

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. DM-23-0014

STRATEGY CONSULTING GROUP, INC.,  
dba RESIDENTIAL MORTGAGE  
SOLUTIONS or RMS, dba RELIANCE  
LAW CENTER; NELSON HAMILTON  
DIAZ; and MIKE DIAZ,

FINAL ORDERS TO CEASE AND  
DESIST AND FINAL ORDERS  
ASSESSING CIVIL PENALTIES,  
ENTERED BY DEFAULT

Respondents.

On September 5, 2023, the Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”), through the Division of Financial Regulation (the “Division”) and pursuant to Oregon Revised Statutes (“ORS”) 697.602 through 697.842 and Oregon Administrative Rules (“OAR”) 441-910-0000 through 441-910-0200 (collectively, the “Oregon Debt Management Service Provider Law”) and ORS 86A.100 *et seq.* and OAR 441-850-0005 through 441-885-0010 (collectively, the “Oregon Mortgage Lender Law), properly served Respondents Strategy Consulting Group, Inc., dba Residential Mortgage Solutions or RMS, dba Reliance Law Center (“Strategy Consulting” or the “company”); Nelson Hamilton Diaz (“Nelson Diaz”); and Mike Diaz Orders to Cease and Desist, Proposed Orders Assessing Civil Penalties, and Notice of Right to a Hearing (“Notice Order”) via certified and regular United States mail at the company’s known business addresses.

The Notice Order offered Respondents an opportunity for a hearing, if requested in writing within 20 days of service. The Notice Order further informed Respondents that if a hearing was not conducted because it did not timely request a hearing or otherwise

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1 defaulted, then the designated portion of Division’s file, which includes all materials  
2 Respondents submitted, would automatically become part of the contested case record to  
3 prove a *prima facie* case. Respondents have not made a written request for a contested  
4 hearing, and the time to do so has expired.

5 After considering the relevant portions of the Division’s file in this matter, the  
6 Director finds that the record proves a *prima facie* case.

7 Now, therefore, the Director makes the following Findings of Fact and Conclusions  
8 of Law and issues the following Orders.

9 **FINDINGS OF FACT**

10 The Director FINDS that:

11 1. Strategy Consulting is a California corporation with a business address of  
12 15260 Ventura Blvd., 12<sup>th</sup> Floor, Sherman Oaks, California 91403. The company purports  
13 to provide mortgage loan modification services to homeowners.

14 2. At all times relevant, Nelson Diaz is the owner and control person of Strategy  
15 Consulting.

16 3. At all times relevant, Mike Diaz managed the business operations of the  
17 company.

18 4. Strategy Consulting has never been registered with the Oregon Secretary of  
19 State to conduct business in Oregon.

20 5. Respondents have never been registered in Oregon as a debt management  
21 service provider (“DMSP”) or licensed as a mortgage banker/broker.

22 6. Nelson Diaz and Mike Diaz have never been licensed in Oregon as mortgage  
23 loan originators (“MLOs”).

24 7. At all times relevant, Respondents offered mortgage loan modification services  
25 to at least eight Oregon consumers who each have a mortgage loan secured by Oregon  
26 residential property (“Oregon Homeowners”). In doing so, Respondents falsely

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1 represented to the Oregon Homeowners that Respondents were authorized or competent to  
2 provide mortgage loan modification services. Respondents' false representation caused the  
3 Oregon Homeowners financial harm.

4 8. The Oregon Homeowners paid Strategy Consulting the following fees:

5 A. SP – \$2,100

6 B. MM – \$4,000

7 C. GB/SB – \$3,750

8 D. BS/SS – \$6,000

9 E. DA – \$6,000

10 F. RNC – \$6,000

11 G. TD – \$4,000

12 H. LR – \$4,000

13 9. The Oregon Homeowners paid the fees via installment. Their first installment  
14 payment exceeded \$50.

15 10. Despite accepting fee payments from the Oregon Homeowners, Respondents  
16 failed to negotiate mortgage loan modifications on the Oregon Homeowners' behalf.

17 11. In or around February 2022, an Oregon Homeowner filed a complaint against  
18 Strategy Consulting with the Division, and the Division launched an investigation of the  
19 company.

20 12. When the Director, through the Division, asked Strategy Consulting to provide  
21 a list of its Oregon clients, Mike Diaz falsely claimed that the company had only two  
22 Oregon clients.

23 13. Because of the Division's investigation, Respondents refunded the fees  
24 collected from SP, MM, and GB/SB. After refunding those fees, however, Respondents  
25 stopped responding to the Division's communications and failed to refund the fees it  
26 collected from the other Oregon Homeowners.



1 **CONCLUSIONS OF LAW**

2 The Director CONCLUDES that:

3 14. By offering to modify the terms of each Oregon Homeowner’s mortgage loan  
4 in exchange for compensation, Respondents performed a debt management service as  
5 defined in ORS 697.602(2)(c).

6 15. By performing a debt management service without being registered in Oregon  
7 as a DMSP, Respondents violated ORS 697.612(1)(a).

8 16. By falsely representing to the Oregon Homeowners that they were authorized  
9 or competent to perform a debt management service, Respondents violated ORS  
10 697.662(2).

11 17. By charging the Oregon Homeowners an initial installment fee exceeding \$50,  
12 Respondents violated ORS 697.692(1)(a).

13 18. Because the Director has reason to believe that Respondents violated ORS  
14 697.612(1)(a), ORS 697.662(2), and ORS 697.692(1), the Director is authorized under  
15 ORS 697.825(1)(a) to order Respondents to cease and desist from violating those  
16 provisions.

17 19. ORS 697.832(1) authorizes the Director to assess up to a \$5,000 civil penalty  
18 against Respondents per violation of the Oregon Debt Management Service Provider Law.

19 20. Respondents acted as a “mortgage broker” under ORS 86A.100(5)(a)(C) when,  
20 for compensation or in the expectation of compensation, they directly or indirectly offered  
21 to make or negotiate a modification to the terms and conditions of the Oregon  
22 Homeowners’ mortgage loans.

23 21. By acting as a mortgage broker, Respondents engaged in “residential mortgage  
24 transactions in this state” under ORS 86A.103(2) without being licensed as a mortgage  
25 broker, in violation of ORS 86A.103(1).

26 22. By offering to negotiate a mortgage loan modification for the Oregon

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1 Homeowners without being licensed as MLOs, Nelson Diaz and Mike Diaz violated ORS  
2 86A.203(1).

3 23. By offering to provide loan modification services that they and Strategy  
4 Consulting were not licensed to provide, Nelson Diaz and Mike Diaz caused the Oregon  
5 Homeowners to suffer harm under ORS 86A.224(2)(c).

6 24. By falsely claiming that Strategy Consulting only had two Oregon clients when  
7 the company had at least eight Oregon clients, Mike Diaz made or filed a statement or  
8 report to the Director that he knew to be false in a material respect or matter, in violation  
9 of ORS 86A.236(4).

10 25. Because the Director has reason to believe that Respondents violated ORS  
11 86A.103(1), the Director is authorized under ORS 86A.127(4) to order Respondents to  
12 cease and desist from violating that provision.

13 26. Because the Director has reason to believe that Nelson Diaz and Mike Diaz  
14 violated ORS 86A.203(1) and ORS 86A.224(2)(c), the Director is authorized under ORS  
15 86A.224(2)(a) to order them cease and desist from violating those provisions.

16 27. Because the Director has reason to believe that Mike Diaz violated ORS  
17 86A.236(3), the Director is authorized under ORS 86A.224(2)(a) to order him cease and  
18 desist from violating that provision.

19 28. ORS 86A.992 and ORS 86A.224(3)(a) authorize the Director to assess up to a  
20 \$5,000.00 civil penalty against Respondents per violation of the Oregon Mortgage Lender  
21 Law.

22 29. ORS 86A.224(2)(c) authorizes the Director to order Nelson Diaz and Mike Diaz  
23 to pay restitution to the Oregon Homeowners.

24 **ORDER**

25 Now therefore, the Director issues the following ORDERS :

26 30. As authorized by ORS 697.825(1)(a), the Director ORDERS Respondents to



1 CEASE AND DESIST from violating ORS 697.612(1)(a), ORS 697.662(2), and ORS  
2 697.692(1)(a).

3 31. As authorized by ORS 86A.127(4), the Director ORDERS Respondents to  
4 CEASE AND DESIST from violating ORS 86A.103(1).

5 32. As authorized by ORS 86A.224(2)(a), the Director ORDERS Nelson Diaz and  
6 Mike Diaz to CEASE AND DESIST from violating ORS 86A.203(1) and ORS  
7 86A.224(2)(c).

8 33. As authorized by ORS 86A.224(2)(a), the Director ORDERS Mike Diaz to  
9 CEASE AND DESIST from violating ORS 86A.236(4).

10 34. As authorized by ORS 697.832(1), ORS 86A.992, and ORS 86A.224(3)(a), the  
11 Director ORDERS Respondents to pay, jointly and severally, \$120,000 in CIVIL  
12 PENALTIES, allocated as follows:

13 A. \$40,000 for unregistered and unlicensed activity, in violation of ORS  
14 697.612(1)(a), ORS 86A.103(1), and ORS 86A.203(1);

15 B. \$40,000 for false representation under ORS 697.662(2); and

16 C. \$40,000 for excessive fees, in violation of ORS 697.692(1)(a).

17 35. As authorized by ORS 86A.224(3)(a), the Director ORDERS Mike Diaz to pay  
18 a \$5,000 CIVIL PENALTY for violating ORS 86A.236(4).

19 36. As authorized by ORS 86A.224(2)(c), the Director ORDERS Nelson Diaz and  
20 Mike Diaz to pay RESTITUTION, jointly and severally, to the Oregon Homeowners who  
21 have not received refunds, in the following amounts:

22 A. BS/SS – \$6,000

23 B. DA – \$6,000

24 C. RNC – \$6,000

25 D. TD – \$4,000

26 E. LR – \$4,000

1 37. This is a “Final Order” under ORS 183.310(6)(b). Subject to this provision,  
2 entry of this Order does not limit further remedies that may be available to the Director  
3 under Oregon law.

4 SO ORDERED this 19<sup>th</sup> day of October, 2023.

5 ANDREW R. STOLFI, Director  
6 Department of Consumer and Business Services

7  
8 /s/ Dorothy Bean  
9 Dorothy Bean, Chief of Enforcement  
10 Division of Financial Regulation

11 **NOTICE OF RIGHT TO JUDICIAL APPEAL**

12 Except as provided in ORS 697.825(2)(e), you may be entitled to judicial review  
13 of this Order under ORS 183.482. You may request judicial review by filing a petition with  
14 the Court of Appeals in Salem, Oregon, within 60 days from the date this Order is served.

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