the date of  
14 this Order, RESPONDENT shall be entitled to a hearing with regard to the contents of this  
15 Order. At that hearing, pursuant to NRS 645B.670 (2) the Division will seek:

16 a. The imposition of an administrative fine of Five Thousand Dollars (\$5,000.00)  
17 against RESPONDENT for RESPONDENT'S violations of NRS 645B.460 (1)(b) and 645B.670  
18 (2)(b) as well as the DIVISION'S administrative costs of Three Hundred Dollars (\$300.00) and  
19 attorney's fees, if any, incurred herein, to be proven at the hearing; and

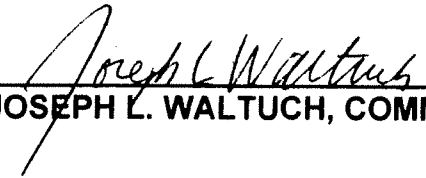
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21 b. RESPONDENT JUAN MACHADO and QUALIFIED EMPLOYEE REGINA  
22 CRUZ shall attend ten (10) hours of classroom continuing education, three (3) of which shall be  
23 in ethics. This continuing education shall be in addition to the current annual statutory  
24 requirement. Said ten hours of education will be completed within 120 days of execution of this  
25 Order. RESPONDENT will send Proof of compliance to the DIVISION.

26  
27 c. RESPONDENT'S payment, in full, of the administrative fine, costs and fees to  
28 the Division within **thirty (30) days** of entry of the Final Order.

1           Should RESPONDENT not request a hearing within **twenty (20) days** of the date of this  
2 Order, the Division will enter a Final Order in this matter against RESPONDENT, as required by  
3 NRS 645B.750 (2).

4           Dated this 20<sup>th</sup> day of February, 2009.

5                               **STATE OF NEVADA**  
6                               **DEPARTMENT OF BUSINESS AND INDUSTRY**  
7                               **DIVISION OF MORTGAGE LENDING**

8                               By:   
9                               **JOSEPH L. WALTUCH, COMMISSIONER**

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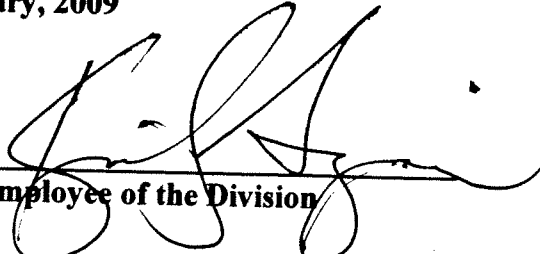
**CERTIFICATE OF SERVICE**

**I certify that I am an employee of the State of Nevada, Department of Business and Industry  
Division of Mortgage Lending, and that on February 27, 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 SUPERIOR ESTATES CORP dba FIRST AMERICAN  
MORTGAGE, JUAN MACHADO, addressed as follows:**

**Juan Machado  
First American Mortgage  
3889 S. Eastern Avenue  
Las Vegas, NV 89109**

**Certified Receipt Number: 7006 2760 0000 0876 2964**

**DATED this 27th day of February, 2009**

**By:**   
**Employee of the Division**



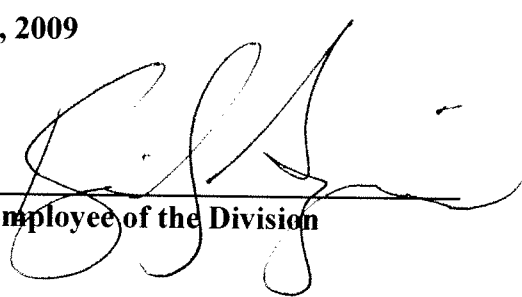
**CERTIFICATE OF SERVICE**

1  
2  
3 **I certify that I am an employee of the State of Nevada, Department of Business and Industry,**  
4 **Division of Mortgage Lending, and that on March 30, 2009, I deposited in the U.S. mail, postage**  
5 **prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of**  
6 **the foregoing, FINAL ORDER for FIRST AMERICAN MORTGAGE, JUAN MACHADO,**  
7  
8 **addressed as follows:**

9  
10 **Juan Machado**  
11 **First American Mortgage**  
12 **3889 S. Eastern Avenue**  
13 **Las Vegas, NV 89109**

14 **Certified Receipt Number: 7006 2760 0000 0876 2520**

15  
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18 **DATED this 27th day of March, 2009**

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21 **By:**   
22 **Employee of the Division**