

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

In the Matter of:

Case No. DM-19-0069

STARLINE SOLUTIONS, LLC,

Respondent.

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

On December 31, 2019, the Director of the Department of Consumer and Business Services for the State of Oregon (“the Director”), through the Oregon Division of Financial Regulation (“the Division”), properly served Starline Solutions, LLC (“Starline Solutions” or “the company”) an Order to Cease and Desist, Proposed Order Assessing Civil Penalties, and Notice of Right to a Hearing (“Notice Order”) via regular and certified United States mail at 2250 NW 114th Ave. Unit 1A, Miami, FL 33172.

On January 21, 2020, pursuant to ORS 63.731(2)(c) and (e), the Director, through the Division, personally served a true copy of the Notice Order on the Oregon Secretary of State as an agent for Starline Solutions at 255 Capitol Street NE, Ste 151, Salem, OR 97310.

The Notice Order offered Starline Solutions an opportunity for a hearing, if requested in writing within 20 days. The Notice Order further informed Starline Solutions that if a hearing was not conducted because the company did not timely request a hearing or otherwise defaulted, then the designated portion of the Division’s file, which includes all materials Starline Solutions submitted, would automatically become part of the contested case record to prove a *prima facie* case. Starline Solutions has not made a written request for a contested hearing, and the time to do so has expired.

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

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1 Now, therefore, the Director makes the following Findings of Fact and Conclusions
2 of Law and issues the following Order:

3
4 **FINDINGS OF FACT**

5 The Director FINDS that:

6 1. Starline Solutions is a company claiming to provide mortgage loan modification
7 services to homeowners for compensation. Its purported business address is 2250 NW 114th
8 Ave. #1A, Miami, FL 33172, and its email address is starlinesolutions.llc@gmail.com.

9 2. Starline Solutions is neither registered with the Oregon Secretary of State to
10 conduct business in Oregon nor registered with the Director, through the Division, to
11 provide debt management services in Oregon.

12 3. In or around November 2017, Carolina Carela (“Carela”), a representative of
13 Starline Solutions, contacted MM, an Oregon resident, by telephone and offered to help
14 her reduce her mortgage loan term by ten years. After several telephone calls, Carela
15 convinced MM to apply for a mortgage loan modification through Starline Solutions and
16 send money to the company.

17 4. Carela later informed MM that her application was approved, and MM received
18 a welcome packet from Starline Solutions. The welcome packet contained a welcome
19 letter, clients FAQs, a borrowers’ acknowledgment, an authorization to release
20 information, and an acknowledgment and authorization of third party review. However,
21 the welcome packet did not include a written agreement with all the information and
22 disclosures required by the Oregon Debt Management Service Provider Law.

23 5. MM stopped making payments to her mortgage loan servicer, sending money
24 instead to Starline Solutions. She did so based on Carela’s representations that Starline
25 Solutions would forward the money to MM’s mortgage loan servicer. MM paid Starline
26 Solutions a total of \$4,520 in installments via cashier’s checks as follows:

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- 1 A. \$1,400 on or about March 16, 2018;
- 2 B. \$1,000 on or about April 16, 2018;
- 3 C. \$640 on or about May 16, 2018;
- 4 D. \$640 on or about June 15, 2018; and
- 5 E. \$840 on or about June 25, 2018.

6 6. MM subsequently discovered that Starline Solutions was not forwarding her
7 payments to her mortgage loan servicer. She stopped sending money to the company and
8 made several attempts to contact Carela, who did not respond.

9 7. Starline Solutions deposited MM's cashier's checks into a bank account in the
10 Dominican Republic.

11 8. In or around January 2019, the Director, through the Division, began
12 investigating Starline Solutions. As part of its investigation, the Division requested
13 information from the company, but Starline Solutions failed to respond.

14 15 **CONCLUSIONS OF LAW**

16 The Director CONCLUDES that:

17 9. By offering to receive, and receiving, money from MM for the purpose of
18 distributing the money to MM's mortgage loan servicer in partial payment of her mortgage
19 loan, Starline Solutions performed a "debt management service" as defined in ORS
20 697.602(2)(a).

21 10. By offering to reduce MM's mortgage loan term by ten years through a
22 mortgage loan modification, Starline Solutions performed a "debt management service" as
23 defined in ORS 697.602(2)(c).

24 11. By performing debt management services in Oregon without being registered
25 with the Division, Starline Solutions violated ORS 697.612(1)(a).

26 12. By failing to enter into a written agreement with MM that contains all required

1 disclosures and information, Starline Solutions violated ORS 697.652(1).

2 13. By representing to MM that Starline Solutions would help her reduce her
3 mortgage loan term by ten years through a mortgage loan modification and then failing to
4 do so, Starline Solutions made an untrue or misleading statement, in violation of ORS
5 697.662(1).

6 14. By representing to MM that it will forward her payments to her mortgage loan
7 servicer and then failing to forward those payments, Starline Solutions made an untrue or
8 misleading statement, in violation of ORS 697.662(1).

9 15. Because the Director has reason to believe that Starline Solutions has violated
10 ORS 697.612(1)(a), ORS 697.652(1), and ORS 697.662(1), the Director is authorized
11 under ORS 697.825(1)(a) to order Starline Solutions to cease and desist from violating
12 these statutes.

13 16. ORS 697.832(1) authorizes the Director to assess a civil penalty against Starline
14 Solutions of up to \$5,000 per violation of the Oregon Debt Management Service Provider
15 Law.

17 ORDERS

18 Now therefore, the Director issues the following:

19 17. As authorized by ORS 697.825(1)(a), the Director ORDERS Starline Solutions
20 to CEASE AND DESIST from violating ORS 697.612(1)(a), ORS 697.652(1), and ORS
21 697.662(1).

22 18. As authorized by ORS 697.832(1), the Director hereby ORDERS Starline
23 Solutions to pay \$20,000 in total civil penalties, allocated as follows:

24 A. \$5,000 for violating ORS 697.612(1)(a),

25 B. \$5,000 for violating ORS 697.652(1), and

26 C. \$10,000 for violating ORS 697.662(1).

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

4
5 SO ORDERED this 11th day of February, 2020.

6 LOUIS SAVAGE, Acting Director
7 Department of Consumer and Business Services

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

12 **NOTICE OF RIGHT TO JUDICIAL APPEAL**

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