

RECEIVED

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-11-0211
ORDER NO C-11-0211-11-OR01**

11 APR -5 PM 12:29

ARKANSAS SECURITIES DEPT.

**IN THE MATTER OF:
THOMAS C. MATEVIA, P.A D/B/A
LEGAL HOME LOAN SOLUTIONS**

RESPONDENTS

CEASE AND DESIST ORDER

On April 4, 2011, the Staff of the Arkansas Securities Department (“Staff”) filed a Request for a Cease and Desist Order (“Request”), stating that it has information and certain evidence in its possession that indicates Thomas C. Matevia, P.A. d/b/a Legal Home Loan Solutions (“Matevia”) has violated provisions of the Arkansas Fair Mortgage Lending Act (“FMLA”), Ark. Code Ann. §§ 23-39-501 through 23-39-518. The Arkansas Securities Commissioner (“Commissioner”) has reviewed the Request, and based upon representations made therein, finds that:

FINDINGS OF FACT

The Staff’s Request asserts the following representations of fact:

1. Matevia is a business entity that has its main office in Jupiter, Florida. Matevia has never been licensed under the FMLA in Arkansas in any capacity.
2. In October 2009, Arkansas resident one (“AR1”) contacted Matevia concerning a modification of the terms of AR1’s residential mortgage loan. AR1’s residence is located in Little Rock, Arkansas.

3. After AR1's initial contact with a loan administrator employee of Matevia, Michele Sharpe, AR1 received a packet of documents from Matevia. The packet of documents Matevia sent to AR1 included: a form titled Documents Needed for Modification (attached to the Request as Exhibit 1); a form titled Statement of Information (attached to the Request as Exhibit 2); a Loan Information Worksheet (attached to the Request as Exhibit 3); a form titled Personal Household Budget (attached to the Request as Exhibit 4); a Department of Treasury IRS form 4506-T, Request for Transcript of Tax Form (attached to the Request as Exhibit 5); three sample letters of hardship (attached to the Request as Exhibit 6); a Home Affordable Modification Program Hardship Affidavit (attached to the Request as Exhibit 7); an Authorization From (attached to the Request as Exhibit 8); and a ACH Payment Authorization Agreement (attached to the Request as Exhibit 9). The information required from AR1 to complete the forms provided by Matevia is the standard personal financial information required from a borrower, like AR1, by a mortgage broker or lender during the mortgage loan application process. After AR1 sent the completed paperwork to Matevia, AR1 had numerous e-mail contacts with a negotiator employee of Matevia, Christina or Chrissy J. LeMaster, concerning the progress of the negotiations with AR1's mortgage holder. Ultimately, Matevia and its employees were unable to successfully obtain a mortgage loan modification for AR1.

4. AR1 paid an advance fee of \$2,750.00 to Matevia by electronic draft. Although Matevia, was unsuccessful in renegotiating AR1's mortgage loan, Matevia never refunded or returned any part or portion of the \$2,750.00 advance fee to AR1.

5. Seven other Arkansas residents were solicited for mortgage loan modification services by employees of Matevia. Arkansas residents two through eight ("AR2-AR8") all paid fees to Matevia in the following amounts: AR2 paid \$500.00, AR3 paid \$2,000.00, AR4 paid \$500.00,

AR5 paid \$2,000.00, AR6 paid \$2,000.00, AR7 paid \$900.00, and AR8 paid \$900.00. In addition, AR2-AR8 received paperwork from Matevia similar to that detailed in paragraph four. Matevia kept most or all of the fees collected from AR2-AR8 without successfully renegotiating the mortgage loans for these Arkansas residents.

6. Matevia and its employees conducted loan modification activities on behalf of AR1-AR8 and was compensated by AR1-AR8 without holding licenses from the commissioner under the FMLA.

CONCLUSIONS OF LAW

6. Ark. Code Ann. § 23-39-503(b) states that it is unlawful for any person to act or attempt to act, directly or indirectly, as a mortgage broker or loan officer without first obtaining a license from the Securities Commissioner under the FMLA. As detailed in paragraphs three through six, Matevia violated Ark. Code Ann. § 23-39-503(b) when it attempted to act as a mortgage broker with AR1-AR8 without first being licensed as a mortgage broker under the FMLA.

7. Ark. Code Ann. § 23-39-503(c) states that it is unlawful for any person to employ, to compensate, or to appoint as its agent any person to act as a loan officer, unless the loan officer is licensed as a loan officer with the Arkansas Securities Department under the FMLA. As detailed in paragraphs three through six, Matevia violated Ark. Code Ann. § 23-39-503(c) when it allowed its employees to act as loan officers with AR1-AR8 without first being licensed as loan officers under the FMLA.

8. Ark. Code Ann. § 23-39-513(4) states that it is unlawful for any person other than an exempt person to pay, receive, or collect, in whole or in part, any commission, fee, or other

compensation for brokering a mortgage loan in violation of this subchapter, including a mortgage loan brokered or solicited by any unlicensed person other than an exempt person. As detailed in paragraphs three through six, Matevia violated Ark. Code Ann. § 23-39-513(4) when it collected advanced fees in the total amount of \$11,550.00 from AR1-AR8 for attempting to renegotiate or modify AR1-AR8's mortgage loans without first being licensed as a mortgage broker under the FMLA.

9. Ark. Code Ann. § 23-39-514(d)(1) states that upon finding that any action of a person is in violation of the FMLA, the Commissioner may summarily order the person to cease and desist from the prohibited action. The conduct, acts, and practices of Matevia and its employees threaten immediate and irreparable public harm. Based on the Findings of Fact and Conclusions of Law, this Cease and Order is in the public interest and is appropriate pursuant to Ark. Code Ann. § 23-39-514.

ORDER

IT IS THEREFORE ORDERED that Matevia and its employees CEASE AND DESIST from all mortgage loan activity in Arkansas until such time as it and they have been properly licensed under the FMLA.

A hearing on this Cease and Desist Order shall be held, if requested by Matevia in writing within thirty days of the date of the entry of this Cease and Desist Order, or if otherwise ordered by the Commissioner. Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
201 East Markham, Suite 300
Little Rock, Arkansas 72201

If no hearing is requested and none is ordered by the Commissioner, this Cease and Desist Order will remain in effect until it is modified or vacated by the Commissioner. Ark. Code Ann. § 23-39-514(d).



A. Heath Abshire
Arkansas Securities Commissioner

April 5, 2011
Date