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

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

In the Matter of: American Loan Compliance aka American Loan Audit, <p style="text-align: center;">Respondents.</p>	DM-13-0040 Final Order to Cease and Desist and Order Assessing Civil Penalties Entered by Default
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On April 23, 2013, the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”) acting pursuant to the authority contained in Oregon Revised Statutes (“ORS”) 86A.100 et. seq. and Oregon Administrative Rules (“OAR”) 441-850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Laws and Rules”) and ORS 697.602 through 697.842 and OAR 441-910-0000 through 441-910-0120 (collectively “Oregon Debt Management Service Provider Laws and Rules”), issued Administrative Order No. DM-13-0040 Proposed Order to Cease and Desist, Proposed Order Assessing Civil Penalty and Notice of Right to a Hearing.

On April 26, 2013, Erik Duckworth, Special Investigator with the State of California, Department of Real Estate, personally served Michael McDevitt, a true copy of the Order at the Van Nuys Superior Courthouse, Department 119, 14400 Erwin St. Mall, Van Nuys, State of California. Michael McDevitt is owner of American Loan Compliance aka American Loan

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Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 Audit . In addition, on April 25, 2013, Respondent was served a true copy of the Order by
2 certified and first class U.S. mail at 1323 Caspian Way, Oxnard, CA 93035.

3 American Loan Compliance aka American Loan has not made a written request for a
4 contested case hearing on this matter and the time to make such request has expired .

5 **NOW THEREFORE**, the Director hereby issues the following Findings of Fact,
6 Conclusions of Law, and Order.

7 The Director finds that:

8 **Respondent**

9 1. American Loan Compliance aka American Loan Audit (Respondent) reported a
10 principal place of business of 1330 Avenue of the Americas Floor 23 A, New York, NY.

11 2. Respondent is not a licensed mortgage banker, broker, or loan originator in Oregon
12 and is not registered as a debt management service provider in Oregon.

13 3. Respondent has not obtained a unique identifier from the Nationwide Mortgage
14 Licensing System and Registry.

15 **RJC transaction**

16 1. At all times relevant to this matter, the individual consumer identified herein as
17 “RJC” as an Oregon resident. At all relevant times herein, RJC was a party to a home mortgage
18 loan secured by real estate located in Oregon.

19 2. On or about November 2, 2012, Respondent and RJC entered into a contract whereby
20 Respondent agreed to negotiate a loan modification for a loan secured by residential real
21 property located in Oregon on behalf of RJC in exchange for valuable consideration.

22 3. On or about November 2, 2012, RJC completed the required paperwork for a loan
23 modification with Respondent and faxed the paperwork back to Respondent along with a check
24 for \$500 made out to Respondent. Respondent used the information on RJC’s check to make out
25

26 //





1 a new check, containing RJC’s information but the manufactured check was made out to L.
2 McDevitt for \$500. RJC did not know L. McDevitt.

3 4. On and belief, Respondent has not conducted any substantive conversations with RJC’s
4 mortgage lender that have resulted in a modification of RJC’s residential real estate loan.

5 5. RJC did not receive a loan modification as promised by Respondent.

6 CONCLUSIONS OF LAW

7 The Director concludes that:

8 1. Respondent acted as a “mortgage broker” under ORS 86A.100(5)(a)(C) when
9 Respondent for compensation, or in the expectation of compensation, either directly or
10 indirectly made, negotiated, or offered to make or negotiate a modification to the terms and
11 conditions of a mortgage loan.

12 2. Respondent engaged in “residential mortgage transactions in this state” under ORS
13 86A.103(2) by acting as a mortgage broker when Respondent offered to negotiate a
14 modification to the terms and conditions of RJC’s residential mortgage loan secured by real
15 property located in Oregon.

16 3. Respondent violated 86A.103(1) by engaging in residential mortgage transactions in
17 Oregon without first obtaining a license as a mortgage broker under ORS 86A.095 to 86A.198.

18 4. Respondent received money or expected to receive money for providing advice,
19 assistance, instruction or instructional material concerning a debt management service,
20 modifying the terms and conditions of an existing loan under ORS 697.602(2)(c), in violation of
21 ORS 697.612(1)(b)(E).

22 5. Respondent violated ORS 697.692 by accepting or receiving an initial fee of more
23 than \$50 from RJC.

24 6. Respondent knowingly misrepresented to RJC that they would provide loan
25 modification services, and then failed to have any further contact with RJC, failed to provide
26 loan modification services, and failed to provide a refund in violation of ORS 86A.154(2).

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ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDER:

A. Cease and Desist Order

7. The Director, pursuant to ORS 86A.127 and ORS 697.825, hereby ORDERS Respondent and all entities owned or controlled by Respondent, to cease and desist from violating Oregon’s Mortgage Lender Law and Oregon’s Debt Management Service Providers Law.

B. Order Assessing Civil Penalty

8. The Director, pursuant to ORS 86A.992, and ORS 697.832, may assess civil penalties of up to \$5,000 per violation against persons who violate the Oregon Mortgage Lender Law and the Debt Management Service Providers Law. Pursuant to these provisions, the Director hereby orders Respondent to pay the State of Oregon a civil penalty of \$15,000 Respondent calculated as follows:

- a. \$5,000 for violations of ORS 697.612(1), (unlicensed mortgage broker activity/unregistered debt management service provider);
- b. \$5,000 for violation of ORS 697.692 (unlawful DMSP fees);
- c. \$5,000 for violation of ORS 86A.154(2) (mortgage fraud);

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

IT IS SO ORDERED.

Dated this 10th day of June , 2013.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ _____
David C. Tatman, Administrator
Division of Finance and Corporate Securities

NOTICE

You are entitled to judicial review of this Order. Judicial review may be obtained by filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the service of this order.

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