

1 STATE OF NEVADA
2 DEPARTMENT OF BUSINESS AND INDUSTRY
3 DIVISION OF MORTGAGE LENDING

4 BEFORE THE COMMISSIONER OF THE DIVISION OF MORTGAGE LENDING

5 In the Matter of:)
6 ALLRISE DIRECT LENDING LLC) Case No. 2022-005
7 D/B/A ALLRISE FINANCIAL)
8 GROUP, INC.,)
9 Mortgage Broker License No. 4818,)
10 NMLS ID No. 1710040,)
11 and)
12 ROYAL DEVELOPMENT INC.)
13 Mortgage Broker License No. UNL,)
14 and)
15 VLADIMIR NIKOLAYEVICH)
16 EVSEEV,)
17 NMLS ID No. 1729027,)
18 Respondents.)

19 ORDER TO CEASE AND DESIST
20 AND
21 NOTICE OF ORDER IMPOSING
22 ADMINISTRATIVE FINE
23 AND
24 NOTICE OF OPPORTUNITY FOR ADMINISTRATIVE HEARING

25 Issued and Entered,
26 This 28th day of June, 2022,
27 By Cathy Sheehy,
28 Commissioner

29 The Commissioner of the State of Nevada, Department of Business and Industry,
30 Division of Mortgage Lending (the "Commissioner") is statutorily charged with the
31 responsibility and authority to administer and enforce Chapter 645B of the Nevada Revised
32

1 Statutes, NRS 645B.010 *et seq.*¹ (hereinafter, “NRS 645B” or “the Statutes”), and Chapter
2 645B of the Nevada Administrative Code, NAC 645B.001 *et seq.* (hereinafter, “NAC 645B”
3 or “the Regulations”) (the Statutes and Regulations are collectively, the “Act”), governing
4 the licensing and conduct of mortgage companies and mortgage loan originators doing
5 business in the State of Nevada; and,

6 The Commissioner is required to conduct investigations as may be necessary to
7 determine whether any person has violated any provision of the Act.

8 Pursuant to that statutory authority and responsibility vested in the Commissioner,
9 and in accordance with provisions of the Act and other applicable law, notice is hereby
10 provided to ALLRISE DIRECT LENDING LCC D/B/A ALLRISE FINANCIAL GROUP,
11 INC., ROYAL DEVELOPMENT INC., and VLADIMIR NIKOLAYEVICH EVSEEV and/or
12 their affiliates and/or assignees (collectively “RESPONDENTS”), to cease any and all
13 activity as set forth herein and for which licensure is required under the Act until such time
14 as they have obtained a license or exemption from the Nevada Division of Mortgage
15 Lending (“the Division”).

16 I. FACTUAL AND LEGAL BASIS

17 FOR CEASE AND DESIST ORDER AND ORDER IMPOSING 18 ADMINISTRATIVE FINE

19 The Commissioner finds that there is sufficient factual basis and legal authority to
20 warrant this order as follows:

21 1. On or around June 9, 2019, the Division entered a Consent Order Requiring
22 Compliance, Imposing an Administrative Fine and Assessing Administrative Costs
23 (“Consent Order”) against RESPONDENTS, determining that RESPONDENTS engaged
24 in activity requiring licensure as a mortgage broker under the Statute.

25 2. The Consent Order, among other things, required that RESPONDENTS cease
26 and desist from any and all violations of the Act.

27
28 ¹ This reference is intended to include NRS 645E which provided for a mortgage banker license. In 2017, the Nevada Legislature passed AB 468 (2017) which combined the mortgage banker license with the mortgage broker (changed to mortgage company) license in NRS 645B. NRS 645E expired as of December 31, 2019.

1 3. The Consent Order further provided that RESPONDENTS' failure to abide by
2 the Consent Order would render its terms voidable at the discretion of the Commissioner,
3 subjecting RESPONDENTS to all disciplinary measures authorized under the Act.

4 4. On or around May 10, 2010, RESPONDENTS executed a Voluntary Consent,
5 agreeing to be bound by the Division's Consent Order.

6 5. On or around May 25, 2022, the Division received a complaint from Filipino
7 Flash, LLC that RESPONDENTS and/or their assignees had loaned it money (the "Loan")
8 secured by a deed of trust on real property located at 3730 Topaz Street, Las Vegas, NV
9 89121 ("Property").

10 6. The complaint alleged that RESPONDENTS were unlicensed when they made
11 the Loan and were attempting to foreclose on a promissory note for the Loan secured by a
12 deed of trust on the Property.

13 7. The Division commenced an investigation.

14 8. The Division's investigation substantiated that RESPONDENTS violated the
15 Consent Order by engaging in mortgage broker activities with respect to the Loan and
16 foreclosing and/or attempting to foreclose on it without holding the proper licensure from
17 the Division.

18 9. RESPONDENTS engaged in unlicensed activity by making the Loan that was
19 secured by the Property while not holding the proper licensure from the Division as
20 required by NRS Chapter 645B, and then by foreclosing and/or attempting to foreclose on
21 it.

22 10. NRS 645B.0127 defines "mortgage company" and states:

23 1. "Mortgage company" means a person who, directly or indirectly:

24 (a) Holds himself or herself out for hire to serve as an agent for any person in an attempt to
25 obtain a loan which will be secured by a lien on real property;

26 (b) Holds himself or herself out for hire to serve as an agent for any person who has money
27 to lend, if the loan is or will be secured by a lien on real property;

28 (c) Holds himself or herself out as being able to make loans secured by liens on real property;

 (d) Holds himself or herself out as being able to buy or sell notes secured by liens on real
property; or

1 (e) Offers for sale in this State any security which is exempt from registration under state or
2 federal law and purports to make investments in promissory notes secured by liens on real
3 property.

4 2. The term includes a wholesale lender.

5 11. Pursuant to NRS 645B.900, unless a person is exempt, it is unlawful for any
6 person to offer or provide any of the services of a mortgage company or mortgage loan
7 originator or otherwise to engage in, carry on or hold himself or herself out as engaging in
8 or carrying on the business of a mortgage company or mortgage loan originator without
9 first obtaining the applicable license pursuant to NRS 645B.

10 12. Pursuant to NAC 645B.515, the Commission is authorized to order a person
11 engaging in activity in violation of NRS 645B to immediately cease and desist from
12 engaging in the activity.

13 13. Further, the Consent Order previously issued by the Commissioner
14 specifically provides that RESPONDENTS' failure to abide by the Consent Order would
15 render its terms voidable at the discretion of the Commissioner, subjecting
16 RESPONDENTS to all disciplinary measures authorized under the Act.

17 14. In addition, NRS 645B.690 authorizes the Commissioner to impose an
18 administrative fine of not more than \$50,000.00 for each violation if a person offers or
19 provides any of the services of a mortgage company or mortgage loan originator or
20 otherwise engages in, carries on or holds himself or herself out as engaging in or carrying
21 on the business of a mortgage company or mortgage originator, and at the time, was
22 required to have a license pursuant to NRS Chapter 645B and the person did not have such
23 a license.

24 15. The Commissioner may also assess and collect costs, including attorney fees,
25 against RESPONDENTS in accordance with NRS 645B.070(3).

26 **II. ORDER TO CEASE AND DESIST AND**
27 **ORDER IMPOSING ADMINISTRATIVE FINE**

28 The Commissioner having formed the opinion based upon the foregoing that
RESPONDENTS have been and are engaged in unlicensed activities in violation of the Act,

1 and concluded and determined that RESPONDENTS should be ordered to: 1) cease and
2 desist from engaging in any and all activity requiring licensure under NRS 645B; and 2)
3 pay an administrative fine.

4 NOW, THEREFORE, IT IS ORDERED that RESPONDENTS shall immediately
5 CEASE AND DESIST from holding themselves out as, engaging in, or carrying on any
6 activities that require licensure as a mortgage company under the Act, until such time as
7 they have been granted a license to do so.

8 IT IS FURTHER ORDERED that an ADMINISTRATIVE FINE in the total amount
9 of \$50,000.00 shall be and hereby is imposed in accordance with NRS 645B.690.

10 IT IS FURTHER ORDERED that an administrative hearing shall be scheduled in
11 this matter only if RESPONDENTS timely request an administrative hearing in
12 accordance with the instructions set forth in the Section III and IV below. If no
13 administrative hearing is requested timely, RESPONDENTS shall be deemed to have
14 waived and relinquished the right to an administrative hearing in this matter and a FINAL
15 ORDER shall be issued in this matter.

16 IT IS FURTHER ORDERED that this Order shall be and is effective and enforceable
17 on the date that it is issued and entered, as shown in the caption hereof.

18 IT IS FURTHER ORDERED that this Order shall remain effective and enforceable
19 until terminated, modified, set aside, or suspended in writing by the Commissioner.

20 IT IS FURTHER ORDERED that the Commissioner specifically retains jurisdiction
21 over the matters contained herein and has the authority to issue such further order(s) as
22 the Commissioner shall deem just, necessary, and appropriate to enforce the Act and
23 protect the public.

24 IT IS SO ORDERED.

25 DIVISION OF MORTGAGE LENDING

26
27 By:

28 Cathy Sheehy, Commissioner

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3 **III. NOTICE OF OPPORTUNITY FOR ADMINISTRATIVE HEARING**
4 **ON CEASE AND DESIST ORDER AND ASSESSMENT OF FINE**

5 **NAC 645B.515 authorizes the Commissioner to issue a cease and desist**
6 **order, subject to the right of RESPONDENTS to request a hearing, as follows:**

7
8 1. If a person engages in an activity in violation of the provisions of this
9 chapter or chapter 645B of NRS, the Commissioner may issue an order to the
10 person directing the person to cease and desist from engaging in the activity.

11 2. The order to cease and desist must be in writing and must state that, in the
12 opinion of the Commissioner, the person has engaged in an activity:

13 (a) For which the person has not received a license or certificate of
14 exemption as required by chapter 645B of NRS; or

15 (b) In a manner that violates the provisions of this chapter or chapter 645B
16 of NRS.

17 3. A person who receives an order to cease and desist pursuant to this section
18 shall not engage in any activity governed by chapter 645B of NRS after
19 receiving the order unless the order is suspended or rescinded.

20 4. **Not later than 30 calendar days after receiving an order pursuant**
21 **to this section, the person who receives the order may file a verified**
22 **petition with the Commissioner to request a hearing.** Upon receipt of
23 the verified petition, the Commissioner may, for good cause shown, suspend
24 the order pending the hearing. The Commissioner will hold the hearing on a
25 date not later than 30 calendar days after the date the petition is filed unless
26 the Commissioner and the person agree to another date. The order to cease
27 and desist is rescinded if the Commissioner fails to:

28 (a) Hold a hearing:

(1) Not later than 30 calendar days after the date the petition is filed;

or

(2) On a date agreed to by the Commissioner and the person; or

(b) Render a written decision within 45 days after the date the hearing is
concluded.

5. The decision of the Commissioner after a hearing is a final decision of the
Division for the purposes of judicial review.

**NRS 645B.750 Duty of Commissioner to provide written notice of
disciplinary action or denial of license; right to administrative
hearing; entry of final order; appeals.**

1. If the Commissioner enters an order taking any disciplinary action
against a person or denying a person's application for a license, the
Commissioner shall cause a written notice of the order to be served personally
or sent by certified mail or telegram to the person.

