STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re:

Mortgage Planners Advantage
and Ray Donald,

Respondents.

ORDER TO CEASE AND DESIST, ORDER TO PAY RESTITUTION, AND NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of loan modification consultants, foreclosure consultants and other persons providing 'covered services,' as defined in Nevada Revised Statutes (hereinafter "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 (hereinafter the "Regulation"). Effective July 1, 2009, 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 covered service providers, foreclosure consultants and loan modification consultants. See Chapter 645F of NRS and the Regulation. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Based upon information and belief, and at all relevant times herein mentioned, Mortgage Planners Advantage (hereinafter "Respondent Mortgage Planners") was and is an organization of unknown entity with offices at 2375 E. Tropicana, Suite 325, Las Vegas, Nevada 89119.

2. Based upon information and belief, and at all relevant times herein mentioned, Respondent also conducted business as Mortgage Audit Service, an organization of unknown entity with offices at 8871 W. Flamingo Road, Suite 202, Las Vegas, Nevada 89147.

3. Based upon information and belief, and at all relevant times herein mentioned, Ray Donald (hereinafter "Respondent Donald") is an individual who acted and continues to act as an agent or person employed by, or associated with, Respondent Mortgage Planners.

4. Based upon information and belief, at all relevant times herein mentioned, Respondents Mortgage Planners and Donald (hereinafter collectively "Respondents") advertised services as, provided services of, engaged in, carried on or held themselves out as engaging in or carrying on, and continue to advertise services as, provide services of, engage in, carry on or hold themselves 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.

5. Neither Respondent Mortgage Planners nor Respondent Donald has ever 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.

6. Based upon information and belief, at all relevant times herein mentioned AM, (hereinafter "Complainant AM") was the owner of certain real property located at 4513 Orange Heights St., Las Vegas, Nevada 89129.

7. 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.

8. Pursuant to NRS 645F.365, a loan modification consultant means "...a person who, directly or indirectly, makes any solicitation, representation or offer to a homeowner to perform for compensation, or who, for compensation, performs any act that the person represents will adjust the terms of a mortgage loan in a manner not provided for in the original or previously modified mortgage loan. Such an adjustment includes, without limitation:

1. A change in the payment amount;
2. A change in the loan amount;
3. A loan forbearance;
4. A change in the loan maturity; and
5. A change in the interest rate."

9. 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.

10. 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.

11. 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.

12. On or about March 31, 2010, the Division received a written complaint from Complainant AM alleging, among other things, that from approximately July 2009 to March 2010, Respondent Mortgage Planners and/or Respondent Donald offered to provide, or provided, for compensation, services to obtain a mortgage loan modification for Complainant AM and/or offered to provide, or provided, other covered services, as defined in NRS 645F.310, for Complainant AM.

13. Pursuant to Section 105(1)(b) of the Regulation, the Division commenced an investigation which revealed, among other things, that:

a. From at least July 2009 to June 16, 2010, Respondents were offering to provide the services of a covered service provider, foreclosure consultant or loan modification

consultant, or otherwise were engaging in, carrying on or holding themselves out as engaging in or carrying on the business of a covered service provider, foreclosure consultant or loan modification consultant at a website at http://365-relief.com (a true and correct copy of which is attached hereto as **Exhibit "A"** and incorporated herein by reference as though set forth in full);

b. Between July 2009 and March 2010, Complainant AM paid Respondents Three Thousand Three Hundred Ninety Five Dollars and No Cents ($3,395.00) to obtain a mortgage loan modification for Complainant AM;

c. From approximately July 2009 to March 2010 Respondent Mortgage Planners and/or Respondent Donald offered to provide, or provided, for compensation, services to obtain a mortgage loan modification for Complainant AM and/or offered to provide, or provided, other covered services, as defined in NRS 645F.310, for Complainant AM;

d. Neither Respondent Mortgage Planners nor Respondent Donald has ever applied for or been issued a license by the Division as a loan modification consultant, foreclosure consultant or covered service provider (whether as an independent licensee or associated licensee), pursuant to Chapter 645F of NRS and the Regulation; and

e. At all relevant times herein mentioned, neither Respondent Mortgage Planners nor Respondent Donald was or is exempt from the licensing requirements of Chapter 645F of NRS and the Regulation.

14. As part of its investigation of AM's Complaint, the Division sent correspondence to the Respondents requesting a response to AM's Complaint. In Respondents' written response (a true and correct copy of which is attached hereto as **Exhibit "B"** and incorporated herein by reference as though set forth in full), Respondent Donald admitted that Respondents "attempted to do a restructure of his mortgage meaning [Respondents] contact the lenders...on his behalf..." and that, in other cases, Respondents "have been able to get

interested [sic] rates...and balances lowered..."

15. Pursuant to Section 103 of 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.

16. Pursuant to the Regulation, "[i]f a person engages in an activity in violation of the provisions of this chapter or chapter 645F of NRS or an order of the Commissioner, the Commissioner may issue an order directing the person to cease and desist from engaging in the activity." See Section 108(1) of the Regulation.

VIOLATIONS OF LAW

After investigation, the Division determined that, at all relevant times herein mentioned, Respondents, and each of them, offered or provided services of a covered services provider, foreclosure consultant or loan modification consultant or otherwise engaged in, carried on or held themselves out as engaging in or carrying on the business of a covered services provider, foreclosure consultant or loan modification consultant without having applied for and/or been issued a license by the Division and without being exempt from licensing pursuant to the provisions of Chapter 645F of NRS or the Regulation, in violation of Chapter 645F of NRS and Sections 17, 103(3)(c) and 105(1)(b) of the Regulation.

ORDER

NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS, pursuant to Chapter 645F of NRS and Section 108(1) of the Regulation, after having determined that Respondents offered or provided services of a covered service provider,

foreclosure consultant or loan modification consultant or otherwise engaged in, carried on or held themselves out as engaging in or carrying on the business of a covered service provider, foreclosure consultant or loan modification consultant without having applied for and/or been issued a license by the Division and without being exempt from licensing, in violation of Chapter 645F of NRS and the Regulation, that **RESPONDENTS, AND EACH OF THEM, IMMEDIATELY CEASE AND DESIST** from the following activities::

1. Advertising for and/or soliciting covered services, foreclosure consultant and/or loan modification consultant business in the State of Nevada without having first received a license from the Division to conduct such activities; and

2. Offering or providing any of the services of a covered service provider, foreclosure consultant and/or loan modification consultant, or otherwise engaging in, carrying on or holding themselves out as engaging in or carrying on the business of a covered service provider, foreclosure consultant and/or loan modification consultant in the State of Nevada for which they have not received a license from the Division to conduct such activities.

IT IS FURTHER ORDERED, pursuant to Chapter 645F of NRS and Section 108(4) of the Regulation, that upon filing a verified petition with the Division within twenty (20) days of receipt of this Order to Cease and Desist, Respondents, and each of them, shall be entitled to a hearing with regard to the contents of this Order to Cease and Desist. Each Respondent is advised, however, that the provisions of this Order to Cease and Desist are effective immediately upon such Respondent being served therewith, whether or not such Respondent requests a hearing.

NOTICE TO RESPONDENTS: If you request a hearing, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice at your own expense. At the hearing, if one is timely requested, the Division will call witnesses and present evidence against you. You have the right to respond

and to present relevant evidence and argument on all issues involved. You have the right to call and examine witnesses, introduce exhibits and cross-examine opposing witnesses on any matter relevant to the issues involved.

IT IS FURTHER ORDERED, pursuant to NRS 233B.121, Chapter 645F of NRS and Section 113(2) of the Regulation that upon application to the Division within twenty (20) days of the date of this Order, Respondents, and each of them, shall be entitled to a hearing with regards to the contents of this Order referenced hereafter. At that hearing the Division will seek Payment in full to the Division of the Division's investigatory and other costs in the amount of Four Hundred Twenty Dollars and No Cents ($420.00), as well as the Division's attorney's fees, if any, by such Respondents, who shall be jointly and severally liable, within **thirty (30) days** of entry of the Final Order. The Division reserves the right to supplement its costs and attorney's fees at the hearing or upon submission of a proper affidavit.

IT IS FURTHER ORDERED, pursuant to Chapter 645B.955 of NRS, that Respondents immediately (a) cancel all contracts, if any, with homeowners and refund to such homeowners all moneys collected by Respondents from such homeowners, including, but not limited to, refunding Three Thousand Nine Hundred Ninety Five Dollars ($3,395.00) to Complainant AM or (b) obtain the written consent of the homeowners to transfer their files, moneys and contracts to a licensed, bonded independent licensee, HUD-approved counseling service or other entity exempt from Chapter 645F of NRS.

Should Respondents, or either of them, not timely request a hearing within twenty (20) days of the date of this Order; the Division will enter a Final Order in this matter against such Respondent, as required by Section 113(2) of the Regulation.

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The Division's Final Order will require payment by Respondents, jointly and severally, of the administrative fine, the Division's investigative costs, and the Division's attorney's fees within thirty (30) days of the entry of the Final Order.

Dated this 12th day of October, 2010.

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

By:
Joseph L. Waltuch, Commissioner

Exhibit “A”

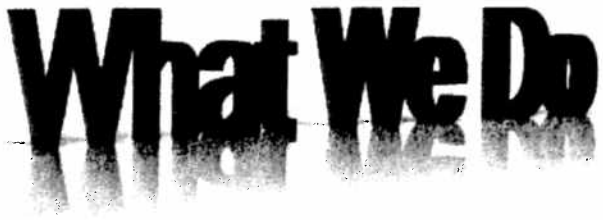
Mortgage Planners Advantage Exposes Predatory Loans

If your total debt ratio is more than 55% you are in a Predatory Loan. Making a stated income loan for the purpose of avoiding this requirement is prohibited. Find out what your debt ratio is.

Debt Income Calculator

Need Valuable Advice on Predatory Lending, Watch the Short Video

Call now, for your FREE Consultation! Request the Forensic Audit Special as se



Licensed In All 50 States

Mortgage Planners Advantage Can & Will Perform a Detailed Forensic Mortgage Audit Calculated To Expose Serious Lender, Legal and Noncompliance Errors.

Common traps include

- **Negative Amortization: Repayment structure may be set up in such a way that the monthly payment fails to pay off accrued interest and increases the principal balance.**
- **Balloon Payments: Balloon payments at the end of the loan often equal about 85 percent of the principal amount.**
- **Prepayment Penalties: Lenders may attach high prepayment penalties to prevent the borrower from refinancing or selling the home.**
- **High LTV Loans: Loans in excess of 100 percent of loan-to-value (LTV) may also lock the borrower into additional debt. Because a borrower in delinquency may not be able to pay off the debt through a foreclosure sale, once a borrower falls behind in payments, the borrower faces continued debt past the foreclosure or an option to refinance. High LTV loans may at times be a useful product for borrowers, and in fact, some affordable-housing programs use high LTV loans to assist clients. The intent of the lender in offering the product and the borrower's understanding of the consequences of the loan help to clarify whether a particular transaction is predatory.**
- **Mandatory arbitration: Loan contracts often contain mandatory, binding-arbitration clauses because lenders perceive this forum to be more favorable to them than the court system. Borrowers also are usually required to help pay for the arbitration.**

We send a documented audit of your mortgage and a complaint letter to your lender(s) pointing out the potential legal and non-compliance errors that includes resolutions of: return of illegal fees and interest, principal rate reduction, interest rate reduction and/or loan term extension as needed and other remedies.

We send our complaint to the legal department, NOT to the loss mitigation department where the documents cannot be reviewed for a resolution. We take the case right to the legal department and point out violations and/or fraud we find in the loan documents.

Since we receive a contingency fee based upon recovered monies you're assured we're going todo all we can on your behalf. We leave no stone unturned

to find leverage that we can use to get your (bad) loan resolved. Our incentive is to get you a significant, affordable and permanent resolution.

Proof You Have A Predatory Loan?

- ***Loan charges were not disclosed to you in a clear, conspicuous, and accurate way.***
- ***Terms of the mortgage changed to your disadvantage at the last minute before closing.***
- ***You were charged high closing costs (points and fees) including Yield Spread Premiums.***
- ***Your loan contains a prepayment penalty.***
- ***You were asked to sign blank forms.***
- ***You did not get copies of "all" loan documents.***
- ***If you have an adjustable rate mortgage are adjustments accurately worked out?***
- ***Were you told "Don't worry you can refinance in six months."***
- ***Were you talked into a "Negative Amortization Loan or an Interest Only***

Exhibit “B”

Susan G. Slack

From: ray@365-relief.com
Sent: Wednesday, May 26, 2010 7:45 PM
To: Susan G. Slack
Subject: [FWD: Re:] Anthony Merlino

RECEIVED
MAY 26 REC'D
Mortgage Lending Division

Ms. Slack,

I'm sorry for not responding but I have been very ill. I have diabetes and as of this time I'm not working and the company for all intent is out of business. I also do not have any of Mr Merlino documents at present but Mr. Merlir has all of them.

What Anthony Merlino didn't show you or tell you with his complaint was the contract that he signed states that ***w do not do loan modifications, we never have and we never tried to do a modification for him, we audit mortgages, that is what we do.*** We attempted to do a restructure of his mortgage meaning we contact the lenders legal dept on his behalf and with his permission with a QWR letter and the audit of his mortgage showing the errors and mistakes with regards to predatory lending. We try to get overpaid closing costs and overpayed interest refunded. Overpaid interest would be what he legally qualified for as opposed to the loan that he received. In some cases we have been able to get interested rates lowered and balances lowered but nothing was or has eve been guaranteed. No one can guarantee anything like that. Attorneys can't even guarantee they can get loans permanently modified.

We had been very successful in the past helping our clients but it seems with the merger of the banks and a select few holding all of the paper or servicing all the loans things stopped happening, we stopped getting any results. His contract clearly states that his fees are non refundable and we will attempt to restructure his mortgage. We a(ıpted to but like several others we have been unsuccessful. The only thing that we could do was appeal to the Controller of the Currency with is in charge of the lending and mortgages. Once that happens it up to them to do something or let it stand.

If you read the emails below that I am forwarding with this email you will see the amount of pressure I put on him to sign. It was always stated what we would attempt but nothing was guaranteed. He understood that. He signed it and he has a copy of it, ask for it, along with his summary.

I'm sorry we couldn't do anything or get him any relief but sometimes things just don't work out. I know it didn't on my end or I would still be in business and prospering and in good health.

If you have any question please let me know.

Regards,
Ray Donald

-------- Original Message --------
Subject: Re:
From: MOJAVE PEST CONTROL <flyvxrs@embarqmail.com>
Date: Sun, May 23, 2010 9:46 am
To: Ray <ray@365-relief.com>

Iwant my money back ray. right fucking now. you been warned..
----- Original Message -----
ım: "Ray" <ray@365-relief.com>
To: flyvxrs@embarqmail.com
Sent: Wednesday, July 29, 2009 2:41:10 PM GMT -08:00 US/Canada Pacific

Tony,

Attached is your loan summary and your docs that Chase sent you. Read over the summary and let me know what you want to do. If you have any question please call me anytime.

Thanks for giving me the opportunity to help you with your mortgage.

Thank you,
Ray Donald

Mortgage
Planners Advantage

Auditing & Restructuring Mortgages for Over 10 Years
www.365-relief.com • direct line (702) 505.9866

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 13, 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, ORDER TO CEASE AND DESIST, ORDER TO PAY RESTITUTION, AND NOTICE OF RIGHT TO REQUEST HEARING for MORTGAGE PLANNERS ADVANTAGE AND RAY DONALD, addressed as follows:

Ray Donald
Mortgage Planners Advantage
8871 West Flamingo Road, Suite 202
Las Vegas, NV 89147

Certified Receipt Number: 7008 1830 0002 7959 6595

Ray Donald
Mortgage Planners Advantage
2375 E. Tropicana #32
Las Vegas, NV 89119

Certified Receipt Number: 7008 1830 0002 7959 6601

DATED this 12th day of October, 2010

By: Susan Slack
Employee of the Division