


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

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4 Dated this 5th day of May, 2010.

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6 State of Nevada
7 Department of Business and Industry
8 Division of Mortgage Lending

9 By: 
10 Joseph L. Waltuch, Commissioner

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EXHIBIT “1”

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

In re:

US Home Bailout, LLC,

Respondent.

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**NOTICE OF INTENT TO IMPOSE FINE AND
NOTICE OF RIGHT TO REQUEST HEARING**

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 by
14 permanent regulation R052-09 promulgated pursuant thereto (the "Regulation"). The State of
15 Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division")
16 has the general duty to exercise supervision and control over covered service providers,
17 foreclosure consultants and loan modification consultants. See, Chapter 645F of NRS and
18 see the Regulation. Pursuant to that authority, the Division makes the following Factual
19 Allegations, Violations of Law, and Order, as follows:

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FACTUAL ALLEGATIONS

- 22 1. US Home Bailout, LLC ("Respondent") is a limited liability company with an office
23 located at 1055 E. Tropicana Avenue, Suite 100, Las Vegas, Nevada 89119.
- 24 2. Ernest Vigil and Bryan Shepherd were and are the owners of Respondent.
- 25 3. Based upon information and belief, and at all relevant times herein mentioned,
26 Complainant GK ("Complainant") was the owner of certain real property located at 5640
27 Shuttle Court, Las Vegas, Nevada 89103-2381 ("the Property").
- 28 4. On February 5, 2009, a notice of default was recorded against the Property.

1 5. Based upon information and belief, and at all relevant times herein mentioned, on
2 March 10, 2009, Complainant entered into a written contract with Respondent and paid
3 Respondent \$2,500.00 upfront for loan modification services, including, without limitation,
4 negotiating principal and interest rate reductions and having an attorney file a complaint and
5 "tie up (the Property) in the court for up to 4 to 5 years...."

6 6. Pursuant to NRS 645F.320, "'foreclosure consultant' means a person who, directly
7 or indirectly, makes any solicitation, representation or offer to a homeowner to perform for
8 compensation, or who, for compensation, performs any covered service that the person
9 represents will do any of the following: ...(p)revent or postpone a foreclosure sale...obtain any
10 forbearance from any mortgagee or beneficiary of a deed of trust...(s)ave the homeowner's
11 residence from foreclosure...." See, NRS 645F.320(1), (2), (8).

12 7. Pursuant to NRS 645F.400, "(a) foreclosure consultant shall not...(c)laim, demand,
13 charge, collect or receive any compensation until after the foreclosure consultant has fully
14 performed each covered service that he contracted to perform or represented he would
15 perform...." See, NRS 645F.400(1).

16 8. "Covered service" is defined in NRS 645F.310 to include, without limitation,
17 "(f)inancial counseling, including...debt counseling...(c)ontacting a creditor on behalf of a
18 homeowner...(g)iving any advice, explanation or instruction to a homeowner which in any
19 manner relates to the cure of a default in or the reinstatement of an obligation secured by a
20 mortgage or other lien on the residence..., the full satisfaction of the obligation, or the
21 postponement or avoidance of a foreclosure sale." See, NRS 645F.310(1), (3), (7).

22 9. On or about September 11, 2009, the Division received a written complaint
23 ("Complaint") against Respondent from Complainant alleging, among other things, that on
24 March 10, 2009, Complainant entered into a contract with Respondent and paid Respondent
25 \$2,500.00 upfront for loan modification services, including, without limitation, negotiating
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1 principal and interest rate reductions and having an attorney file a complaint and "tie up (the
2 Property) in the court for up to 4 to 5 years..."

3 10. After receiving the above-described Complaint, the Division conducted an
4 investigation of the allegations in question which revealed, among other things, that
5 Respondent charged, collected or received \$2,500.00 from Complainant before Respondent
6 fully performed each covered service that it contracted to perform or represented it would
7 perform, including, without limitation, principal and interest rate reductions on Complainant's
8 residential mortgage loan.

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10 11. In response to the Complaint, Ernest Vigil contended in his letter dated
11 September 29, 2009, to the Division that Respondent "was a direct result in getting and
12 assisting (Complainant) in receiving his successful loan modification..."

13 12. In response to the Division's request for information regarding fees collected by
14 Respondent from Complainant on March 13, 2009, Bryan Shepherd stated that Respondent
15 "deposited the fees on March 13th 2009 into (Respondent's) escrow account. From there,
16 (Respondent) billed against that account." Further, Mr. Shepherd asserted that Respondent
17 "did push back (Complainant's) sale date, and (Complainant) was approved for the HAMP
18 program on August 17th, 2009."

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20 13. NRS 645F.410 provides that "(i)n addition to any other remedy or penalty, the
21 Commissioner may, after giving notice and opportunity to be heard, impose an administrative
22 penalty of not more than \$10,000 on a foreclosure consultant who violates any provision of
23 NRS 645F.400. See, NRS 645F.410(1).

24 VIOLATIONS OF LAW

25 After investigating this matter, it has been determined that Respondent charged,
26 collected or received \$2,500.00 from Complainant before Respondent fully performed each
27 covered service that it contracted to perform or represented it would perform, including,
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1 without limitation, principal and interest rate reductions on Complainant's residential mortgage
2 loan.

3 **ORDER**

4 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**
5 pursuant to Chapter 645F of NRS, that upon written application to the Division within **twenty**
6 **(20) days** of the date of this Order, Respondent shall be entitled to a hearing with regards to
7 the contents of this Order referenced hereafter. At that hearing the Division will seek to
8 impose an administrative fine against Respondent in the amount of Two Thousand Five
9 Hundred Dollars and No Cents (\$2,500.00), payable to the Division on account of
10 Respondent's violation(s) of Chapter 645F of NRS, the Division's investigative costs in the
11 amount of Five Hundred Forty Dollars and No Cents (\$540.00) as well as the Division's
12 attorney's fees, if any, incurred herein, each to be proven at the hearing.
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14 Should Respondent not timely request a hearing within **twenty (20) days** of the date of
15 this Order, the Division will enter a Final Order in this matter against Respondent. The
16 Division's Final Order will require payment by Respondent of the administrative fine, the
17 Division's investigative costs and the Division's attorney's fees within **thirty (30) days** of the
18 entry of the Final Order.
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20 Dated this 13th day of April, 2009.

21 State of Nevada
22 Department of Business and Industry
23 Division of Mortgage Lending

24 By: 
25 Joseph L. Waltuch, Commissioner
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