

1 **STATE OF NEVADA**

2 **DEPARTMENT OF BUSINESS AND INDUSTRY**

3 **DIVISION OF MORTGAGE LENDING**

4 \* \* \*

5 In re:

6 US Home Bailout, LLC,

7 Respondent.  
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10 **FINAL ORDER**

11 The State of Nevada, Department of Business and Industry, Division of Mortgage  
12 Lending (hereinafter, the "Division"), having served the Respondent, US Home Bailout, LLC  
13 (hereinafter, "Respondent") on April 13, 2010, with its Notice of Intent to Impose Fine and  
14 Notice of Right to Request Hearing, attached hereto as Exhibit "1" and incorporated herein by  
15 reference, which notified Respondent that a final order would issue in this matter unless,  
16 within twenty (20) days of entry and receipt of said Order, Respondent requested a hearing to  
17 contest the charges against it, with said request to be made in writing, and;  
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19 Said Order having been sent to Respondent via certified mail and regular mail, and  
20 received by Respondent on April 15, 2010, and;


21 Respondent having failed to request a hearing in this matter, and good cause  
22 appearing:  
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24 NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to NRS 645F,  
25 Respondent will be subject to the administrative fines, fees and/or costs as set forth in the  
26 original Order attached hereto as Exhibit "1".  
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1                   **IT IS FURTHER ORDERED** that the sum of said administrative fines, fees and/or costs  
2 be paid in full within **thirty (30) days** of entry of the Order;

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4                   Dated this 5<sup>th</sup> day of May, 2010.

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6                   State of Nevada  
7                   Department of Business and Industry  
8                   Division of Mortgage Lending

9                   By:   
10                   Joseph L. Waltuch, Commissioner

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# **EXHIBIT “1”**

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

In re:

US Home Bailout, LLC,

Respondent.

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

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The licensing and regulation of loan modification consultants, foreclosure consultants and other persons providing 'covered services' as defined in Nevada Revised Statutes ("NRS") 645F.310 in the State of Nevada is governed by Chapter 645F of NRS and by permanent regulation R052-09 promulgated pursuant thereto (the "Regulation"). 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 covered service providers, foreclosure consultants and loan modification consultants. See, Chapter 645F of NRS and see the Regulation. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

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**FACTUAL ALLEGATIONS**

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1. US Home Bailout, LLC ("Respondent") is a limited liability company with an office located at 1055 E. Tropicana Avenue, Suite 100, Las Vegas, Nevada 89119.
  2. Ernest Vigil and Bryan Shepherd were and are the owners of Respondent.
  3. Based upon information and belief, and at all relevant times herein mentioned, Complainant GK ("Complainant") was the owner of certain real property located at 5640 Shuttle Court, Las Vegas, Nevada 89103-2381 ("the Property").
  4. On February 5, 2009, a notice of default was recorded against the Property.

1           5. Based upon information and belief, and at all relevant times herein mentioned, on  
2 March 10, 2009, Complainant entered into a written contract with Respondent and paid  
3 Respondent \$2,500.00 upfront for loan modification services, including, without limitation,  
4 negotiating principal and interest rate reductions and having an attorney file a complaint and  
5 "tie up (the Property) in the court for up to 4 to 5 years...."

6           6. Pursuant to NRS 645F.320, "'foreclosure consultant' means a person who, directly  
7 or indirectly, makes any solicitation, representation or offer to a homeowner to perform for  
8 compensation, or who, for compensation, performs any covered service that the person  
9 represents will do any of the following: ...(p)revent or postpone a foreclosure sale...obtain any  
10 forbearance from any mortgagee or beneficiary of a deed of trust...(s)ave the homeowner's  
11 residence from foreclosure...." See, NRS 645F.320(1), (2), (8).

12           7. Pursuant to NRS 645F.400, "(a) foreclosure consultant shall not...(c)laim, demand,  
13 charge, collect or receive any compensation until after the foreclosure consultant has fully  
14 performed each covered service that he contracted to perform or represented he would  
15 perform...." See, NRS 645F.400(1).

16           8. "Covered service" is defined in NRS 645F.310 to include, without limitation,  
17 "(f)inancial counseling, including...debt counseling...(c)ontacting a creditor on behalf of a  
18 homeowner...(g)iving any advice, explanation or instruction to a homeowner which in any  
19 manner relates to the cure of a default in or the reinstatement of an obligation secured by a  
20 mortgage or other lien on the residence..., the full satisfaction of the obligation, or the  
21 postponement or avoidance of a foreclosure sale." See, NRS 645F.310(1), (3), (7).

22           9. On or about September 11, 2009, the Division received a written complaint  
23 ("Complaint") against Respondent from Complainant alleging, among other things, that on  
24 March 10, 2009, Complainant entered into a contract with Respondent and paid Respondent  
25 \$2,500.00 upfront for loan modification services, including, without limitation, negotiating  
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1 principal and interest rate reductions and having an attorney file a complaint and "tie up (the  
2 Property) in the court for up to 4 to 5 years..."

3 10. After receiving the above-described Complaint, the Division conducted an  
4 investigation of the allegations in question which revealed, among other things, that  
5 Respondent charged, collected or received \$2,500.00 from Complainant before Respondent  
6 fully performed each covered service that it contracted to perform or represented it would  
7 perform, including, without limitation, principal and interest rate reductions on Complainant's  
8 residential mortgage loan.

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10 11. In response to the Complaint, Ernest Vigil contended in his letter dated  
11 September 29, 2009, to the Division that Respondent "was a direct result in getting and  
12 assisting (Complainant) in receiving his successful loan modification..."

13 12. In response to the Division's request for information regarding fees collected by  
14 Respondent from Complainant on March 13, 2009, Bryan Shepherd stated that Respondent  
15 "deposited the fees on March 13<sup>th</sup> 2009 into (Respondent's) escrow account. From there,  
16 (Respondent) billed against that account." Further, Mr. Shepherd asserted that Respondent  
17 "did push back (Complainant's) sale date, and (Complainant) was approved for the HAMP  
18 program on August 17<sup>th</sup>, 2009."

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20 13. NRS 645F.410 provides that "(i)n addition to any other remedy or penalty, the  
21 Commissioner may, after giving notice and opportunity to be heard, impose an administrative  
22 penalty of not more than \$10,000 on a foreclosure consultant who violates any provision of  
23 NRS 645F.400. See, NRS 645F.410(1).

#### 24 VIOLATIONS OF LAW

25 After investigating this matter, it has been determined that Respondent charged,  
26 collected or received \$2,500.00 from Complainant before Respondent fully performed each  
27 covered service that it contracted to perform or represented it would perform, including,  
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1 without limitation, principal and interest rate reductions on Complainant's residential mortgage  
2 loan.

3 **ORDER**

4 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**  
5 pursuant to Chapter 645F of NRS, that upon written application to the Division within **twenty**  
6 **(20) days** of the date of this Order, Respondent shall be entitled to a hearing with regards to  
7 the contents of this Order referenced hereafter. At that hearing the Division will seek to  
8 impose an administrative fine against Respondent in the amount of Two Thousand Five  
9 Hundred Dollars and No Cents (\$2,500.00), payable to the Division on account of  
10 Respondent's violation(s) of Chapter 645F of NRS, the Division's investigative costs in the  
11 amount of Five Hundred Forty Dollars and No Cents (\$540.00) as well as the Division's  
12 attorney's fees, if any, incurred herein, each to be proven at the hearing.  
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14 Should Respondent not timely request a hearing within **twenty (20) days** of the date of  
15 this Order, the Division will enter a Final Order in this matter against Respondent. The  
16 Division's Final Order will require payment by Respondent of the administrative fine, the  
17 Division's investigative costs and the Division's attorney's fees within **thirty (30) days** of the  
18 entry of the Final Order.  
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20 Dated this 13<sup>th</sup> day of April, 2009.

21 State of Nevada  
22 Department of Business and Industry  
23 Division of Mortgage Lending

24 By:   
25 Joseph L. Waltuch, Commissioner  
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