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

In re:

Raul Estrada,

Respondent.

STIPULATED SETTLEMENT AGREEMENT

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 is also governed by the permanent regulation R052-09 promulgated pursuant thereto which was adopted on August 25, 2009 (the "Regulation"). Effective July 1, 2009, 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 the Regulation. Pursuant to that authority, the Division hereby enters into the following Stipulated Settlement Agreement (hereinafter "Agreement") with Raul Estrada (hereinafter "Respondent" as follows:

RECITALS

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

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

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

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

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

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

WHEREAS pursuant to NRS 645F.310, "covered service" includes, without limitation: 1. Financial counseling, including, without limitation, debt counseling and budget counseling; 2. Receiving money for the purpose of distributing it to creditors in payment or partial payment of any obligation secured by a mortgage or other lien on a residence in foreclosure; 3. Contacting a creditor on behalf of a homeowner; 4. Arranging or attempting to arrange for an extension of the period within which a homeowner may cure a default and reinstate an obligation pursuant to a note, mortgage or deed of trust; 5. Arranging or attempting to arrange for any delay or postponement of the time of a foreclosure sale; 6. Advising the filing of any document or assisting in any manner in the preparation of any document for filing with a bankruptcy court; and 7. Giving any advice, explanation or instruction to a homeowner which in any manner relates to the cure of a default in or the reinstatement of an obligation secured by a mortgage or other lien on the residence in foreclosure, the full satisfaction of the obligation, or the postponement or avoidance of a foreclosure sale.

WHEREAS pursuant to the Regulation, "[a] person shall not advertise services as, provide any of the services of, act as or conduct business as a covered service provider, foreclosure consultant or loan modification consultant or otherwise engage in, carry on or hold himself out as engaging in or carrying on the activities of a covered service provider, foreclosure consultant or loan modification consultant unless the person has a license as a covered service provider, foreclosure consultant or loan modification consultant, as applicable, issued pursuant to this chapter and chapter 645F of NRS." See Section 17 of the Regulation.

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

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

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

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

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

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

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

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

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

Ridge Property.

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

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

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

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

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

1. Respondent admits that both before and after the August 25, 2009 effective date of the Regulation Respondent offered to provide, or provided, for compensation, services to obtain a mortgage loan modification for Complainant JC and/or prevent the Denevin St. Property from going to foreclosure, or to provide other covered services, as defined in NRS 645F.310.

2. Respondent agrees, pursuant to Section 103(2) of the Regulation, to refund the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20. In consideration of the execution of this Agreement, Respondent, for himself, his heirs, executors, administrators, successors, and assigns, hereby releases, remises, and forever discharges the State of Nevada, the Department of Business and Industry of the State of Nevada, the Division, and each of their members, agents, attorneys (including any and all employees of the Nevada Attorney General), and employees in their individual and representative capacities, from any and all manner of actions, causes of action, suits, debts,

judgments, executions, claims, and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have, or claim to have against any or all of the persons or entities named in this section, arising out of or by reason of the Division's investigation of Respondents, and all other matters relating thereto.

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

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby. This Agreement shall constitute an Order of the Commissioner.

Dated this 26 day of August, 2010.

RAUL ESTRADA

By: _____

Dated this 22nd day of ~~August~~ October, 2010.

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

By: _____
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, October 22, 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, STIPULATED SETTLEMENT AGREEMENT for RAUL ESTRADA, addressed as follows:

Chris Vero, Esq.
The Law Office of Chris Vero, Chartered
2475 East Chandler Avenue, Suite 1
Las Vegas, NV 89120

Certified Receipt Number: 7008 1830 0002 7959 6700

DATED this 22nd day of October, 2010

By: Susan Slack
Employee of the Division