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3 **STATE OF OREGON**  
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**  
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6 **BEFORE THE DIRECTOR OF THE DEPARTMENT**  
7 **OF CONSUMER AND BUSINESS SERVICES**

8 In the Matter of:

**DM-10-0052**

9 **DAVID RICHARD LIES, and**  
10 **HOME RESCUE FINANCIAL**  
11 **SERVICES, LLC,**

**ORDER TO CEASE AND DESIST AND**  
12 **ORDER ASSESSING CIVIL PENALTY**  
13 **ENTERED BY DEFAULT**

14 Respondents.

15 On November 16, 2010, the Director of the Department of Consumer and Business  
16 Services for the State of Oregon (hereafter “the Director”), acting by and pursuant to the  
17 authority of Oregon Revised Statutes (“ORS”) 697.602 to 697.842 and ORS 86A.095 to  
18 86A.198, and other applicable authority, issued Administrative Order No. DM-10-0052 ORDER  
19 TO CEASE AND DESIST, PROPOSED ORDER ASSESSING CIVIL PENALTY AND  
20 NOTICE OF RIGHT TO HEARING (“the Proposed Order”) against Respondents David Richard  
21 Lies and Home Rescue Financial Services, LLC (hereinafter “Respondents”).

22 On November 19, 2010, Respondents were duly served with a true copy of the Proposed  
23 Order by United States Certified Mail, postage prepaid, addressed to David Richard Lies, Home  
24 Rescue Financial Services, LLC; 216 Stone Fly Court, Grants Pass, Oregon 97526. The mailing  
25 was received by Richard D. Lies.

26 On or about November 26, 2010, Respondents were duly served with a true copy of the  
Proposed Order by United States Certified Mail, postage prepaid, and addressed to David  
Richard Lies, Home Rescue Financial Services, LLC; 184 Van Ness Avenue, Ashland, Oregon  
97520. The mailing was received by David R. Lies.

The Respondents have not filed a timely written request for a contested case hearing in



1 this matter and time to do so has expired.

2 NOW THEREFORE, after consideration of the file of the Division of Finance and  
3 Corporate Securities and accompanying exhibits, including any submitted by Respondents, the  
4 Director hereby issues the following Findings of Fact, Conclusions of Law, and Final Order.

5 **I.**

6 **FINDINGS OF FACT**

7 The Director FINDS that:

8 1. David Richard Lies (“Lies”) is a resident of Ashland, Oregon who is believed to do  
9 business under the name, or as the principal and/or managing member of, Home Rescue  
10 Financial Services, LLC (“HRFS”).

11 2. At all relevant times herein, Lies was not licensed in Oregon with the Director as a  
12 debt management service provider or licensed with the Director as a mortgage broker, mortgage  
13 banker or mortgage loan originator.

14 3. Home Rescue Financial Services, LLC is an assumed business name used by Lies or  
15 is a business organization whose form and legal status is unknown but is or was a corporation, a  
16 limited liability company, or a partnership claiming to be operating from 184 Van Ness Avenue,  
17 Ashland, Oregon 97520. This business name is not filed in the business registry records of the  
18 Oregon Secretary of State.

19 4. HRFS holds itself out to provide debt management services and/or modification of  
20 real property loans. At all relevant times herein, HRFS was not licensed in Oregon with the  
21 Director as a debt management service provider or licensed with the Director as a mortgage  
22 broker or mortgage banker.

23 5. At all times relevant to this matter, the individual identified herein as “DLS” was a  
24 resident of the State of Oregon.

25 6. On or before April 1, 2010, DLS viewed an advertisement for HRFS on the real estate  
26 investor website [www.realestateguysradio.com](http://www.realestateguysradio.com). The advertisement represented that HRFS was





1 competent and authorized to perform real estate loan modifications for Oregon consumers. The  
2 advertisement did not disclose the fact that HRFS was not registered to engage in the business of  
3 debt management service in Oregon.

4 7. On or about April 1, 2010, DLS spoke with Lies by telephone. Lies represented that  
5 he and HRFS would be able to stop the foreclosure of the loan on her rental property located in  
6 Fort Worth, Texas, which was scheduled for April 6, 2010.

7 8. DLS signed an agreement with Lies and HRFS. The agreement failed to describe in  
8 precise terms the debt management services that Lies and HRFS would perform. In signing the  
9 agreement, DLS purported to authorize Lies and HRFS to hire attorneys and “others deemed  
10 necessary to work on the case[.]” The agreement also indicated that DLS would be responsible  
11 for undefined “out of pocket” expenses. The agreement did not include an itemization of the fees  
12 that would be charged by HRFS and how those fees were calculated. The agreement also did not  
13 include an analysis of DLS’s budget or an analysis explaining how the work to be performed by  
14 Lies and HRFS would be advantageous to DLS.

15 9. DLS paid \$1,500 in cash to HRFS for assistance in stopping the foreclosure of the  
16 loan on her rental property and to work with the lender to obtain a modification of the loan. In  
17 paying the money in advance, Lies told DLS that HRFS would go to work immediately to halt  
18 the foreclosure of the loan. HRFS failed to perform under the agreement.

19 10. On April 9, 2010, DLS requested that HRFS refund her money. In response, Lies  
20 wrote via e-mail to DLS on May 3, 2010 that she was to receive a “termination packet” and that  
21 the \$1,500 would be refunded to her. As of the date of this Order, DLS has not received a refund  
22 from Lies or HRFS.

## 23 II.

### 24 CONCLUSIONS OF LAW

25 The Director CONCLUDES that:

26 11. Lies was not licensed in Oregon with the Director as a debt management service



1 provider pursuant to ORS chapter 697.

2 12. HRFS was not licensed in Oregon with the Director as a debt management service  
3 provider pursuant to ORS chapter 697.

4 13. Lies was not licensed with the Director as a mortgage broker, mortgage banker or  
5 mortgage loan originator pursuant to the Oregon Mortgage Lender Law, ORS 86A.095 to  
6 86A.198.

7 14. HRFS was not licensed with the Director as a mortgage broker or mortgage banker  
8 pursuant to the Oregon Mortgage Lender Law, ORS 86A.095 to 86A.198.

9 15. Lies and HRFS violated ORS 697.612(1)(b)(A) by engaging in the business of debt  
10 management service by receiving money or other valuable consideration, or expecting to receive  
11 money or other valuable consideration, for soliciting or receiving an application from a consumer  
12 for a debt management service when not registered with the Director pursuant to ORS chapter  
13 697.

14 16. In the alternative to Paragraph 15 above, Lies and HRFS violated ORS 697.612(1)(a)  
15 by performing a debt management service without being registered as a debt management  
16 service provider with the Director pursuant to ORS chapter 697.

17 17. In the alternative to Paragraphs 15 and 16 above, Lies and HRFS violated ORS  
18 86A.103 by engaging in residential mortgage transactions in this state as a mortgage banker or  
19 mortgage broker without being licensed under ORS 86A.095 to 86A.198.

20 18. In the alternative to Paragraph 15 and 16 above, Lies violated ORS 86A.203 by  
21 engaging in business as a mortgage loan originator without obtaining and maintaining a  
22 mortgage loan originator's license under ORS 86A.218.

23 19. Lies and HRFS violated ORS 697.652(1)(d) by failing to provide an Oregon debt  
24 management service consumer with an agreement that described in precise terms the debt  
25 management services that Lies and HRFS would perform, an itemization of the fees that would  
26 be charged, and how those fees would be calculated.



1 20. Lies and HRFS violated ORS 697.652(2) and ORS 697.662(4) by failing to provide  
2 an Oregon consumer with an analysis that explained how the debt management services that Lies  
3 and HRFS were to perform would be advantageous to the consumer.

4 21. Lies and HRFS violated ORS 697.662(2) by representing to an Oregon consumer that  
5 Lies and HRFS were authorized or competent to perform a debt management service without  
6 being actually authorized to perform debt management service under ORS chapter 697.

7 22. Lies and HRFS violated ORS 697.662(12)(d)(E) by publishing, distributing or  
8 broadcasting or causing to be published, distributed or broadcast an advertisement, presentation  
9 or other communication or promotional material that misrepresented, directly or indirectly, Lies'  
10 and HRFS's qualifications, training or experience or the qualifications, training or experience of  
11 HRFS's employee's, agents or affiliates.

12 23. Lies and HRFS violated ORS 697.692(1)(a) by charging an Oregon consumer an  
13 initial fee of more than \$50.

14 **III.**

15 **ORDERS**

16 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

17 Cease and Desist Order

18 24. Pursuant to the authority of ORS 697.825(1)(a) and 86A.127(4), the Director hereby  
19 ORDERS David Richard Lies and Home Rescue Financial Services, LLC to CEASE AND  
20 DESIST from violating any provision of the Oregon statutes regulating debt management service  
21 providers, ORS chapter 697, and any provisions of the Oregon Mortgage Lender Law, ORS  
22 86A.095 to 86A.198, OAR 441-910-0000 through 441-910-0200, OAR 441-850-0005 to OAR  
23 441-885-0010, and any rule, order, or policy issued by the Director under ORS chapters 697 or  
24 86A.

25 Order Assessing Civil Penalty

26 25. Pursuant to the authority of ORS 697.832 and 86A.992, the Director may assess a



1 CIVIL PENALTY in an amount determined by the Director of not more than \$5,000 per  
2 violation against any person who violates ORS 697.612 or ORS 697.642 to 697.702, ORS  
3 86A.095 to 86A.198, rules adopted pursuant to ORS 697.632 or ORS chapter 86A, or any order  
4 issued under ORS 697.825.

5 26. Pursuant to ORS 697.832 and ORS 86A.992, the Director hereby ORDERS David  
6 Richard Lies and Home Rescue Financial Services, LLC (“HRFS”), jointly and severally, to pay  
7 a CIVIL PENALTY in the amount of \$30,000 (thirty thousand dollars) as follows:

8 A. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of the registration  
9 provisions of ORS 697.612, either in violation of ORS 697.612(1)(b)(A) by receiving money or  
10 other valuable consideration for soliciting or receiving an application from an Oregon consumer  
11 for a debt management service without being registered with the Director to conduct such a  
12 business pursuant to ORS chapter 697; or in violation of ORS 697.612(1)(a) by engaging in the  
13 business of performing debt management service without being registered with the Director  
14 pursuant to ORS chapter 697;

15 B. In the alternative to subsection A above, a CIVIL PENALTY of \$5,000 (five  
16 thousand dollars) for violation of ORS 86A.103 and 86A.203 by engaging in residential  
17 mortgage transactions in this state as a mortgage banker or mortgage broker without being  
18 licensed under ORS 86A.095 to 86A.198; and/or engaging in business as a mortgage loan  
19 originator without obtaining and maintaining a mortgage loan originator’s license under ORS  
20 86A.218.

21 C. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS  
22 697.652(1)(d) for failing to provide an Oregon debt management service consumer with an  
23 agreement that described in precise terms the debt management services that HRFS would  
24 perform, an itemization of the fees that would be charged, and how those fees would be  
25 calculated;

26 D. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS



1 697.652(2) and 697.662(4) for offering to perform a debt management service without  
2 evaluating, as part of the budget analysis performed pursuant to ORS 697.652(2), whether the  
3 debt management service to be performed by HRFS was advantageous to the Oregon consumer;

4 E. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS  
5 697.662(2) for representing to an Oregon consumer that HRFS was authorized or competent to  
6 perform a debt management service when not registered to with the Director to engage in such a  
7 business;

8 F. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violating ORS  
9 697.662(12)(d)(E) by publishing, distributing or broadcasting or causing to be published,  
10 distributed or broadcast an advertisement, presentation or other communication or promotional  
11 material that misrepresented, directly or indirectly, Lies' and HRFS's qualifications, training or  
12 experience or the qualifications, training or experience of HRFS's employee's, agents or  
13 affiliates; and

14 G. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS  
15 697.692(1)(a) by charging an Oregon consumer an initial fee of more than \$50 for a debt  
16 management service.

17 27. The entry of this Order in no way limits further remedies which may be available to  
18 the Director under Oregon law.

19 IT IS SO ORDERED.

20 Dated this 22nd day of December, 2010 at Salem, Oregon, NUNC

21 PRO TUNC November 16, 2010.

22 CORY STREISINGER, Director  
23 Department of Consumer and Business Services

24 /s/ David Tatman  
25 David C. Tatman, Administrator  
26 Division of Finance and Corporate Securities

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**NOTICE OF RIGHT TO APPEAL**

You have the right to appeal this Order to the Oregon Court of Appeals pursuant to ORS 183.482. To appeal you must file a petition for judicial review with the Court of Appeals within 60 days from the day this Order was served on you. If this Order was personally delivered to you, the date of service is the day you received the Order. If this Order was mailed to you, the date of service is the day it was *mailed*, not the day you received it. If you do not file a petition for judicial review within the 60-day period, you will lose your right to appeal.

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