

**IN THE MATTER OF:**

**COMPANION PROPERTIES GROUP,  
LLC a/k/a CPG LOSS MITIGATION a/k/a  
LOSS MITIGATION SERVICES a/k/a  
CPGMLS a/k/a CPG HOMEOWNER  
ASSISTANCE,**

and

**STACY KAY SLAUGHTER**

Respondents.

**BEFORE THE MARYLAND**

**COMMISSIONER OF**

**FINANCIAL REGULATION**

Case No.: CFR-FY2017-0046

**SETTLEMENT AGREEMENT AND CONSENT ORDER**

This matter comes before the Maryland Commissioner of Financial Regulation (“Commissioner”) as the result of a complaint filed by Gerry Gillespie (“Complainant”) against Companion Properties Group, LLC a/k/a CPG Loss Mitigation a/k/a Loss Mitigation Services a/k/a CPGMLS a/k/a CPG Homeowner Assistance (“Companion Properties Group”) and Stacy Kay Slaughter (“Ms. Slaughter”), (collectively the “Respondents”). Based upon the complaint and an investigation, the Deputy Commissioner issued a Statement of Charges and Order for Hearing dated November 27, 2018 against the Respondents and transmitted this matter to the Office of Administrative Hearings (“OAH”) for a hearing on the charges. The OAH scheduled a hearing for January 24, 2019 at 9:30 a.m. at the OAH in Hunt Valley, Maryland. To resolve this matter without a formal hearing, the Commissioner and the Respondents have agreed to enter into this Settlement Agreement and Consent Order (“Settlement Agreement”) on this 17 day of January, 2019, to provide for the imposition of disciplinary measures which are fair and equitable in these circumstances and which are consistent with the best interest of the people of the State of Maryland. The Commissioner and the Respondents agree and stipulate as follows:

1. Companion Properties Group is a corporation organized in Ohio in December 2014, and operates out of Ohio at the principal business address of 947 E. Johnstown Road, #162, Gahanna, Ohio 43230. Companion Properties Group is not registered with the Maryland State Department of Assessments & Taxation and is not authorized to conduct business in the State of Maryland.

2. Ms. Slaughter is the owner, director, officer, manager, and/or agent of Companion Properties Group and directs or exercises control over the activities and finances of Companion Properties Group, including their loan modification activities with Maryland

consumers.

3. On April 27, 2016, the Respondents entered into a written loan modification agreement with the Complainant, a Maryland resident, in which the Respondents promised to obtain a modification of the Complainant's mortgage loan secured by residential property located at [REDACTED]

4. The loan modification agreement required the Complainant to pay upfront fees before the Respondents would provide and complete the loan modification services, specifically requiring the Complainant to pay monthly fees of \$599.00. The Respondents subsequently verbally amended the loan modification agreement to require the Complainant to pay a monthly fee of \$700.00. Ultimately, the Complainant paid the Respondents upfront fees totaling \$7,397.00.

5. The Respondents' representative instructed the Complainant to stop making payments on the mortgage loan to Wells Fargo for the duration of the loan modification process.

6. After the Respondents informed the Complainant that the loan modification submitted by the Respondents to Wells Fargo Bank, N.A. ("Wells Fargo"), had been approved, the Complainant rejected the offer because the offer increased the Complainant's mortgage payment by \$600.00 a month. The Complainant informed the Respondents the increased mortgage payment was unacceptable and he planned to allow his residential property to go into foreclosure.

7. The Respondents did not obtain a reduced mortgage payment on the Complainant's behalf or return the \$7,397.00 in upfront payments the Complainant paid to the Respondents to obtain a loan modification.

8. The upfront fees were collected pursuant to an executed written agreement between the Complainant and the Respondents that failed to incorporate the offer of mortgage assistance relief between the Complainant and Wells Fargo or any other servicer of the loan in violation of the Maryland Mortgage Assistance Relief Services Act ("MARS Act"), Md. Code Ann., Real Prop. Art. ("RP"), Title 7, Subtitle 5.

9. The MARS Act requires that mortgage assistance relief providers comply with the federal Mortgage Assistance Relief Services Rule in 12 C.F.R. Part 1015 ("Regulation O").

10. Specifically, RP §7-502 provides: "A mortgage assistance relief service provider providing 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."

11. Pursuant to RP §7-501(d) and (e) of the MARS Act, "mortgage assistance relief service" has the same meaning stated in 12 C.F.R. §1015.2 and any subsequent revision of that

federal regulation and “mortgage assistance relief service provider” has the same meaning stated in 12 C.F.R. §1015.2 and any subsequent revision of that regulation. Further, RP §7-501 incorporates the meanings of other terms stated in 12 C.F.R. §1015.2 to the extent those terms are used to establish the meaning of “mortgage assistance relief service provider.”

12. 12 C.F.R. §1015.2 defines “mortgage assistance relief service provider” as “any person that provides, offers to provide or arranges for others to provide, any mortgage assistance relief service,” excluding “the dwelling loan holder, or any agent or contract of such individual or entity,” and “the servicer of a dwelling loan, or any agent or contractor of such individual or entity.”

13. 12 C.F.R. §1015.2 defines “mortgage assistance relief service” to mean:

... any service, plan, or program, offered or provided to the consumer in exchange for consideration that is represented, expressly or by implication, to assist or attempt to assist the consumer with any of the following:

- (1) Stopping, preventing, or postponing any mortgage or deed of trust foreclosure sale for the consumer's dwelling, any repossession of the consumer's dwelling, or otherwise saving the consumer's dwelling from foreclosure or repossession;
- (2) Negotiating, obtaining, or arranging a modification of any term of a dwelling loan, including a reduction in the amount of interest, principal balance, monthly payments, or fees;
- (3) Obtaining any forbearance or modification in the timing of payments from any dwelling loan holder or servicer on any dwelling loan;
- (4) Negotiating, obtaining, or arranging any extension of the period of time within which the consumer may:
  - (i) Cure his or her default on a dwelling loan,
  - (ii) Reinstate his or her dwelling loan,
  - (iii) Redeem a dwelling, or
  - (iv) Exercise any right to reinstate a dwelling loan or redeem a dwelling;
- (5) Obtaining any waiver of an acceleration clause or balloon payment contained in any promissory note or contract secured by any dwelling; or
- (6) Negotiating, obtaining or arranging:
  - (i) A short sale of a dwelling,
  - (ii) A deed-in-lieu of foreclosure, or
  - (iii) Any other disposition of a dwelling other than a sale to a third party who is not the dwelling loan holder.

14. Under the pertinent federal regulations, incorporated into Maryland law through RP §§ 7-501 and 502 of the MARS Act, a “mortgage assistance relief service provider” includes any person offering, providing, or presenting that they can provide loan modification services for consideration.

15. Pursuant to 12 C.F.R. §1015.5(a), mortgage assistance relief service providers are prohibited from collecting any upfront or other fees from consumers prior to the consumers entering into a written agreement with their lender or servicer that incorporates the offer of mortgage assistance relief.

16. Pursuant to RP § 7-506, the Commissioner may enforce the provisions of the MARS Act by, among other things, conducting investigations and issuing orders in accordance with the Commissioner's general powers under Md. Code Ann., Fin. Inst. Art., ("FI") §§ 2-113 – 2-116, which include imposing civil penalties of up to \$1,000 for the first violation of the MARS Act, and up to \$5,000 for each subsequent violation. The Commissioner may also require persons to take affirmative action to correct a violation, including restitution of money or property to individuals harmed by the violation.

17. The Respondents admit that by their acts and omissions described above they are subject to the Commissioner's jurisdiction. The Respondents further admit that by their acts and omissions described above they have violated the MARS Act and subject to the Commissioner's general powers set forth in FI §§2-113 to 2-116. As penalty for the violation, the Respondents agree to pay restitution to the Complainant in the amount of \$6,000 by certified or cashier's check payable to the Complainant upon their execution of this Settlement Agreement. The Respondents' agree to mail the check to the Commissioner of Financial Regulation c/o Assistant Attorney General Sophie Asike, Office of the Attorney General, 500 N. Calvert Street, Suite 406, Baltimore, Maryland 21202, who, thereafter, will distribute the restitution payment to the Complainant.

18. The Respondents, by entering into this Settlement Agreement, expressly waive the right to an administrative hearing before the OAH on the charges, the making of Findings of Fact and Conclusions of Law by an administrative law judge, any and all further proceedings before the Commissioner and any rights to appeal to a court of competent jurisdiction from this Settlement Agreement. Respondents acknowledge that they have had an opportunity to consult with independent legal counsel in connection with the waiver of rights and with the negotiation and execution of this Agreement, and that Respondents have consulted with independent legal counsel or knowingly and voluntarily elected not to consult with counsel.

19. Respondents represent and warrant that that they are currently in compliance with the MARS Act and all other laws, regulations, and rules governing loan modification activities, loss mitigation services, foreclosure consulting, or other similar services with Maryland consumers, and that Respondents will continue to act in compliance at all future times. Respondents acknowledge that the Commissioner is relying upon Respondents' representations and that this Settlement Agreement may be revoked and the Commissioner may pursue any and all remedies available under the law against Respondents if the Commissioner finds that Respondents knowingly or willfully withheld information from the Commissioner.

20. The Commissioner agrees to accept this Settlement Agreement and Consent

Order as the full and final resolution of Case No. CFR-FY2017-0046 and agrees not to pursue an enforcement action based on the alleged violations cited herein, unless the Respondents fail to perform their obligations under this Settlement Agreement.

21. The Commissioner and Respondents further agree that this Settlement Agreement and Consent Order is admissible and shall be binding and enforceable in a court of competent jurisdiction by the Commissioner should the Respondents fails to perform their obligations under this Settlement Agreement and Consent Order.

22. The Commissioner and Respondents further acknowledge that this Settlement Agreement does not in any way relate to, impact, or otherwise affect the legal rights of, or preclude the Commissioner from bringing or continuing actions against persons not Parties to this Settlement Agreement.

BASED ON THE STIPULATIONS AND AGREEMENTS SET FORTH ABOVE, IT IS BY THE COMMISSIONER OF FINANCIAL REGULATION, HEREBY:

**ORDERED** that Respondents shall adhere to all terms of this Settlement Agreement and Consent Order; and it is

**ORDERED** that upon Respondents' execution of this Settlement Agreement and Consent Order, Respondents shall pay restitution in the total amount of \$6,000 to the Complainant by certified or cashier's check payable to the *Complainant*. The check shall be mailed to the Commissioner of Financial Regulation c/o Assistant Attorney General Sophie Asike, Office of the Attorney General, 500 N. Calvert Street, Suite 406, Baltimore, Maryland 21202, who, thereafter, will distribute the restitution payment to the Complainant.

**ORDERED** that the Respondents shall immediately cease and desist from engaging in any of the following: any and all activities which constitute mortgage assistance relief services as defined in RP § 7-501(d), including mortgage assistance relief services, loan modification services, loss mitigation services, and foreclosure consulting in the State of Maryland or with Maryland residents, either by acting directly, or by acting indirectly through other individuals or business entities; and it is further

**ORDERED** that the Respondents shall immediately cease and desist from violating the aforementioned statutory provisions of Maryland law, including, but not limited to the MARS Act; and it is further

**ORDERED** that, in the event Respondents violate any provision of this Settlement Agreement and Consent Order, or otherwise engage in the activities which formed the basis for the allegations set forth above, the Commissioner may, at the Commissioner's discretion, take any enforcement actions available under FI § 2-115(b) and RP § 7-506, as well as take any other enforcement actions as permitted by, and in accordance with, applicable State law; and that such enforcement actions could include an order to cease and desist, civil money penalties

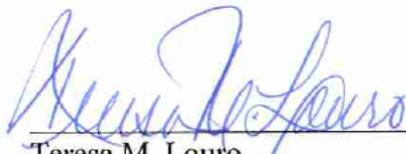
of up to \$1,000 for each violation and up to \$5,000 for each subsequent violation, an order to provide restitution of money or property to any aggrieved persons, an action for relief in Maryland Circuit Court, and/or referral for possible criminal prosecution; and it is further

**ORDERED** that this matter shall be resolved in accordance with the terms of this Settlement Agreement and Consent Order and the same shall be reflected among the records of the Office of the Commissioner of Financial Regulation; and it is further

**ORDERED** that this document shall constitute a Final Order of the Maryland Commissioner of Financial Regulation, by the authority delegated to the Deputy Commissioner under FI § 2-103, and that the Commissioner may consider this Settlement Agreement and Consent Order and the facts set forth herein in connection with, and in deciding, any action or proceeding before the Commissioner; and that this Settlement Agreement and Consent Order may, if relevant, be admitted into evidence in any matter before the Commissioner.

**IN WITNESS WHEREOF**, this Settlement Agreement and Consent Order is executed on the day and year first above written.

**MARYLAND COMMISSIONER OF FINANCIAL REGULATION**

By:   
 Teresa M. Louro  
 Deputy Commissioner of Financial Regulation

**COMPANION PROPERTIES GROUP, LLC a/k/a CPG LOSS MITIGATION a/k/a LOSS MITIGATION SERVICES a/k/a CPGMLS a/k/a CPG HOMEOWNER ASSISTANCE**

By:   
 Stacy Kay Slaughter  
 Owner

**STACY KAY SLAUGHTER**

By:   
 Stacy Kay Slaughter, Owner

**ATTACHMENT A**

Consumer ID	Consumer Name and Address	Amount Received for Modification Services
Complainant		\$6,000