

1 Case Nos.: SG13-1760, SG14-0511
2 SG14-1042, SG14-1434, and SG15-0070



FILED

JUL 12 2017

STATE BAR OF NEVADA
BY: *[Signature]*
OFFICE OF BAR COUNSEL

STATE BAR OF NEVADA

SOUTHERN NEVADA DISCIPLINARY BOARD

8 STATE BAR OF NEVADA,)

9 Complainant,)

vs.)

10 STEVEN T. LOIZZI, JR., ESQ.)
11 NEVADA STATE BAR NO. 10920)

12 Respondent.)

PUBLIC REPRIMAND

13
14 Between September, 2012 and July, 2013, you agreed to represent the following clients in
15 attempts to obtain modifications of their respective mortgages. As set forth in more detail below,
16 your representation of these clients was lacking, thereby violating the Rules of Professional
17 Conduct.

18 Representation of Jane Solis (SG13-1760)

19 On September 11, 2012, California resident Janie Solis ("Solis") retained you to help her
20 obtain a modification of her home mortgage. Solis' home is located in Madera, California. Solis
21 first contacted your office, located in Clark County, by telephone and explained to the staff that
22 she had been approved for a modification in December 2011. Nonlawyer Mike Thompson
23 ("Thompson"), who identified himself as the Authorized Agent/Case Manager for your law office,
24 provided Solis with retainer information and was Solis's sole contact in your office for the purpose
25 of initiating the representation.

1 Per the retainer agreement, Solis paid a retainer fee of \$3,980 and a monthly fee of \$795
2 for the representation.

3 Your nonlawyer employee Wendy Herrera (“Herrera”) was the only person in your office
4 that substantively communicated with Solis regarding her loan modification between September
5 11, 2012, to September 17, 2013. On September 27, 2013, Herrera received documentation from
6 Solis’s lender declining the modification request. On October 28, 2013, Herrera advised Solis that
7 her supervisor, nonlawyer Carlos Rendon (“Rendon”) was working on the financials so that they
8 could appeal the decision. On or about November 7, 2013, Rendon analyzed Solis’s financial
9 information and advised that it was unlikely Solis could get a loan modification based on the
10 information he had.

11 On or about November 13, 2013, Solis requested to speak with an attorney (presumably
12 you). You did not attempt to speak with Solis until 10 days later. In the meantime, Solis sent an
13 email to Thompson and Herrera terminating payment and the representation.

14 As of November 14, 2013, Solis paid you a total of \$11,930 for the representation and had
15 never communicated directly with you.

16 On or about September 3, 2014, you did refund Solis \$9,000. Solis was eventually able to
17 retain possession of her home by working directly with her lender in 2014.

18 **Representation of Thu Be Thi Le (SG14-0511)**

19 On or about July 3, 2013, California resident Thu Be Thi Le (“Le”) received a flyer in the
20 mail. Mrs. Le’s home was, and is, located in Westminster, CA. The flyer was entitled “payment
21 reduction notice” and it informed her that she was eligible for a loan modification. Le contacted
22 the telephone number on the flyer (888) 574-6440 and spoke with Bonita. Le was told that she
23 would not be taken on as a client unless “they” felt she could qualify for a loan modification. Le
24 agreed by telephone to retain you and a retainer agreement was emailed directly to her.

25

1 The retainer agreement stated an initial payment of \$1,250 was due. It also stated that
2 subsequent payments of \$775 were due each month until case completion or termination. On or
3 about July 3, 2013, Le signed the retainer agreement and authorized your office to charge her the
4 initial retainer fee and the monthly fee of \$775. Le returned the initial paperwork to your office
5 via email.

6 On July 11, 2013, Le spoke with and emailed with one of your nonlawyer employees. Le
7 submitted documents to the nonlawyer employee in order to begin the loan modification process.
8 Between July, 2013 and April, 2014 Le communicated only with nonlawyer employees in your
9 office. You never personally communicated with Le.

10 Le's loan modification application was first denied in October, 2013. Herrera and Rendon
11 submitted an appeal of the denial, which was denied in February, 2014.

12 Le's home had a sale date for foreclosure. Once your office learned of the foreclosure sale
13 date, nonlawyer Herrera advised Le that filing bankruptcy was necessary to stop the sale. Le filed
14 an emergency bankruptcy, and thereby, stopped the foreclosure sale. After filing bankruptcy Le
15 communicated to Herrera that she was not happy with your representation and requested a refund.

16 As of April, 2014, Le paid you \$7,450 and had not received a loan modification.

17 Le subsequently retained a California law office to assist her with the modification. She
18 was successful in getting a loan modification. You have refunded \$5,000 to Le.

19 **Representation of Andrea J. Portello-Deller (SG14-1042)**

20 On or about February 26, 2013, Andrea J. Portello-Deller ("Deller") went to your law
21 office and met with you and nonlawyer Paul. Deller is a Nevada resident and was seeking a loan
22 modification.

23 At the time of the initial intake Paul wrote on the form that Deller's husband had passed
24 away in 2008. On March 1, 2013, Deller signed the retainer agreement for a loan modification
25

1 and paid \$500 towards the retainer fee of \$2,000. The retainer agreement also required Deller to
2 pay a monthly maintenance fee of \$99 until the matter was closed.

3 Outside of the initial meeting, Deller communicated only with your nonlawyer employees
4 during the representation.

5 Although Deller informed your employee at the initial consultation, later in the
6 representation, other employees failed to note that Deller's husband was deceased and relied on
7 the bank's mistaken representation on that issue. Your employees did ultimately locate and
8 provide the death certificate to the lender again, but Deller believes this failure caused issues with
9 her loan modification application.

10 Deller received a letter from her lender, dated April 23, 2014, which stated that it was
11 unable to reach a timely decision because it required documents from a third-party and the reason
12 that it could not complete its review was "outstanding attorney fees and costs" owed to the bank's
13 foreclosure attorneys.

14 On May 4, 2014, your nonlawyer employee Herrera noted in Deller's file that the file was
15 still in review with the lender and no docs were needed. Herrera emailed the same information to
16 Deller two minutes after the Herrera's telephone call with the lender.

17 After Deller received the denial, your office sent Deller an email requesting payment for
18 June 2014. The next day Deller sent an email cancelling your representation. Deller paid you
19 a total of \$2,700 before terminating the representation.

20 Deller sold her home for an amount that was sufficient to satisfy the mortgage. but for less
21 than what she paid when she purchased the home. You have refunded \$500 to Deller.

22 **Representation of Sandra Montalvo-Arroyo (SG14-1434)**

23 On or about March 20, 2013, Sandra Montalvo-Arroyo ("Arroyo") and her husband met
24 with your nonlawyer employee Vladimir Nicolas ("Nicolas"). They began the intake process and
25 evaluation for a loan modification. Arroyo and her husband signed an Intake Acknowledgement

1 which stated, "My/our situation is unique. I/we understand that an average workout timetable is
2 16 weeks. My situation may require more or less time to complete."

3 Arroyo agreed to make an initial payment of \$2,500, three payments of \$626.66, and \$195
4 each month until the loan modification was completed.

5 In April 2013, Arroyo provided Nicolas with her two most recent tax returns. Arroyo's
6 matter was assigned to nonlawyer Marie Peckson ("Peckson"). During the approximately nine-
7 month application process, Peckson (i) requested documents that Arroyo had already provided to
8 Nicolas and which she no longer had herself, (ii) failed to recognize that Arroyo was employed by
9 a school district and (iii) insisted on creating a Profit and Loss spreadsheet for Arroyo's loan
10 modification application. Peckson also advised Arroyo to stop paying her mortgage and to deposit
11 \$2,500 into a bank account twice a month and spend it.

12 As part of the application process, Arroyo was also provided a legal separation document
13 and a quitclaim deed by nonlawyer Nicolas. Arroyo would testify that she had no intention of
14 separating from her husband, but was advised by Nicolas and Peckson to execute the documents to
15 make the loan modification process easier.

16 On February 18, 2014, Peckson advised Arroyo that she had been denied the loan
17 modification due to insufficient income. Peckson informed Arroyo that, at first, the bank was
18 asking for Arroyo's husband's income and Peckson was trying to tell them that he was no longer
19 in the picture because of the quit claim deed.

20 On February 25, 2014, at Arroyo's request to the accounting department, her file was
21 transferred to nonlawyer Herrera for review. Between March 6, 2014 and March 19, 2014, Arroyo
22 communicated with only Herrera to complete the paperwork for an appeal of the denial of the loan
23 modification. On March 19, 2014, Herrera submitted the appeal paperwork to the lender in order
24 for them to reconsider the loan modification request.

1 On or about April 15, 2014, you spoke with Arroyo on the phone. This was the first time
2 you had any personal contact with Arroyo.

3 Herrera continued to communicate with Arroyo's lender and Arroyo regarding the
4 reconsideration of the loan modification request. In or about April, 2014, nonlawyer Herrera
5 advised Arroyo multiple times that if her home got close to a sale date and the bank was not
6 cooperating, then Arroyo would need to file an emergency bankruptcy to force them to hold the
7 sale date. Multiple times, Herrera deflected Arroyo's request to speak with you, the attorney,
8 regarding her matter.

9 On May 5, 2014, Arroyo emailed Herrera to terminate the representation and your file
10 regarding the representation of Arroyo was closed on May 6, 2014. Arroyo paid your office a
11 total of \$5,939.98 for the representation.

12 Arroyo asked for a refund after terminating the representation. You responded to Arroyo
13 that you knew your nonlawyer employees had handled her matter inappropriately, but you were
14 not in the position to give her a refund.

15 Arroyo was able to obtain a loan modification through another service provider and
16 believes that that process was made unreasonably difficult because the lender originally attributed
17 your nonlawyer employee's misrepresentations to Arroyo. You have now refunded \$4,500 to
18 Arroyo.

19 **Representation of Cira Drake (OBC15-0070)**

20 Cira Drake ("Drake") retained you to assist her with refinancing her mortgage through the
21 Nevada Foreclosure Mediation Program and with a tax matter. Drake was initially signed up by
22 nonlawyer Vladimir Nicolas. On January 14, 2013, Nicolas began working on the file and ran a
23 credit report for Drake under the name of Nevada Foreclosure Consult, not your office.

24 On or about February 4, 2013, Drake agreed to pay your office a retainer fee of \$4,000
25 with a down payment of \$1,500 followed by \$500 monthly installments for the representation.

1 Nonlawyer Peckson handled Drake's loan modification application and prepared the
2 documentation for Drake's mediation. You arranged for another attorney to appear at mediation
3 with Drake on July 26, 2013 because you had a family matter that could not be re-scheduled.
4 Drake felt that the substitute attorney was not properly prepared to represent her at the mediation.
5 Drake's mediation concluded with no agreement.

6 After the mediation, Drake called your office; however, you were still out of town. You
7 did not return Drake's call.

8 On or about August 13, 2013, your office received the foreclosure mediation certificate.
9 Nonlawyer employee Peckson then explained the process to Drake and met with Drake to discuss
10 how unhappy she was after waiting eight months.

11 Drake stated she was notified by mail that her house would be foreclosed on in November,
12 2013. Drake attempted to contact you after receiving the notice and was again referred to
13 someone else. Drake brought the certificate of foreclosure that she received down to your office
14 and requested to speak with you. She was told that you were in a meeting and Drake met with
15 nonlawyer employee Allyson Levine. Levine explained the foreclosure mediation and loan
16 modification application process to Drake, and told Drake to contact her or Peckson with any other
17 questions or concerns.

18 Drake determined that due to the lack of direct communication with you she should retain
19 new counsel to save her home. Drake sent a letter to you informing you of her concerns and
20 requesting a refund.

21 Drake also believes that you did nothing to resolve her tax issues. Drake resolved her tax
22 issues on her own.

23 Drake paid your office a total of \$4,000 for the representation. You have refunded \$1,000
24 to Drake.

25

1 You violated RPC 5.3 (Responsibilities Regarding Nonlawyer Assistants) by failing to
2 properly supervise your nonlawyer employees, including failing to participate in initial retention
3 meetings, failing to ensure that nonlawyer employees were submitting proper, valid documents on
4 behalf of client, and failing to ensure that nonlawyer employees were not giving clients legal
5 advice.

6 You also violated RPC 1.4 (Communication) by failing to directly communicate with your
7 clients, including not personally discussing the scope of the representation or the loan
8 modification process with each client. Your nonlawyer employees also deflected Arroyo and
9 Drake's attempts to communicate with you.

10 Finally, you violated RPC 1.5 (Fees) by charging your clients unreasonable amounts of
11 legal fees considering you provided minimal, if any, direct representation to the clients and the
12 monthly charges were not necessarily dependent on the actual work performed in any particular
13 time period.

14 Your violation of the Rules of professional Conduct is mitigated by the absence of prior
15 discipline and your inexperience in the law at the time of the representations.

16 In light of the foregoing, you are hereby **PUBLICLY REPRIMANDED** for violating
17 RPC 5.3 (Responsibilities Regarding Nonlawyer Assistants), RPC 1.4 (Communication) and RPC
18 1.5 (Fees) and, pursuant to SCR 120, required to pay \$1,500, plus all actual costs incurred by the
19 State Bar in this matter.

20 DATED this 12th day of July, 2017.

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23 By: Hector J. Carbajal #
Hector J. Carbajal, Esq.
Formal Hearing Panel Chair
Southern Nevada Disciplinary Board
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