STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re:

Erika Fimbres and Miriam Fimbres,
American Home Services,
dba Capital Legal Group and Capital Media

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, Erika Fimbres ("EF") and Miriam Fimbres ("MF") were, and continue to be, the owners of American Home Services ("American Home") who acted and continues to act as an agent or

person employed by, or associated with, American Home and provided covered service provider services on its behalf in the State of Nevada.

2. Based upon information and belief, and at all relevant times herein mentioned, American Home Services (hereinafter "American") was and is an organization of unknown entity with offices at 3355 West Spring Mountain Road, Suite 237, Las Vegas, Nevada 89101, 1905 E. 17th Street, Suite 314, Santa Ana, California 92705 and 17052 Carlann Circle, Suite A, Tustin, California 92780.

3. Based upon information and belief, and at all relevant times herein mentioned, American also does business as Capital Media Group and Capital Legal out of American's office located at 3355 West Spring Mountain Road, Suite 237, Las Vegas, Nevada 89101.

4. Based upon information and belief, at all relevant times herein mentioned, Respondents EF, MF and American (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 in Nevada.

5. Neither EF, MF nor American 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:

a. JG ("Complainant JG") was the owner of certain real property located at 58 Colbath Street, Las Vegas, Nevada 89110;

b. FM ("Complainant FM") was the owner of certain real property located at 8633 Pitch Fork Avenue, Las Vegas, Nevada 89143;

c. JH ("Complainant JH") was the owner of certain real property located at 6809 High Bluff Avenue, Las Vegas, Nevada 89108;

d. JM ("Complainant JM") was the owner of certain real property located at 4312 Thyme Avenue, Las Vegas, Nevada 89110;

e. JR ("Complainant JR") was the owner of certain real property located at 1505 Ardmore Street, Las Vegas, Nevada 89104; and

f. AS ("Complainant AS") was the owner of certain real property located at 1730 Kip Court, Las Vegas, Nevada 89115.

7. In and around November 2009 through September 2010, the Division received written complaints from Complainant JG (dated July 29, 2010), Complainant FM (dated September 29, 2010), Complainant JH (dated March 15, 2010), Complainant JM (dated May 7, 2010), Complainant JR (dated January 22, 2010), and Complainant AS (dated November 12, 2009) (individually, "Complainant JG, Complainant FM, Complainant JH, Complainant JM, Complainant JR, Complainant AS and collectively "Complainants") alleging, among other things, that Respondents offered to provide, or provided, for compensation, services to obtain mortgage loan modifications for Complainants and/or prevent Complainants' respective real property from going to foreclosure or to provided other covered services for Complainants.

8. 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.

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

a. From approximately September 2008 to September 2010 Respondents offered to provide, or provided, for compensation, services to obtain mortgage loan modifications for Complainants and/or offered to provide, or provided, other covered services, as defined in NRS 645F.310, for Complainants;

b. Complainant JG paid Respondents Four Hundred Dollars and No Cents ($400.00) on February 25, 2010, One Thousand Dollars and No Cents ($1,000.00) on April 20, 2010 and an additional One Thousand Dollars and No Cents ($1,000.00) on June 1, 2010 to obtain a mortgage loan modification for Complainant JG;

c. Complainant FM paid Respondents One Thousand Two Hundred Dollars ($1,200.00) on July 30, 2010 to obtain a mortgage loan modification for Complainant FM;

d. Complainant JM paid Respondents One Thousand One Hundred Seventy-Five Dollars and No Cents ($1,175.00) on September 19, 2008 and an additional One Thousand One Hundred Seventy-Five Dollars and No Cents ($1,175.00) on February 10, 2009;

e. Complainant JR paid Respondents One Thousand One Hundred Dollars and No Cents ($1,100.00) on June 20, 2009; and

f. Complainant AS paid Respondents Five Hundred Dollars and No Cents ($500.00) on January 16, 2009 and an additional Five Hundred Dollars and No Cents ($500.00) on January 22, 2009.

g. Neither EF, MF nor American has ever 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

h. At all relevant times herein mentioned, neither EF, MF nor American was or is exempt from the licensing requirements of Chapter 645F of NRS and the Regulation.

13. 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.

14. 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 to impose an administrative fine against Respondents in the amount of Twenty Thousand Dollars and No Cents ($20,000.00), payable to the Division on account of Respondents' violations of Chapter 645F of NRS and the Regulation, the Division's investigatory and other costs in the amount of One Thousand Eight Hundred Sixty Seven Dollars and No Cents ($1,867.00), 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 645F of NRS and Section 103(2) of the Regulation, 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 Two Thousand Four Hundred Dollars and No Cents ($2,400.00) to Complainant JG and One Thousand Two Hundred Dollars and No Cents ($1,200.00) to Complainant FM or (b) obtain the written consent of the

homeowners, including all Complainants, 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 any 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.

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 6th day of January, 2011.

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, January 7, 2011, 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, Erika Fimbres and Miriam Fimbres, American Home Services, dba Capital Legal Group and Capital Media, addressed as follows:

Erika Fimbres and Miriam Fimbres
American Home Services
17052 Carlann Cir., Suite A
Tustin, CA 92780

Certified Receipt Number: 7008 1830 0002 7959 7158

DATED this 6th day of January 2011

By: Sheila Gardino
Employee of the Division