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

3 In re:
4 Raul Estrada,
5 Respondent.

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STIPULATED SETTLEMENT AGREEMENT

11 The licensing and regulation of loan modification consultants, foreclosure consultants
12 and other persons providing 'covered services,' as defined in Nevada Revised Statutes
13 ("NRS") 645F.310, in the State of Nevada is governed by Chapter 645F of NRS and is also
14 governed by the permanent regulation R052-09 promulgated pursuant thereto which was
15 adopted on August 25, 2009 (the "Regulation"). Effective July 1, 2009, the State of Nevada,
16 Department of Business and Industry, Division of Mortgage Lending (the "Division") has the
17 general duty to exercise supervision and control over covered service providers, foreclosure
18 consultants and loan modification consultants. See Chapter 645F of NRS and the
19 Regulation. Pursuant to that authority, the Division hereby enters into the following Stipulated
20 Settlement Agreement (hereinafter "Agreement") with Raul Estrada (hereinafter "Respondent")
21 as follows:

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RECITALS

24 WHEREAS Property Scout, Inc. was and is a corporation organized and existing under
25 the laws of the State of Nevada since approximately June 27, 2005. Currently, Property
26 Scout, Inc.'s status with the Nevada Secretary of State is "revoked."

27 WHEREAS Property Scout of Nevada, LLC was and is a domestic limited-liability
28 company organized and existing under the laws of the State of Nevada since approximately

1 October 9, 2009. Currently, Property Scout of Nevada, LLC's status with the Nevada
2 Secretary of State is "default."

3 WHEREAS Raul Estrada is an individual who acted and continues to act as an agent or
4 person employed by, or associated with, Property Scout, Inc. and Property Scout of Nevada,
5 LLC.

6 WHEREAS Respondent advertised services as, provided services of, engaged in,
7 carried on or held himself out as engaging in or carrying on the activities of a loan modification
8 consultant, foreclosure consultant or covered service provider relating to properties in Nevada.
9

10 WHEREAS Respondent has never been issued a license by the Division as a covered
11 service provider, foreclosure consultant or loan modification consultant, whether as an
12 independent licensee or as an associated licensee, pursuant to Chapter 645F of NRS and the
13 Regulation.

14 WHEREAS pursuant to NRS 645F.310, "covered service" includes, without limitation:

- 15 1. Financial counseling, including, without limitation, debt counseling and budget counseling;
- 16 2. Receiving money for the purpose of distributing it to creditors in payment or partial
17 payment of any obligation secured by a mortgage or other lien on a residence in foreclosure;
- 18 3. Contacting a creditor on behalf of a homeowner; 4. Arranging or attempting to arrange for
19 an extension of the period within which a homeowner may cure a default and reinstate an
20 obligation pursuant to a note, mortgage or deed of trust; 5. Arranging or attempting to arrange
21 for any delay or postponement of the time of a foreclosure sale; 6. Advising the filing of any
22 document or assisting in any manner in the preparation of any document for filing with a
23 bankruptcy court; and 7. Giving any advice, explanation or instruction to a homeowner which
24 in any manner relates to the cure of a default in or the reinstatement of an obligation secured
25 by a mortgage or other lien on the residence in foreclosure, the full satisfaction of the
26 obligation, or the postponement or avoidance of a foreclosure sale.
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1 WHEREAS pursuant to the Regulation, “[a] person shall not advertise services as,
2 provide any of the services of, act as or conduct business as a covered service provider,
3 foreclosure consultant or loan modification consultant or otherwise engage in, carry on or hold
4 himself out as engaging in or carrying on the activities of a covered service provider,
5 foreclosure consultant or loan modification consultant unless the person has a license as a
6 covered service provider, foreclosure consultant or loan modification consultant, as applicable,
7 issued pursuant to this chapter and chapter 645F of NRS.” See Section 17 of the Regulation.
8

9 WHEREAS pursuant to the Regulation, “[i]t is unlawful for any person to provide or
10 offer to provide any of the services of a covered service provider, foreclosure consultant or
11 loan modification consultant or otherwise to engage in, carry on or hold himself out as
12 engaging in or carrying on the business of a covered service provider, foreclosure consultant
13 or loan modification consultant without first obtaining the applicable license issued pursuant to
14 this chapter and chapter 645F of NRS, unless the person” is exempt from licensing and
15 complies with the requirements for that exemption. See Section 102 of the Regulation.
16

17 WHEREAS pursuant to the Regulation, “[w]hether or not a complaint has been filed,
18 the Commissioner may investigate a licensee or other person if, for any reason, it appears
19 that...[t]he licensee or other person is offering or providing any of the services of a covered
20 services provider, foreclosure consultant or loan modification consultant or otherwise
21 engaging in, carrying on or holding himself out as engaging in or carrying on the business of a
22 covered services provider, foreclosure consultant or loan modification consultant without being
23 appropriately licensed or exempt from licensing pursuant to the provisions of this chapter or
24 chapter 645F of NRS....” See Section 105(1)(b) of the Regulation.
25

26 WHEREAS in September 2009, the Division received two written complaints, from GR
27 and CD, respectively (hereinafter collectively “the September 2009 Complaints), and
28 conducted an investigation of same pursuant to Section 105(1)(b) of the Regulation which

1 revealed, among other things, that Respondent was advertising services as, providing
2 services of, engaging in, carrying on or holding himself out as engaging in or carrying on, the
3 activities of a loan modification consultant, foreclosure consultant or covered service provider
4 relating to properties in Nevada.

5 WHEREAS on November 12, 2009 the Division received a complaint from JC, the
6 owner of certain real property located at 8032 Denevin St., Las Vegas, NV 8913 ("Denevin St.
7 Property"), and conducted an investigation of same pursuant to Section 105(1)(b) of the
8 Regulation which revealed, among other things, that on September 15, 2009, Complainant JC
9 paid Respondent a total of One Thousand Dollars and No Cents (\$1,000.00) to negotiate the
10 modification of his mortgage loan secured by the Denevin St. Property.
11

12 WHEREAS from approximately September 2009 to November 2009, Respondent
13 offered to provide, or provided, for compensation, services to obtain a mortgage loan
14 modification for Complainant JC and/or prevent the Denevin St. Property from going to
15 foreclosure, or to provide other covered services, as defined in NRS 645F.310.
16

17 WHEREAS Complainant JC requested a full refund by November 12, 2009, to which
18 Respondent agreed;

19 WHEREAS on November 12, 2009, Respondent gave Complainant JC a refund check
20 in the amount of Five Hundred Dollars and No Cents (\$500.00), but, to date, Respondent has
21 not refunded the remaining Five Hundred Dollars (\$500.00) owed Complainant JC.

22 WHEREAS on approximately November 13, 2009 the Division received a written
23 complaint from MH, the owner of certain real property located at 8716 Crescent Ridge Lane,
24 Las Vegas, NV 89134 ("Crescent Ridge Property"), and conducted an investigation of same
25 pursuant to Section 105(1)(b) of the Regulation which revealed, among other things that on
26 August 12, 2009, Complainant MH paid Respondent a total of Five Hundred Dollars and No
27 Cents (\$500.00) to negotiate the modification of his mortgage loan secured by the Crescent
28

1 Ridge Property.

2 WHEREAS from approximately August 2009 to November 2009, Respondent offered to
3 provide, or provided, for compensation, services to obtain a mortgage loan modification for
4 Complainant MH and/or prevent the Property from going to foreclosure, or to provide other
5 covered services, as defined in NRS 645F.310, for Complainant MH.

6 WHEREAS Complainant MH requested a full refund but, to date, Respondent has not
7 refunded the Five Hundred Dollars (\$500.00) owed Complainant MH.

8 WHEREAS pursuant to the Regulation, "[a] person who engages in an activity for which
9 licensure as a covered service provider, foreclosure consultant or loan modification consultant
10 is required under this chapter and chapter 645F of NRS, without regard to whether the person
11 is licensed under this chapter and chapter 645F of NRS, may be required by the
12 Commissioner to pay restitution to any person who has suffered an economic loss as a result
13 of a violation of the provisions of this chapter or chapter 645F of NRS...." See Section 103(2)
14 of the Regulation.
15

16 WHEREAS after settlement negotiations, the Division and Respondent (collectively, the
17 "Parties") wish to resolve this matter without the necessity of a formal hearing.
18

19 NOW THEREFORE, in consideration of the representations, covenants, and conditions
20 set forth herein, IT IS HEREBY STIPULATED AND AGREED by the Parties that the purported
21 violations of NRS and the Regulation shall be settled on the following terms and conditions:

22 1. Respondent admits that both before and after the August 25, 2009 effective date
23 of the Regulation Respondent offered to provide, or provided, for compensation, services to
24 obtain a mortgage loan modification for Complainant JC and/or prevent the Denevin St.
25 Property from going to foreclosure, or to provide other covered services, as defined in NRS
26 645F.310.
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28 2. Respondent agrees, pursuant to Section 103(2) of the Regulation, to refund the

1 remaining Five Hundred Dollars (\$500.00) owed Complainant JC (hereinafter "Restitution to
2 JC"). Respondent shall make payment, in full, of Restitution to JC upon his execution of this
3 Agreement.

4 3. Respondent admits that both before and after the August 25, 2009 effective date
5 of the Regulation Respondent offered to provide, or provided, for compensation, services to
6 obtain a mortgage loan modification for Complainant MH and/or prevent the Crescent Ridge
7 Property from going to foreclosure, or to provide other covered services, as defined in NRS
8 645F.310.

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10 4. Respondent agrees, pursuant to Section 103(2) of the Regulation, to refund the
11 Five Hundred Dollars (\$500.00) owed Complainant MH (hereinafter "Restitution to MH").
12 Respondent shall make payment, in full, of Restitution to MH upon their execution of this
13 Agreement.

14 5. Respondent shall, pursuant to the Regulations and/or NRS 622.400, pay the
15 Division's investigative and other costs in the amount of Seven Hundred Fifty Six and No
16 Cents (\$756.00) and the Division's attorneys' fees in the amount of One Thousand and Forty
17 Dollars and No Cents (\$1,040.00). Respondent shall make payment, in full, to the Division of
18 the investigative and other costs and attorney fees upon his execution of this Agreement.
19

20 6. Respondent acknowledges and agrees, with full knowledge, to waive his rights
21 to go to a hearing in this matter.

22 7. Respondent agrees that in the event he violates any of the provisions of this
23 Agreement, the Division shall retain any and all remedies available to it in accordance with
24 NRS Chapter 645F and the Regulation.

25 8. The parties agree and acknowledge that this Agreement shall constitute the
26 complete and final resolution of any and all issues arising out of the Division's investigation of
27 Respondent's conduct, which occurred between September and November 2009.
28

1 9. The parties represent and warrant that the persons executing this Agreement on
2 behalf of each party has full power and authority to do so, and has the legal capacity to
3 conduct the legal obligations assigned to it hereunder.

4 10. Respondent further acknowledges and agrees that the Division shall keep the
5 original of this Agreement.

6 11. This Agreement may be signed in counterparts and a facsimile signature shall
7 be deemed as valid as an original; however, Respondent shall immediately forward all original
8 signature pages to the Division.

9 12. This Agreement, as well as the rights and obligations of the parties hereto, shall
10 be interpreted, governed, and construed pursuant to the laws of the State of Nevada.
11

12 13. Any action to enforce this Agreement shall be brought in the Eighth Judicial
13 District Court of the State of Nevada in and for Clark County.

14 14. If the Division is successful in any action to enforce this Agreement, the court
15 may award it attorney's fees. It is specifically agreed that reasonable attorney's fees for the
16 State-employed attorneys shall be \$142.55 per hour.
17

18 15. Failure to declare a breach or the actual waiver of any particular breach of this
19 Agreement or its material terms, by either party, shall not operate as a waiver by such party of
20 any of its rights or remedies as to any other breach.

21 16. Respondent has retained an attorney at his sole cost and expense and same
22 has reviewed this Agreement.

23 17. If any provision contained in this Agreement is held to be unenforceable by a
24 court of law or equity, this Agreement shall be construed as if such a provision(s) did not exist
25 and the unenforceability of such provision(s) shall not be held to render any other provision(s)
26 of this Agreement unenforceable.
27

28 18. This Agreement constitutes the entire agreement of the parties, and it is

1 intended as a complete and exclusive statement of the promises, representations,
2 negotiations, and discussions of the parties. Unless otherwise expressly authorized by its
3 terms, this Agreement shall be binding upon the parties unless the same is amended in
4 writing, signed by the respective parties hereto, and approved by the Office of the Attorney
5 General.

6 **19. NOTICE TO RESPONDENT:** By executing this Agreement, you hereby agree
7 that you are waiving certain rights as set forth herein. As Respondent, you are specifically
8 informed that you have the right to a hearing, where you would have the right to appear and
9 be heard in your defense, either personally or through your counsel of choice. At the hearing,
10 the Division would have the burden of proving the allegations in the complaint and would call
11 witnesses and present evidence against you. You would have the right to respond and to
12 present relevant evidence and argument on all issues involved. You would have the right to
13 call and examine witnesses, introduce exhibits, and cross-examine opposing witnesses on
14 any matter relevant to the issues involved.
15

16 You would have the right to request that the Commissioner of the Division issue
17 subpoenas to compel witnesses to testify and/or offer evidence on your behalf. In making this
18 request, you may be required to demonstrate the relevance of the witness's testimony and/or
19 evidence. Other important rights you have are listed in the Regulation and NRS
20 Chapter 233B.
21

22 **20.** In consideration of the execution of this Agreement, Respondent, for himself, his
23 heirs, executors, administrators, successors, and assigns, hereby releases, remises, and
24 forever discharges the State of Nevada, the Department of Business and Industry of the State
25 of Nevada, the Division, and each of their members, agents, attorneys (including any and all
26 employees of the Nevada Attorney General), and employees in their individual and
27 representative capacities, from any and all manner of actions, causes of action, suits, debts,
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1 judgments, executions, claims, and demands whatsoever, known and unknown, in law or
2 equity, that Respondent ever had, now has, may have, or claim to have against any or all of
3 the persons or entities named in this section, arising out of or by reason of the Division's
4 investigation of Respondents, and all other matters relating thereto.

5 21. Respondent hereby indemnifies and holds harmless the State of Nevada, the
6 Department of Business and Industry of the State of Nevada, the Division, and each of their
7 members, agents, and employees, and employees of the Nevada Attorney General in their
8 individual and representative capacities against any and all claims, suits, and actions brought
9 against said persons and/or entities by reason of the Division's investigation of Respondent,
10 this Agreement, and all other matters relating thereto, and against any and all expenses,
11 damages, and costs, including court costs and attorney fees, which may be sustained by the
12 persons and/or entities named in this section as a result of said claims, suits, and actions.
13

14 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed
15 and intend to be legally bound thereby. This Agreement shall constitute an Order of the
16 Commissioner.
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18 Dated this 26 day of August, 2010.
19

20 RAUL ESTRADA ✓

21 By: 

22 Dated this 22nd ^{October 10} day of August, 2010.
23

24 State of Nevada
25 Department of Business and Industry
26 Division of Mortgage Lending

27 By: 

28 Joseph L. Waltuch, Commissioner