STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

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In re:

Portfolio Investors Group, LLC,

Respondent.

FINAL ORDER

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the "Division"), having served the Respondent, Portfolio Investors Group, LLC, (hereinafter, "Respondent") on May 24, 2010, 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 May 26, 2010, and;

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

NOW, THEREFORE, **IT IS HEREBY ORDERED** that, pursuant to NRS 645B.750, Respondent will be subject to the administrative fines, fees and/or costs as set forth in the original Order attached hereto as Exhibit "1".

IT IS FURTHER ORDERED that the sum of said administrative fines, fees and/or costs be paid in full within **thirty (30) days** of entry of the Order;

Dated this 15th day of June, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: Joseph L. Waltuch
Joseph L. Waltuch, Commissioner

EXHIBIT “1”

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

In re: Portfolio Investors Group, LLC, 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 of the Nevada Revised Statutes (hereinafter "NRS"), respectively, and the regulations promulgated thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter 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. Portfolio Investors Group, LLC ("Respondent") is a limited liability company. Currently, Respondent's status with the Nevada Secretary of State is listed as "default."

2. Pursuant to NRS Chapter 645B, Respondent was issued a mortgage broker license on December 22, 2005. Currently, Respondent's status with the Division is "active license."

3. Based upon information and belief, and at all relevant times herein mentioned, Respondent conducted mortgage lending activity in Nevada relating to properties in Nevada.

4. Pursuant to NRS 645B.460, "(a) mortgage broker shall exercise reasonable supervision over the activities of his mortgage agents. Such reasonable supervision must include, as appropriate...(t)he establishment of a system to review, oversee and inspect the

activities of his mortgage agents, including, without limitation...(t)ransactions handled by his mortgage agents pursuant to this chapter...(d)ocuments prepared by his mortgage agents that may have a material effect upon the rights or obligations of a party to such a transaction...." *See* NRS 645B.460(1)(b)(1), (3).

5. . Pursuant to NRS 645B.060, subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall, with limited exception, "conduct an annual examination of each mortgage broker doing business in this State...." *See*, NRS 645B.060(2)(d).

6. During an annual examination of Respondent's books and records which commenced on August 27, 2009, the Division discovered that that at relevant times herein mentioned, there were multiple instances of altered disclosures and documentation in loan files by Respondent's mortgage agents and loan processors, to wit:

a. Respondent's mortgage agents or loan processors altered the Uniform Residential Loan Applications (hereinafter "1003s") for loans for borrowers JH and SM and BA, respectively. Respondent's agents altered the documents to indicate that Respondent was the broker when, in fact, broker RMS & Associated, Inc. originated said loans.

b. Respondent's mortgage agents or loan processors altered JH's supplemental credit report to indicate no derogatory mortgage payment information when, in fact, the supplement indicated a "late payment [was] reported in the last 12 months."

7. Pursuant to NRS 645B.670, as it existed at the time of the violations herein, "[f]or each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker 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...[d]oes not conduct his business in accordance with law or has violated any provision of this chapter, a regulation

adopted pursuant to this chapter or an order of the Commissioner...[h]as made a material misrepresentation in connection with any transaction governed by this chapter...[h]as engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice...." *See*, NRS 645B.670(2)(c), (e), (o).

VIOLATIONS OF LAW

After investigating this matter, it has been determined that Respondent failed to exercise reasonable supervision over the activities of its mortgage agents and loan processors, as evidenced by multiple instances of altered disclosures and documentation in loan files, in violation of NRS 645B.460(1)(b)(1), (3) and NRS 645B.670(2)(c), (e), (o).

ORDER

NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS, pursuant to NRS 645B.750, that upon written application to the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the contents of this Order referenced below. At that hearing the Division will seek:

a. The imposition of an administrative fine against Respondent in the amount of Five Thousand Dollars and No Cents ($5,000.00), payable to the Division on account of Respondent's multiple violations of Chapter 645B of NRS, the Division's investigative costs in the amount of Two Hundred Forty Dollars and No Cents ($240.00) as well as the Division's attorney's fees, if any, incurred herein, each to be proven at the hearing; and

b. 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 be 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 24th day of May, 2010.

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 , June 16, 2010, 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, FINAL ORDER for PORTFOLIO INVESTORS GROUP, LLC, addressed as follows:

Steve Batista
Portfolio Investors Group LLC
1700 W. Horizon Ridge Parkway #202
Henderson, NV 89012

Certified Receipt Number: 7008 1830 0002 7959 6229

DATED this 15th day of June, 2010

By: Susan Slack
Employee of the Division