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

In re:

US Home Bailout, LLC,

Respondent.

NOTICE OF INTENT TO IMPOSE FINE 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 ("NRS") 645F.310 in the State of Nevada is governed by Chapter 645F of NRS and by permanent regulation R052-09 promulgated pursuant thereto (the "Regulation"). 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 *see* the Regulation. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. US Home Bailout, LLC ("Respondent") is a limited liability company with an office located at 1055 E. Tropicana Avenue, Suite 100, Las Vegas, Nevada 89119.

2. Ernest Vigil and Bryan Shepherd were and are the owners of Respondent.

3. Based upon information and belief, and at all relevant times herein mentioned, Complainant GK ("Complainant") was the owner of certain real property located at 5640 Shuttle Court, Las Vegas, Nevada 89103-2381 ("the Property").

4. On February 5, 2009, a notice of default was recorded against the Property.

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

6. Pursuant to NRS 645F.320, "'foreclosure 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 covered service that the person represents will do any of the following: ...(p)revent or postpone a foreclosure sale...obtain any forbearance from any mortgagee or beneficiary of a deed of trust...(s)ave the homeowner's residence from foreclosure...." *See*, NRS 645F.320(1), (2), (8).

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

8. "Covered service" is defined in NRS 645F.310 to include, without limitation, "(f)inancial counseling, including...debt counseling...(c)ontacting a creditor on behalf of a homeowner...(g)iving 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..., the full satisfaction of the obligation, or the postponement or avoidance of a foreclosure sale." *See*, NRS 645F.310(1), (3), (7).

9. On or about September 11, 2009, the Division received a written complaint ("Complaint") against Respondent from Complainant alleging, among other things, that on March 10, 2009, Complainant entered into a contract with Respondent and paid Respondent $2,500.00 upfront for loan modification services, including, without limitation, negotiating

principal and interest rate reductions and having an attorney file a complaint and "tie up (the Property) in the court for up to 4 to 5 years..."

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

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

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

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

VIOLATIONS OF LAW

After investigating this matter, it has been determined that Respondent charged, collected or received $2,500.00 from Complainant before Respondent fully performed each covered service that it contracted to perform or represented it would perform, including,

without limitation, principal and interest rate reductions on Complainant's residential mortgage loan.

ORDER

NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS, pursuant to Chapter 645F of NRS, that upon written application to the Division within **twenty (20) days** of the date of this Order, Respondent 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 Respondent in the amount of Two Thousand Five Hundred Dollars and No Cents ($2,500.00), payable to the Division on account of Respondent's violation(s) of Chapter 645F of NRS, the Division's investigative costs in the amount of Five Hundred Forty Dollars and No Cents ($540.00) as well as the Division's attorney's fees, if any, incurred herein, each to be proven at the hearing.

Should Respondent 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 Respondent. The Division's Final Order will require payment by Respondent 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 13th day of April, 2009.

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 , April 14, 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, NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO REQUEST HEARING for US HOME BAILOUT LLC, addressed as follows:

Ernest Vigil
US Home Bailout, LLC
1055 E. Tropicana Ave, Ste. 100
Las Vegas, NV 89119

Certified Receipt Number: 7008 1830 0002 7959 5895

DATED this 13th day of April, 2010

By: _____
Employee of the Division