

IN THE MATTER OF
AMERICAN HOME SERVICING
CENTER, d/b/a NATIONAL
SERVICING CENTER, and
MARCUS FIERRO, JR.,
RESPONDENTS

* THE MARYLAND COMMISSIONER
* OF FINANCIAL REGULATION
*
*
* OAH NO: DLR-CFR-76-17-31734
* CFR NO: CFR-FY-2016-0031

FINAL ORDER
DATE 5/1/18

* * * * *

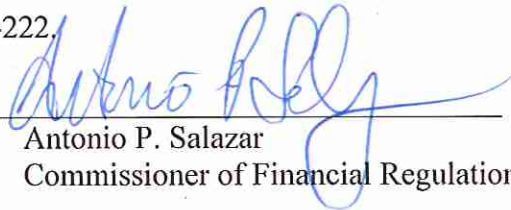
PROPOSED FINAL ORDER

The Proposed Decision of the Administrative Law Judge (“Proposed Decision”), issued on February 6, 2018, in the above captioned case, having been received, read and considered, it is, by the Commissioner of Financial Regulation (“Commissioner”) this ^{7th}6 of April, 2018

ORDERED:

1. That the Findings of Fact in the Proposed Decision be, and hereby are, **ADOPTED**; and
2. That the Conclusions of Law in the Proposed Decision be, and hereby are, **ADOPTED**;
and
3. That that Respondents shall immediately **CEASE AND DESIST** from engaging in any further foreclosure consultant activities; and
4. That for violations of the Protection of Homeowners in Foreclosure Act and the Maryland Mortgage Assistance Relief Services Act, the Respondents pay a penalty of \$24,000.00; and
5. That the records and publications of the Commissioner reflect the Proposed Decision.

Pursuant to COMAR 09.01.03.09, Respondents have the right to file exceptions to the Proposed Order and present arguments to the Commissioner. Respondents have twenty (20) days from the postmark date of this Proposed Order to file exceptions with the Commissioner. COMAR 09.01.03.09A(1). Unless written exceptions are filed within the twenty (20)-day deadline noted above, this Order shall be deemed to be the final decision of the Commissioner, and subject to judicial review pursuant to SG § 10-222.



Antonio P. Salazar
Commissioner of Financial Regulation

IN THE MATTER OF	*	BEFORE JENNIFER L. GRESOCK,
AMERICAN HOME SERVICING	*	AN ADMINISTRATIVE LAW JUDGE
CENTER, d/b/a NATIONAL	*	OF THE MARYLAND OFFICE OF
SERVICING CENTER, and	*	ADMINISTRATIVE HEARINGS
MARCUS FIERRO, JR.,	*	OAH NO: DLR-CFR-76-17-31734
RESPONDENTS	*	CFR NO: CFR-FY2016-0031

* * * * *

PROPOSED DECISION

STATEMENT OF THE CASE
ISSUES
SUMMARY OF THE EVIDENCE
FINDINGS OF FACT
DISCUSSION
CONCLUSIONS OF LAW
RECOMMENDED ORDER

STATEMENT OF THE CASE

On August 31, 2017, the Deputy Commissioner of Financial Regulation (Commissioner) issued a Charge Letter against American Home Servicing Center d/b/a National Servicing Center (Respondent Center) and Marcus Fierro, Jr., (Respondent Fierro) (collectively, Respondents), alleging that they violated various provisions of the Real Property Article of the Annotated Code of Maryland, specifically sections 7-301 through 7-325 (the Protection of Homeowners in Foreclosure Act, or PHIFA, related to mortgage foreclosure) and sections 7-501 through 7-511 (Maryland Mortgage Assistance Relief Services Act, or MARS, related to loan modification services and mortgage assistance relief service activities).¹

¹ Unless otherwise noted, all references to the Real Property Article are to the 2015 Replacement Volume and 2017 Supplement.

The Charge Letter further asserted that the Commissioner may enforce these provisions by issuing an order requiring the Respondents to cease and desist from these violations and further similar violations, and requiring affirmative action to correct the violations. In addition, the Charge Letter stated that the Commissioner may impose a civil monetary penalty up to the maximum amount of \$1,000.00 for the first violation and up to the maximum amount of \$5,000.00 for each subsequent violation.

On November 15, 2017, I convened a hearing at the Office of Administrative Hearings (OAH) in Hunt Valley, Maryland. Fin. Inst. § 2-115(a) (2011).² Sophie Asike and Kris King, Assistant Attorneys General, represented the Commissioner. Neither the Respondents nor anyone on their behalf appeared for the hearing.

Procedure in this case is governed by the provisions of the Administrative Procedure Act, the hearing regulations of the Department of Labor, Licensing and Regulation, and the Rules of Procedure of the OAH. Md. Code Ann., State Gov't §§ 10-201 through 10-226 (2014 & Supp. 2017); COMAR 09.01.03; and COMAR 28.02.01.

ISSUES

1. Did the Respondents engage in the following conduct, in violation of PHIFA:
 - a. Improperly collecting fees before performing services;³
 - b. Inducing homeowner(s) into entering foreclosure consulting contracts that were not fully compliant with PHIFA;⁴
 - c. Failing to disclose all required contractual terms in agreements;⁵

² Unless otherwise noted, all references to the Financial Institutions Article are to the 2011 Replacement Volume and 2017 Supplement.

³ Md. Code Ann., Real Prop. § 7-307(2); 12 Code of Federal Regulations (C.F.R.) § 1015.3(b)(7). All references to the C.F.R. are to the 2017 volume.

⁴ Md. Code Ann., Real Prop. § 7-307(10).

⁵ Md. Code Ann., Real Prop. §§ 7-305 and 7-306; 12 C.F.R. § 1015.4(a) and (b).

- d. Breaching the duty of reasonable care and diligence?⁶
2. Did the Respondents engage in the following conduct, in violation of the Code of Federal Regulations and MARS?
 - a. Misrepresenting a consumer's obligation to make scheduled periodic payments;⁷
 - b. Misrepresenting the amount of money or percentage of the debt amount a consumer may save;⁸
 - c. Receiving payment before the consumer has executed a written agreement with his or her loan holder or servicer;⁹
 - d. Failing to promptly and fully investigate consumer complaints?¹⁰
3. What, if any, sanctions should be imposed?

SUMMARY OF THE EVIDENCE

Exhibits

I admitted the following numbered exhibits offered by the Commissioner:

- Agency¹¹ Ex. 1 - Notices of Hearing, with returned mail
- Agency Ex. 2 - Delegation to the OAH, dated August 31, 2017
- Agency Ex. 3 - Charge Letter, dated August 31, 2017
- Agency Ex. 4 - Eligibility Confirmation for [REDACTED] dated December 21, 2015
- Agency Ex. 5 - Making Home Affordable Program Request for Mortgage Assistance for [REDACTED] date illegible

⁶ Md. Code Ann., Real Prop. § 7-309(b).

⁷ 12 C.F.R. § 1015.3(b)(4).

⁸ 12 C.F.R. § 1015.3(b)(10).

⁹ 12 C.F.R. § 1015.5(a).

¹⁰ 12 C.F.R. § 1015.9.

¹¹ Agency refers to the Commissioner. I marked the exhibits as "Agency" exhibits during the hearing and retain that designation in this decision, with this clarification.

- Agency Ex. 6 - Three checks for \$987.50 each, from [REDACTED] marked 6A, 6B, and 6C, and dated December 28, 2015; January 28, 2016; and February 28, 2016
- Agency Ex. 7 - Account Review Notice for [REDACTED] undated
- Agency Ex. 8 - Eligibility Confirmation for [REDACTED] dated September 21, 2015
- Agency Ex. 9 - American Home Servicing Center Document Preparation Agreement for [REDACTED] dated September 28, 2015
- Agency Ex. 10 - Three checks for \$693.75, \$693.75, and \$1,387.50, from [REDACTED] [REDACTED] dated September 30, 2015; October 9, 2015; and November 9, 2015
- Agency Ex. 11 - Complaint, [REDACTED] dated July 15, 2016
- Agency Ex. 12 - Letter from Respondent Fierro, dated September 6, 2016
- Agency Ex. 13 - Enforcement Unit Report of Investigation, dated September 19, 2016
- Agency Ex. 14 - American Home Servicing Center Client Information form, dated December 3, 2015
- Agency Ex. 15 - Bank of America Deposit Receipt, dated December 9, 2015
- Agency Ex. 16 - Complaint, [REDACTED] dated January 21, 2016
- Agency Ex. 17 - American Home Servicing Center printouts of web pages, printed May 5, 2016
- Agency Ex. 18A - California Business programs online search results, printed November 14, 2017
- Agency Ex. 18B - California Business search – entity details online results, undated

Agency Ex. 18C - Articles of Organization of a Limited Liability Company (LLC) for the Respondents, dated November 9, 2015

Testimony

The Commissioner presented the following witnesses:

- [REDACTED]
- [REDACTED]
- Zenaida Velez-Dorsey, Financial Fraud Examiner.

No witnesses testified on behalf of the Respondents, as the Respondents did not appear for the hearing.

FINDINGS OF FACT

I find the following facts by a preponderance of the evidence:

Background

1. Respondent Center was established as a limited liability company in California in November 2015. The address for its designated California office was 14024 Magnolia Street, #200, Westminster, California, 92683.
2. Respondent Fierro was identified as the agent for Respondent Center.
3. Respondent Fierro was the owner, director, officer, manager, and agent of the Respondent Center. He directed or exercised control over the activities and finances of the Respondent Center, including loan modification activities with Maryland consumers.

[REDACTED] *"Consumer A"*

4. In November 2015, Respondent Center contacted [REDACTED] a resident of Hyattsville, Maryland, by email.

5. At the time Respondent Center contacted [REDACTED] she was more than sixty days behind in her mortgage payments.
6. Respondent Center's email to [REDACTED] promised her that it would obtain a loan modification of her residential mortgage loan with SunTrust Bank.
7. On or about December 3, 2015, [REDACTED] submitted an information form to Respondent Center. This form included a contractual agreement that [REDACTED] would pay a fee of \$2,952.00 to Respondent Center for the service of document preparation. The fee was to be paid in three installments of \$984.00, due on December 11, 2015; January 11, 2016; and February 11, 2016.
8. This fee of \$2,952.00 was presented to [REDACTED] as a program fee of \$4,575.00 reduced by a "supplemental credit" of \$1,623.00.
9. The agreement with Respondent Center did not include notice of [REDACTED] right to rescind the contract at any time without penalty, did not disclose that [REDACTED] could accept or reject any offer of mortgage assistance, and did not disclose that she was not required to pay the Respondents if she rejected the lender's offer of mortgage assistance.
10. Respondent Center told [REDACTED] that it would obtain a loan modification that would lower her monthly mortgage payment from \$1,526.00 to \$1,087.00.
11. [REDACTED] was never provided with a written agreement between herself and her lender or servicer.
12. On or about December 9, 2015, [REDACTED] paid Respondent Center \$984.00.
13. At some point, [REDACTED] residential mortgage loan was sold to Rushmore Lending Company (Rushmore). [REDACTED] December 3, 2015 information form reflected that Rushmore was the servicer of her loan.

14. Respondent Center never contacted Rushmore or submitted any information, application, or request for mortgage assistance to Rushmore on [REDACTED] behalf.
15. When [REDACTED] learned in January 2016 that Respondent Center had never contacted Rushmore or submitted any information on her behalf, she called Respondent Center and left a voicemail. She was never able to get in contact with anyone from Respondent Center, and her \$984.00 was not returned.

[REDACTED] *"Consumer B"*

16. In December 2015, [REDACTED], a resident of Baltimore, Maryland, was contacted by phone by Respondent Center. At that time, [REDACTED] was more than sixty days behind in her mortgage payments.
17. A representative of Respondent Center promised [REDACTED] that Respondent Center would obtain a loan modification of her residential mortgage loan with Flagstar Bank.
18. On or about December 21, 2015, [REDACTED] entered into a contractual agreement with Respondent Center. Under the agreement, [REDACTED] was to pay a fee of \$2,962.50 to the Respondent Center, and she was instructed not to pay her mortgage payment for December 2015 or January 2016.
19. The Respondent Center falsely told [REDACTED] that she was confirmed for a government program ("HAMP & PRP"¹²) and that her monthly mortgage payments would be reduced from \$832.00 to \$620.00.
20. The contractual agreement included the logos of Flagstar Bank and several government foreclosure relief programs.

¹² HAMP, or the Home Affordable Modification Program, is a government loan modification program introduced in 2009. It expired on December 31, 2016. It is not clear what PRP refers to; the acronym is sometimes used to refer to loan modification principal reduction programs.

21. [REDACTED] was never provided with a written agreement between herself and her lender or servicer.
22. The agreement with Respondent Center did not include notice of [REDACTED] right to rescind the contract at any time without penalty, did not disclose that [REDACTED] could accept or reject any offer of mortgage assistance, and did not disclose that she was not required to pay the Respondents if she rejected the lender's offer of mortgage assistance.
23. [REDACTED] made three payments of \$987.50 each to Respondent Center on December 30, 2015; January 29, 2016; and February 29, 2016, for a total of \$2,962.50.
24. Respondent Center became unresponsive to [REDACTED] phone calls after she made her payments, either failing to answer the calls or perpetually passing her calls along to different representatives.
25. Respondent Center never contacted Flagstar Bank or submitted any information, application, or request for mortgage assistance to Flagstar Bank on [REDACTED] behalf.
26. [REDACTED] contacted the Respondent Center to obtain a refund of the fee she had paid, but the fee was not refunded.

[REDACTED] *"Consumer C"*

27. In September 2015, [REDACTED], a resident of Abingdon, Maryland, received a flyer titled ACCOUNT REVIEW NOTICE in the mail. The flyer was from Respondent Center (though it did not specifically disclose that) and referenced an "offer" to reduce [REDACTED] mortgage payment. At the time, [REDACTED] was more than sixty days behind in her mortgage payments with Bank of America.
28. [REDACTED] called Respondent Center in response to the flyer.

29. On or about September 28, 2015, [REDACTED] entered into a contractual agreement with Respondent Center, which was presented to her as a loan modification through a government program.
30. The agreement required [REDACTED] to pay a fee of \$2,575.00, and stated that her monthly mortgage payments would decrease from \$1,667.38 to \$1,457.10. It also stated that [REDACTED] should not make her mortgage payments for September or October 2015.
31. [REDACTED] was never provided with a written agreement between herself and her lender or servicer.
32. [REDACTED] made three payments to Respondent Center: \$693.75 on September 30, 2015; \$693.75 on October 9, 2015; and \$1,387.50 on November 9, 2015.
33. After [REDACTED] made payments, Respondent Center told her she would need to wait a few weeks while it assembled her package.
34. The contractual agreement with [REDACTED] did not inform her that she could accept or reject a loan modification offer, rescind her contract with Respondent Center at any time, or that she was not required to pay the Respondents if she rejected the lender's offer of mortgage assistance.
35. In May 2016, [REDACTED] received a loan modification that reduced her monthly mortgage payments by approximately \$20.00.
36. Respondent Center is not and has never been registered with the Maryland State Department of Assessments & Taxation.

DISCUSSION

Burdens of production and persuasion

The Commissioner bears the burdens of production and persuasion, by a preponderance of the evidence, to demonstrate that the Respondents violated the statutory sections at issue. *See* Md. Code Ann., State Gov't § 10-217 (2014); COMAR 09.01.02.16A; *Comm'r of Labor & Industry v. Bethlehem Steel*, 344 Md. 17, 34 (1996).

Notice

Because neither the Respondents nor anyone on their behalf attended the hearing, I first address whether they received proper notice of the hearing. The Commissioner presented evidence that the Notice of Hearing was sent to three different addresses, as follows:

- 14024 Magnolia Street, #200, Westminster, CA 92683 (dated October 30, 2017)
- 505 N. Tustin Avenue, Suite 21, Santa Ana, CA 92705 (dated October 12, 2017)¹³
- 13532 Eton Place, Santa Ana, CA 92705 (dated October 12, 2017).

(Agency Ex. 1.)

Copies of the Notice were sent both to Respondent Center and Respondent Fierro at each of these addresses. They were sent by first-class mail as well as certified mail. At the hearing, the Commissioner noted that while mail sent to the first two addresses was returned by the United States Postal Service, the Notices sent to the Eton Place

¹³ The correct address is Suite 212, not Suite 21. However, the Respondents were no longer using that address after September 6, 2016, as the business closed as of June 20, 2016. See Agency Ex. 12. For that reason, the typographical error is of no consequence.

address were not returned. Following the hearing, Notices sent to the Eton Place address were also returned.

The Magnolia street address is the address listed on the Respondents' Articles of Organization for both the Limited Liability Company (LLC) and the agent for purposes of service of process. The Commissioner indicated at the hearing that the Eton Place address is Respondent Fierro's home address. The Tustin Avenue address was provided to the Commissioner by the Respondents. The Commissioner also noted that its Charge Letter was sent to each of the three addresses.

As notice was sent both to the address listed in the Respondents' LLC Articles of Organization and the home address for Respondent Fierro, I am satisfied that every effort was made to provide the Respondents with notice of the hearing. Because the OAH sent the Notice by U.S. mail to the Respondent's last known address, based on the Court of Appeals' holding in *Golden Sands Club Condominium, Inc. v. Waller*, 313 Md. 484, 503 – 04 (1988), I conclude that the OAH's notice to the Respondent was reasonable and adequate. Therefore, I proceeded with the hearing in the absence of the Respondents.

Legal Framework

The Commissioner alleges that Respondents violated provisions of PHIFA, and MARS. In essence, the Commissioner contends that the Respondents contacted Maryland homeowners struggling to pay their mortgages and promised to obtain loan modifications for them – and then failed not only to provide required information and disclosures, but also to make good on the promise of a loan modification. Three Maryland residents who were contacted by the Respondents complained to the Commissioner, prompting an investigation. According to the Commissioner, that investigation revealed that the Respondents were making false representations, improperly

collecting upfront fees, failing to make required disclosures, and failing to provide promised services. These violations, argued the Commissioner, subject the Respondents to both penalties and restitution.

The Commissioner asserts that the Respondents are foreclosure consultants under PHIFA, relying on the definitions in section 7-301, which provide, in part, as follows:

- (c) Foreclosure consultant. – “Foreclosure consultant” means a person who:
- (1) Solicits or contacts a homeowner in writing, in person, or through any electronic or telecommunications medium and directly or indirectly makes a representation or offer to perform any service that the person represents will:
 - (i) Stop, enjoin, delay, void, set aside, annul, stay, or postpone a foreclosure sale;
 - (ii) Obtain forbearance from any servicer, beneficiary or mortgagee;
 - (iii) Assist the homeowner to exercise a right of reinstatement provided in the loan documents or to refinance a loan that is in foreclosure and for which notice of foreclosure proceedings has been published;
 - (iv) Obtain an extension of the period within which the homeowner may reinstate the homeowner's obligation or extend the deadline to object to a ratification;
 - (v) Obtain a waiver of an acceleration clause contained in any promissory note or contract secured by a mortgage on a residence in default or contained in the mortgage;
 - (vi) Assist the homeowner to obtain a loan or advance of funds;
 - (vii) Avoid or ameliorate the impairment of the homeowner's credit resulting from the filing of an order to docket or a petition to foreclose or the conduct of a foreclosure sale;
 - (viii) Save the homeowner's residence from foreclosure;
 - (ix) Purchase or obtain an option to purchase the homeowner's residence within 20 days of an advertised or docketed foreclosure sale; or
 - (x) Arrange for the homeowner to become a lessee or renter entitled to continue to reside in the homeowner's residence after a sale or transfer; or
 - (2) Systematically contacts owners of residences in default to offer foreclosure consulting services.

.....

(j) Residence in default. – “Residence in default” means residential real property located in the State consisting of not more than four single family dwelling units, one of which is occupied by the owner, or the owner’s spouse or former spouse under a use and possession order issued under Title 8, Subtitle 2 of the Family Law Article, as the individual's principal place of residence, and on which the mortgage is at least 60 days in default.

(k) Residence in foreclosure. – “Residence in foreclosure” means residential real property located in the State consisting of not more than four single family dwelling units, one of which is occupied by the owner, or the owner’s spouse or former spouse under a use and possession order issued under Title 8, Subtitle 2 of the Family Law Article, as the individual's principal place of residence, and against which an order to docket or a petition to foreclose has been filed.

Because the Respondents are foreclosure consultants, alleges the Commissioner, they are subject to the requirements of section § 7-305 of the Real Property Article, which provides as follows.

(a) In general. -- In addition to any other right under law to cancel or rescind a contract, a homeowner has the right to rescind a foreclosure consulting contract at any time.

(b) When it occurs. -- Rescission occurs when the homeowner gives written notice of rescission to the foreclosure consultant at the address specified in the contract or through any facsimile or electronic mail address identified in the contract or other materials provided to the homeowner by the foreclosure consultant.

(c) Notice -- When effective. -- Notice of rescission, if given by mail, is effective when deposited in the United States mail, properly addressed, with postage prepaid.

(d) Notice -- Form. -- Notice of rescission need not be in the form provided with the contract and is effective, however expressed, if it indicates the intention of the homeowner to rescind the foreclosure consulting contract.

(e) Repayment. -- After the rescission of a foreclosure consulting contract, the homeowner shall repay, within 60 days from the date of rescission, any funds paid or advanced by the foreclosure consultant or anyone working with the foreclosure consultant under the terms of the foreclosure consulting contract, together with interest calculated at the rate of 8% a year.

(f) Conditioning right of rescission on repayment prohibited. -- The right to rescind may not be conditioned on the repayment of any funds.

The Commissioner also relies on section 7-306 of the Real Property Article with regard to required disclosures:

- (a) Basic requirements. -- A foreclosure consulting contract shall:
 - (1) Be provided to the homeowner for review before signing;
 - (2) Be printed in at least 12 point type and written in the same language that is used by the homeowner and was used in discussions with the foreclosure consultant to describe the consultant's services or to negotiate the contract;
 - (3) Fully disclose the exact nature of the foreclosure consulting services to be provided, including any sale or tenancy that may be involved, and the total amount and terms of any compensation from any source to be received by the foreclosure consultant or anyone working in association with the consultant;
 - (4) State the duty of the foreclosure consultant to provide the homeowner with written copies of any research the foreclosure consultant has regarding the value of the homeowner's residence in default, including any information on sales of comparable properties or any appraisals;
 - (5) Be dated and personally signed by the homeowner and the foreclosure consultant and be witnessed and acknowledged by a notary public appointed and commissioned by the State; and
 - (6) Contain the following notice, which shall be printed in at least 14 point boldface type, completed with the name of the foreclosure consultant, and located in immediate proximity to the space reserved for the homeowner's signature:

“NOTICE REQUIRED BY MARYLAND LAW

..... (Name) or anyone working for him or her CANNOT ask you to sign or have you sign any lien, mortgage, or deed as part of signing this agreement unless the terms of the transfer are specified in this document and you are given a separate explanation of the precise nature of the transaction. The separate explanation must include: how much money you must pay; how much money you will receive, if any; and how much money the foreclosure consultant will receive from any source.

..... (Name) or anyone working for him or her CANNOT guarantee you that they will be able to refinance your home or arrange for you to keep your home. Continue making mortgage payments until a refinancing, if applicable, is approved.

You have the right to rescind this foreclosure consulting contract at any time by informing the foreclosure consultant that you want to rescind the contract. See the attached Notice of Rescission form for an explanation of

this right. After any rescission, you must repay, within 60 days, any money spent on your behalf as a result of this agreement, along with interest calculated at the rate of 8% a year.

If a contract to sell or transfer the deed or title to your property is involved in any way, you may rescind that contract at any time within 5 days after the date you sign that contract and you are informed of this right. After any rescission, you must repay, within 60 days, any money spent on your behalf as a result of this agreement, along with interest calculated at the rate of 8% a year.

THIS IS AN IMPORTANT LEGAL CONTRACT AND COULD RESULT IN THE LOSS OF YOUR HOME. CONTACT AN ATTORNEY BEFORE SIGNING.”

(b) Additional requirements. -- The contract shall contain on the first page, in at least 12 point type size:

- (1) The name and address of the foreclosure consultant to which the notice of rescission is to be mailed; and
- (2) The date the homeowner signed the contract.

(c) Notice of Rescission. --

- (1) The contract shall be accompanied by a completed form in duplicate, captioned “NOTICE OF RESCISSION”.
- (2) The Notice of Rescission shall:
 - (i) Be on a separate sheet of paper attached to the contract;
 - (ii) Be easily detachable; and
 - (iii) Contain the following statement printed in at least 15 point type:

“NOTICE OF RESCISSION

(Date of Contract)

You may rescind this foreclosure consulting contract, without any penalty, at any time.

If you want to rescind this contract, mail or deliver a signed and dated copy of this Notice of Rescission, or any other written notice indicating your intent to rescind to (name of foreclosure consultant) at (address of foreclosure consultant, including facsimile and electronic mail).

After any rescission, you (the homeowner) must repay any money spent on your behalf as a result of this agreement, within 60 days, along with interest calculated at the rate of 8% a year.

This is an important legal contract and could result in the loss of your home. Contact an attorney before signing.

NOTICE OF RESCISSION

TO: (name of foreclosure consultant)
(address of foreclosure consultant, including facsimile and electronic mail)

I hereby rescind this contract.

..... (Date)

..... (Homeowner's signature)".

(d) Copy to homeowner. – The foreclosure consultant shall provide the homeowner with a signed and dated copy of the foreclosure consulting contract and the attached Notice of Rescission immediately upon execution of the contract.

(e) Time period of rescission. – The time during which the homeowner may rescind the foreclosure consulting contract does not begin to run until the foreclosure consultant has complied with this section.

(f) Void provisions. – Any provision in a foreclosure consulting contract that attempts or purports to waive any of the rights specified in this title, consent to jurisdiction for litigation or choice of law in a state other than Maryland, consent to venue in a county other than the county in which the property is located, or impose any costs or filing fees greater than the fees required to file an action in a circuit court, is void.

Section 7-307 of the Real Property Article addresses upfront fees, which the Commissioner alleges were improperly collected by the Respondents in this case:

A foreclosure consultant may not:

(1) Engage in, arrange, offer, promote, promise, solicit, participate in, assist with, or carry out a foreclosure rescue transaction;

(2) Claim, demand, charge, collect, or receive any compensation until after the foreclosure consultant has fully performed each and every service the foreclosure consultant contracted to perform or represented that the foreclosure consultant would perform;

(3) Claim, demand, charge, collect, or receive any interest or any other compensation for any loan that the foreclosure consultant makes to the homeowner that exceeds 8% a year;

- (4) Take any wage assignment, any lien of any type on real or personal property, or other security to secure the payment of compensation;
- (5) Receive any consideration from any third party in connection with foreclosure consulting services provided to a homeowner unless the consideration:
 - (i) Is first fully disclosed in writing to the homeowner;
 - (ii) Is clearly listed on any settlement documents; and
 - (iii) Is not in violation of any provision of this subtitle;
- (6) Receive a commission, regardless of how described, for the sale of a residence in default that exceeds 8% of the sales price;
- (7) Receive any money to be held in escrow or on a contingent basis on behalf of the homeowner;
- (8) Acquire any interest, directly or indirectly, or by means of a subsidiary, affiliate, or corporation in which the foreclosure consultant or a member of the foreclosure consultant's immediate family is a primary stockholder, in a residence in default from a homeowner with whom the foreclosure consultant has contracted;
- (9) Take any power of attorney from a homeowner for any purpose, except to inspect documents as provided by law; or
- (10) Induce or attempt to induce any homeowner to enter into a foreclosure consulting contract that does not comply in all respects with this subtitle.

The Commissioner also alleges a violation of section 7-309, which provides as follows:

- (a) In general. -- A foreclosure consultant has a duty to provide the homeowner with written copies of any research the foreclosure consultant has regarding the value of the homeowner's residence in default, including any information on sales of comparable properties or any appraisals.
- (b) Duty of care. -- A foreclosure consultant owes the same duty of care to a homeowner as a licensed real estate broker owes to a client under § 17-532 of the Business Occupations and Professions Article.

In addition, the Commissioner relies on section 7-502 of MARS. This section states as follows:

A mortgage assistance relief service provider providing mortgage assistance relief service in connection with a dwelling in the State that does not comply with 12 C.F.R. §§ 1015.1 through 1015.11 and any subsequent revision of those regulations is in violation of this subtitle.

Accordingly, the Commissioner has cited to the following specific provisions of the C.F.R.:

§ 1015.3 Prohibited representations.

It is a violation of this rule for any mortgage assistance relief service provider to engage in the following conduct:

- (a) Representing, expressly or by implication, in connection with the advertising, marketing, promotion, offering for sale, sale, or performance of any mortgage assistance relief service, that a consumer cannot or should not contact or communicate with his or her lender or servicer.
- (b) Misrepresenting, expressly or by implication, any material aspect of any mortgage assistance relief service, including but not limited to:
 - (1) The likelihood of negotiating, obtaining, or arranging any represented service or result, such as those set forth in the definition of *Mortgage Assistance Relief Service* in §1015.2;
 - (2) The amount of time it will take the mortgage assistance relief service provider to accomplish any represented service or result, such as those set forth in the definition of *Mortgage Assistance Relief Service* in §1015.2;
 - (3) That a mortgage assistance relief service is affiliated with, endorsed or approved by, or otherwise associated with:
 - (i) The United States government,
 - (ii) Any governmental homeowner assistance plan,
 - (iii) Any Federal, State, or local government agency, unit, or department,
 - (iv) Any nonprofit housing counselor agency or program,
 - (v) The maker, holder, or servicer of the consumer's dwelling loan, or
 - (vi) Any other individual, entity, or program;
 - (4) The consumer's obligation to make scheduled periodic payments or any other payments pursuant to the terms of the consumer's dwelling loan;
 - (5) The terms or conditions of the consumer's dwelling loan, including but not limited to the amount of debt owed;
 - (6) The terms or conditions of any refund, cancellation, exchange, or repurchase policy for a mortgage assistance relief service, including but not limited to the likelihood of obtaining a full or partial refund, or the

- circumstances in which a full or partial refund will be granted, for a mortgage assistance relief service;
- (7) That the mortgage assistance relief service provider has completed the represented services or has a right to claim, demand, charge, collect, or receive payment or other consideration;
 - (8) That the consumer will receive legal representation;
 - (9) The availability, performance, cost, or characteristics of any alternative to for-profit mortgage assistance relief services through which the consumer can obtain mortgage assistance relief, including negotiating directly with the dwelling loan holder or servicer, or using any nonprofit housing counselor agency or program;
 - (10) The amount of money or the percentage of the debt amount that a consumer may save by using the mortgage assistance relief service;
 - (11) The total cost to purchase the mortgage assistance relief service; or
 - (12) The terms, conditions, or limitations of any offer of mortgage assistance relief the provider obtains from the consumer's dwelling loan holder or servicer, including the time period in which the consumer must decide to accept the offer[.]
-

§ 1015.4 Disclosures required in commercial communications.

It is a violation of this rule for any mortgage assistance relief service provider to engage in the following conduct:

(a) *Disclosures in All General Commercial Communications*—Failing to place the following statements in every general commercial communication for any mortgage assistance relief service:

- (1) “(Name of company) is not associated with the government, and our service is not approved by the government or your lender.”

(b) *Disclosures in All Consumer-Specific Commercial Communications*—Failing to disclose the following information in every consumer-specific commercial communication for any mortgage assistance relief service:

- (1) “You may stop doing business with us at any time. You may accept or reject the offer of mortgage assistance we obtain from your lender [or servicer]. If you reject the offer, you do not have to pay us. If you accept the offer, you will have to pay us (insert amount or method for calculating the amount) for our services.” For the purposes of this paragraph (b)(1), the amount “you will have to pay” shall consist of the total amount the consumer must pay to purchase, receive, and use all of the mortgage assistance relief services that are the subject of the sales offer, including, but not limited to, all fees and charges.

- (2) "(Name of company) is not associated with the government, and our service is not approved by the government or your lender."

§ 1015.5 Prohibition on collection of advance payments and related disclosures.

It is a violation of this rule for any mortgage assistance relief service provider to:

(a) Request or receive payment of any fee or other consideration until the consumer has executed a written agreement between the consumer and the consumer's dwelling loan holder or servicer incorporating the offer of mortgage assistance relief the provider obtained from the consumer's dwelling loan holder or servicer;

(b) Fail to disclose, at the time the mortgage assistance relief service provider furnishes the consumer with the written agreement specified in paragraph (a) of this section, the following information: "This is an offer of mortgage assistance we obtained from your lender [or servicer]. You may accept or reject the offer. If you reject the offer, you do not have to pay us. If you accept the offer, you will have to pay us [same amount as disclosed pursuant to §1015.4(b)(1)] for our services." The disclosure required by this paragraph must be made in a clear and prominent manner, on a separate written page, and preceded by the heading: "IMPORTANT NOTICE: Before buying this service, consider the following information." The heading must be in bold face font that is two point-type larger than the font size of the required disclosure;

§ 1015.9 Recordkeeping and compliance requirements.

(b) A mortgage assistance relief service provider also must:

- (2) Investigate promptly and fully each consumer complaint received;

Testimony

The Commissioner offered the testimony of two Maryland consumers, [REDACTED] (referred to as "Consumer B" in the Commissioner's documents) and [REDACTED] (referred to as "Consumer C" in the Commissioner's documents). [REDACTED] testified that she

first came in contact with the Respondent when she received a phone call from Respondent Center. At that time, she was four or five months behind on her mortgage payments and was in foreclosure proceedings. She further testified that Respondent Center promised it could obtain a modification for her, but that she needed to make three monthly payments of \$987.50 to Respondent Center. Once she made these payments, her new monthly mortgage payment would be reduced permanently, according to the Respondents. [REDACTED] explained that she made these payments, but then heard nothing from the Respondents. When she called and was able to reach someone, she was assured that the process just takes several months and was pending. [REDACTED] stated that she was unsure with whom the Respondents were affiliated, but believed that the company was associated with the government or a government program.

[REDACTED] noted in her testimony that the Respondents never provided her with a written agreement with her lender or servicer, and that she was never told she could rescind the foreclosure consulting contract with the Respondents at any time. In addition, she received no confirmation from her lender or servicer that either had received any paperwork from Respondent Center on her behalf regarding a modification. She also testified that at some point, she sought a refund from the Respondents but was not given one. Finally, [REDACTED] testified that her mortgage payment was eventually reduced, though she seemed unsure as to whether this was due to a modification or to a decrease in the escrow portion of her payment.

[REDACTED] testified that she first encountered the Respondents when she received an advertisement in the mail. At the time, she was struggling to pay her mortgage and was about four months behind on her payments; she thought Respondent Center could help her retain her home based on its promise of a lower payment. [REDACTED] testified that she called Respondent Center in response to the advertisement and that following that phone call, she submitted

documents to Respondent Center as instructed. She explained that her understanding was that Respondent Center worked as a go-between for families and lenders/services, and that they were not affiliated with her lender, Bank of America.

██████████ further testified that Respondent Center sent her a document indicating that her mortgage payment would be reduced from \$1,667.38 to \$1,457.10. The Respondents told her she needed to pay fees totaling over \$4,000.00, but that she had received a grant that reduced her portion to \$2,775.00. Accordingly, she made three payments to the Respondents, for a total of \$2,775.00. After she made these payments, ██████████ explained that the Respondents told her that it would take a few weeks to process everything, and that she did not need to make any mortgage payments. She noted that she was never told that she had the option to seek a refund from the Respondents or a rescission of her contract with them. Eventually she received a \$20.00 reduction in her monthly payment, of which she was notified directly by Bank of America.

Finally, the Commissioner offered the testimony of Zenaida Velez-Dorsey, Financial Fraud Examiner. Ms. Velez-Dorsey testified that she first received a complaint about the Respondents in March 2016, and that she began an investigation at that time. She received ██████████ ██████████ complaint in July 2016, and then the third complaint, ██████████ later in July 2016. During the course of her investigation, Ms. Velez-Dorsey interviewed all three consumers and, with the information she obtained, began an effort to identify and track down the Respondents. She detailed her online searches and explained that she subpoenaed bank records to identify the owner of Respondent Center, Respondent Fierro. Ms. Velez-Dorsey also examined the documents provided to her by the consumers. The consumer who filed the first complaint, ██████████ had paid \$984.00 in fees to the Respondents, believing that she would

obtain a loan modification promised by the Respondents after it contacted her by email, but the Respondents performed none of the promised services. [REDACTED] never received a loan modification.

Ms. Velez-Dorsey also spoke to Respondent Fierro during the course of her investigation. This conversation occurred by phone in September 2016. Respondent Fierro told Ms. Velez-Dorsey at that time that he had closed the business in June 2016 because there was not enough profit, and when she asked if he planned to refund monies paid to him, he indicated that there were no funds available to do so.

Analysis

The evidence presented by the Commissioner is uncontradicted, as the Respondents did not participate in the hearing. Based on the evidence before me, I conclude that the Respondents violated provisions of both PHIFA and MARS and are therefore subject to penalties, and to a cease and desist order.

I begin with the PHIFA. First, I find that the Respondents are foreclosure consultants as defined by section 7-301(c). They contacted at least three Maryland consumers – by mail ([REDACTED]), by telephone ([REDACTED]), and by email ([REDACTED]) – and promised to obtain loan modifications for each consumer. Both [REDACTED] and [REDACTED] testified that they were promised loan modifications with lower payments that would allow them to retain their homes. These actions clearly fall within section 7-301(c)(1)(viii). In addition, they also meet the definition in 7-301(c)(2), which includes “[s]ystematically contact[ing] owners of residences in default to offer foreclosure consulting services.” A residence in default is defined in section 7-301(j); it requires that the mortgage be at least sixty days in default, which was the case for all three consumers who were contacted by the Respondents.

Having concluded that the Respondents are foreclosure consultants and thus subject to PHIFA, I consider the specific provisions cited by the Commissioner. It is clear that the Respondents did not provide key information required by section 7-306(a)(6), including notice of the right to rescind any foreclosure consulting contract at any time, and instructions for such rescission, as well as notification to the homeowner that the foreclosure consultant cannot guarantee that the homeowner will be able to keep the home. The required notice further instructs that the homeowner should continue making mortgage payments. The Commissioner provided copies of the documents given to all three consumers by the Respondents (Agency Exs. 4, 9, and 13); none of these documents provides information about the right to rescind or how to do so. Further, the documents do not explain that a loan modification is not guaranteed; in fact, the documents instruct the homeowners to stop making mortgage payments, a flat contradiction of the information the Respondents were required to provide to the consumers. It is thus undisputed that the Respondents failed to comply with section 7-306 with regard to all three Maryland consumers.

A failure to comply with section 7-306 is also a violation of 7-307(10), as the latter prohibits a foreclosure consultant from "induc[ing] or attempt[ing] to induce any homeowner to enter into a foreclosure consulting contract that does not comply in all respects with this subtitle."

I am also persuaded that the Respondents violated section 7-307(2) by collecting fees from all three consumers before the Respondents performed "each and every service the foreclosure consultant contracted to perform or represented that the foreclosure consultant would perform." As discussed above, the Respondents represented to [REDACTED] and [REDACTED] that they would obtain loan modifications for each of them. [REDACTED] paid

\$984.00, [REDACTED] paid \$2,962.50, and [REDACTED] paid \$2,775.00. In each case, the consumer paid the Respondents upfront, before any services were provided. This is a clear violation of section 7-307(2).

I am also persuaded that the Respondents' conduct was a failure to provide the duty of care required by section 7-309. Both [REDACTED] and [REDACTED] testified that the Respondents did not follow up after they made payments and were unable to provide them with information when they called. [REDACTED] also testified that she was often unable to reach anyone when she called, and though she left messages, her calls were not returned. [REDACTED] provided a similar account in her complaint. (Agency Ex. 16.) This failure to be responsive to consumers, coupled with the improper collection of upfront fees as well as the failures to provide required disclosures regarding rescission, the lack of a guarantee, and correct information about the obligation to continue making payments reflect a serious violation of the duty of care owed to all three consumers, in violation of section 7-309.

However, I do not find a violation of section 7-305, which has to do with the homeowner's right to rescind, and includes no specific obligations or prohibitions with regard to the foreclosure consultants.

I now consider whether the Respondents violated section 7-502 of the MARS Act. As noted above, the MARS Act incorporates provisions of the C.F.R. I agree with the Commissioner that the Respondents violated numerous regulations, including the following:

- 12 C.F.R. § 1015.3(b)(4), which prohibits a mortgage assistance relief service provider from misrepresenting any material aspect of any mortgage relief service, including the consumer's obligation to make mortgage payments; the Respondents

instructed all three Maryland consumers to stop making their monthly mortgage payments;

- 12 C.F.R. § 1015.3(b)(7), which prohibits a mortgage assistance relief service provider from misrepresenting that it has the right to collect a fee; as discussed above, the Respondents improperly charged all three consumers upfront fees;
- 12 C.F.R. § 1015.3(b)(10), which prohibits a mortgage assistance relief provider from misrepresenting the amount of money a consumer may save by using the service; all three consumers were given specific figures reflecting decreased mortgage payments, though these figures were not based on any information or offer from the consumers' lenders or servicers (Agency Ex. 4, 8, 13, and 14);
- 12 C.F.R. § 1015.4(b), which requires all consumer-specific commercial communications¹⁴ to include a disclosure regarding the consumers' right to rescind the contract, to accept or reject any offer of mortgage assistance from the lender or servicer, not to pay the mortgage assistance relief provider if the consumer rejects the offer of mortgage assistance, as well as a statement disclosing that the company is not associated with the government or approved by the government or the lender; none of these disclosures were included in the contractual offers made to all three consumers, and in fact these offers used logos for the consumers' banks, as well as references to government programs (and their logos) (Agency Ex. 4, 8, 13, and 14);
- 12 C.F.R. § 1015.5, which prohibits requesting or receiving payment of a fee until the consumer and the lender or servicer have executed a written agreement incorporating

¹⁴ "Consumer-specific commercial communications" are defined as "a commercial communication that occurs prior to the consumer agreeing to permit the provider to seek offers of mortgage assistance relief on behalf of the consumer, or otherwise agreeing to use the mortgage assistance relief service, and that is directed at a specific consumer." 12 C.F.R. § 1015.2.

the offer of mortgage assistance relief; with regard to all three consumers, the Respondents collected fees even though the required written agreements had not been executed; and

- 12 C.F.R. § 1015.9(b)(2), which requires a mortgage assistance relief provider to promptly investigate consumer complaints; [REDACTED] stated in her complaint that she was unable to speak to anyone at the Respondent Center after discovering the Respondents had not been in contact with Rushmore. [REDACTED] and [REDACTED] both testified to similar difficulties. None of them received a satisfactory response from the Respondents, much less an investigation.

However, I do not find any violations of 12 C.F.R. § 1015.4(a)(1), which requires all general commercial communications¹⁵ to include a specific disclosure statement disclosing that the company is not associated with the government or approved by the government or the lender. I decline to find such a violation because the Commissioner did not provide any general communications from the Respondents. All of the communications in evidence appear to be specific to each of the three Maryland consumers, referencing their names and/or addresses.

Sanctions

With regard to action the Commissioner may take to address the alleged violations, the Commissioner relies on section 2-115 of the Financial Institutions Article of the Maryland

Annotated Code:

- (a) Summary cease and desist orders. -- When the Commissioner determines that a person has engaged in an act or practice constituting a violation of a law, regulation, rule or order over which the Commissioner has jurisdiction, and that

¹⁵ A "general commercial communication" is "a commercial communication that occurs prior to the consumer agreeing to permit the provider to seek offers of mortgage assistance relief on behalf of the consumer, or otherwise agreeing to use the mortgage assistance relief service, and that is not directed at a specific consumer." 12 C.F.R. § 1015.2.

immediate action against the person is in the public interest, the Commissioner may in the Commissioner's discretion issue, without a prior hearing, a summary order directing the person to cease and desist from engaging in the activity, provided that the summary cease and desist order gives the person:

- (1) Notice of the opportunity for a hearing before the Commissioner to determine whether the summary cease and desist order should be vacated, modified, or entered as final; and
- (2) Notice that the summary cease and desist order will be entered as final if the person does not request a hearing within 15 days of receipt of the summary cease and desist order.

(b) Other authorized actions for violations. -- When the Commissioner determines after notice and a hearing, unless the right to notice and a hearing is waived, that a person has engaged in an act or practice constituting a violation of a law, regulation, rule or order over which the Commissioner has jurisdiction, the Commissioner may in the Commissioner's discretion and in addition to taking any other action authorized by law:

- (1) Issue a final cease and desist order against the person;
- (2) Suspend or revoke the license of the person;
- (3) Issue a penalty order against the person imposing a civil penalty up to the maximum amount of \$ 1,000 for a first violation and a maximum amount of \$ 5,000 for each subsequent violation; or
- (4) Take any combination of the actions specified in this subsection.

(c) Financial penalty. -- In determining the amount of financial penalty to be imposed under subsection (b) of this section, the Commissioner shall consider the following factors:

- (1) The seriousness of the violation;
- (2) The good faith of the violator;
- (3) The violator's history of previous violations;
- (4) The deleterious effect of the violation on the public and the industry involved;
- (5) The assets of the violator; and
- (6) Any other factors relevant to the determination of the financial penalty.

(d) Administrative Procedure Act. -- Notice of any hearing under this section shall be given and the hearing shall be held in accordance with the Administrative Procedure Act.

The Commissioner proposed that I issue a cease and desist order, and that I impose a financial penalty of \$24,000.00. This proposed penalty is based on a \$1,000.00 penalty for each of the eight actions that it alleges constitutes statutory and regulatory violations, multiplied by

three, for each of the three Maryland consumers. The Commissioner sets out the eight violations it proposes for the basis of the penalty as follows:

- Collecting upfront fees prior to fully and completely performing all services (in violation of section 7-307(2) and 12 C.F.R. § 1015.3(b)(7));
- Inducing any homeowner to enter into a foreclosure consulting contract that does not comply in all respects with the Act (in violation of section 7-307(10));
- Failing to disclose all requisite contractual terms in agreements, including notices of rescission (in violation of sections 7-305, 7-306, and 12 C.F.R. § 1015.4(a) and (b));
- Breach of duty of reasonable care and diligence (in violation of section 7-309(b));
- Misrepresentation of a consumer's obligation to make scheduled payments (in violation of 12 C.F.R. § 1015.3(b)(4));
- Misrepresenting the amount of money or percentage of the debt amount that a consumer may save using the mortgage assistance relief service (in violation of 12 C.F.R. § 1015.3(b)(10));
- Receiving payment before the consumer has executed a written agreement between the consumer and lender or servicer (in violation of 12 C.F.R. § 1015.5); and
- Failure to promptly and fully investigate each consumer complaint received (in violation of 12 C.F.R. § 1015.9).

While I did not find violations of section 7-305 or 12 C.F.R. § 1015.4(a)(1), both of these violations are coupled with others in the Commissioner's proposed basis for the \$24,000.00 penalty. Accordingly, they do not affect calculation of the penalty.

I agree with the Commissioner that the maximum penalty is appropriate in this case, based on the factors set out in section 2-115 of the Financial Institutions Article. The violations

are serious – the Respondents clearly took advantage of Maryland consumers struggling to retain their homes and not only failed to assist them, but in fact inflicted further financial harm on them. The Respondents’ misleading communications and promises, without required disclosures, demonstrate that the Respondents’ actions were deliberate and calculated. Further, the Respondents’ unresponsiveness to the consumers once they had paid the fees makes clear that the Respondents were not acting in good faith, as they made no effort to communicate with the consumers or to rectify the situation. The harm to consumers and the deleterious effect on both the public and the industry cannot be overstated; legitimate foreclosure consultants provide an important service to struggling homeowners, an effort that is damaged by the actions of scammers and the distrust they sow. The egregiousness of the Respondents’ actions merits the most severe penalty – \$1,000.00 for each of the three Maryland consumers, for each of the eight violations, for a total of \$24,000.00. In addition, I agree with the Commissioner that a cease and desist order is appropriate to ensure that the Respondents do not further engage in activities prohibited by PHIFA and MARS.

CONCLUSIONS OF LAW

The Commissioner has proven by a preponderance of the evidence that the Respondents:

1. Engaged in the following conduct, in violation of PHIFA:
 - a. Improperly collected fees before performing services, in violation of section 7-307(2) of the Real Property Article of the Maryland Annotated Code and 12 C.F.R. § 1015.3(b)(7);
 - b. Induced homeowners into entering foreclosure consulting contracts that were not fully compliant with PHIFA, in violation of section 7-307(10) of the Real Property Article of the Annotated Code of Maryland;

- c. Failed to disclose all required contractual terms in agreements, in violation of section 7-306 of the Real Property Article of the Maryland Annotated Code and 12 C.F.R. § 1015.4(b); and
 - d. Breached the duty of reasonable care and diligence, in violation of section 7-309(b) of the Real Property Article of the Maryland Annotated Code.
2. Engaged in the following conduct, in violation of the Code of Federal Regulations and MARS:
- a. Misrepresented consumers' obligations to make scheduled periodic payments, in violation of 12 C.F.R. § 1015.3(b)(4);
 - b. Misrepresented the amount of money or percentage of the debt amount consumers may save, in violation of 12 C.F.R. § 1015.3(b)(10);
 - c. Received payment before consumers had executed a written agreements with their loan holders or servicers, in violation of 12 C.F.R. § 1015.5; and
 - d. Failed to promptly and fully investigate customer complaints, in violation of 12 C.F.R. § 1015.9.
3. Are therefore subject to a cease and desist order and the maximum financial penalty. Md. Code Ann., Fin. Inst. § 2-115.

RECOMMENDED ORDER


I **RECOMMEND** that the Commissioner:

ORDER that the Respondents shall immediately **CEASE AND DESIST** from engaging in any further foreclosure consultant activities; and

ORDER that for violations of the Protection of Homeowners in Foreclosure Act and the Maryland Mortgage Assistance Relief Services Act, the Respondents pay a penalty of \$24,000.00; and further,

ORDER that the records and publications of the Commissioner reflect this decision.

February 6, 2018
Date Decision Issued


Jennifer L. Gresock
Administrative Law Judge

JLG/dlm
#171850