

Utah Department of Commerce

# Division of Real Estate

A publication for Utah's real estate, appraisal, and mortgage professionals.

# NEWS

Gary R. Herbert, Governor

Francine A. Giani, Executive Director

Jonathan Stewart, Division Director

THIRD QUARTER 2012

## Utah Mortgage Company Quarterly Condition (Call) Reporting & Annual Financial Condition Reporting Requirements

Legislative changes were required to bring the state of Utah into compliance with S.A.F.E Act requirements. These changes went into effect on May 8, 2012, and require a quarterly condition (call) report of residential mortgage loan activities to be submitted to the nationwide database (NMLS). For further information on quarterly call reporting requirements please refer to the NMLS website at: <http://mortgage.nationwidelicencingsystem.org/slr/common/mcr/Pages/default.aspx>

The first call report required in Utah by this new legislation will be the third quarter 2012 report. The NMLS requires submission of the call report within 45 days of the end of every calendar quarter as follows:

2013 First Quarter Data  
(January 1 – March 31)  
Due May 15, 2013

2013 Second Quarter Data  
(April 1 – June 30)  
Due August 14, 2013

2013 Third Quarter Data  
(July 1 – September 30)  
Due November 14, 2013

2013 Fourth Quarter Data  
(October 1 – December 31)  
Due February 14, 2014

### Initial Call Reporting Requirement:

**2012 Third Quarter Data**  
**(July 1 – September 30)**  
**Due November 14, 2012**

**Utah Mortgage entities ARE NOT required to submit call report information for quarters preceding the third quarter 2012**

2012 Fourth Quarter Data  
(October 1 – December 31)  
Due February 14, 2013

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## DIRECTOR'S MESSAGE



**Jonathan Stewart**

For the Director's message this quarter, the Division of Real Estate as agreed to reprint an article written by the Utah Housing Coalition. The Utah Housing Coalition is a Utah nonprofit, whose mission is to "be the leader in housing issues and to promote the increase of accessible, affordable housing statewide. We will achieve our mission through education, advocacy, and cooperative partnerships."

### **Housing Counseling Helps Consumers, but Services are at Risk**

Many real estate professionals have never heard of housing counseling, and many of those who have are hesitant to send clients to them for services. It can be worrisome to refer a potential client to another professional. But recent studies have shown that housing counseling is helpful to consumers in a variety of ways. Delinquent homeowners who receive assistance from credible counselors for foreclosure are significantly more likely to receive a mortgage remedy than non-counseled homeowners, and potential buyers who seek pre-purchase counseling and subsequently purchase a home tend to have more money in savings and higher credit scores than non-counseled buyers (more information at HUD.gov). From first-time homebuyer education to foreclosure counseling, HUD-approved housing counseling agencies provide information and services to community members who are in many different stages of homeownership.

By educating consumers and answering the questions that leave many homebuyers scratching their heads, housing counselors save Realtors and brokers time and money. The homebuyer education classes and counseling offered by these HUD-approved nonprofits allows Realtors to spend more time looking at properties and closing deals, and less time explaining the homeownership process to buyers. The foreclosure services offered by these agencies ease the burden of seeking modifications for past clients for Realtors. By referring past clients to these free services, Realtors can ensure that once these homeowners are ready to purchase again, they will remember the useful referral and seek out that helpful Realtor. Don't waste your time negotiating with the banks for clients who are in trouble – send them to a counselor who will do it for them at no cost.

There are a number of HUD-approved agencies that provide these services across the state, including Neighborhood Nonprofit Housing Corporation, Utah State University and Cornerstone Financial Education in Northern Utah, AAA Fair Credit Foundation, Community Development Corporation, Salt Lake Community Action Program and NeighborWorks in Salt Lake County, Community Action Services and NeighborWorks in Utah County, and Color Country Community Housing and Cedar City Housing Authority in Southern Utah. The Utah State University Extension programs also offer housing counseling services to most of our rural communities.

It is important for those interested in learning more or utilizing these services to act quickly. With federal budgets still tight and no support from the state's portion of the recent National Foreclosure Settlement, many of these agencies are winding down services and may even be closing their doors as soon as early next year. While services are still available in the short term, funding concerns and lack of community support may mean the end of free and low-cost homeownership education at Utah's network of housing counseling nonprofits. To learn about how you can help preserve housing counseling in Utah, call the Utah Housing Coalition at 801-364-0077. To learn more about housing counseling, download the free Foreclosure Prevention Workbook, or to find an agency in your area, visit: [www.utahforeclosureprevention.com](http://www.utahforeclosureprevention.com).



# INSTRUCTOR DEVELOPMENT WORKSHOP OCTOBER 29th & 30th, 2012

PARK CITY MARRIOTT  
1895 Sidewinder Dr.

NAME
LICENSE #
EMAIL ADDRESS
PHONE #

## REGISTRATION DEADLINE October 8th, 2012

\*Registration \$20 late fee applied to all registrations received after October 8th, 2012  
~Registration Fee Includes~ light breakfast & lunch  
Registration/Sign-In 8:00 to 8:45 & Workshop Hours 9:00 AM to 5:00 PM



Please indicate the dates you will be attending:

(Please circle)

Monday & Tuesday,  
October 29th & 30th \$75  
Monday, October 29th \$50  
Tuesday, October 30th \$50

Park City Marriott  
1-800-234-9003  
Room Rate  
\$109.00

<input type="checkbox"/> Check <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> American Express Make checks payable to: Utah Division of Real Estate	
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## Welcome New Real Estate Commissioners



**Russ Booth**

Russ has worked in Commercial Real Estate Brokerage and Development for over 39 years. Formerly, President and Principal Broker, Mansell Commercial Real Estate Services, Inc. and then SVP/ Co-Manager-- Coldwell Banker Commercial, NRT. Previously, President of Salt Lake and Utah Associations of Realtors and in 1997, President of the National Association of Realtors. Russ has also received a BS and MS Degrees from BYU.

“I consider it an honor to be able to participate with the Utah Real Estate Commission. I look forward to trying to assist the Real Estate Division and serve the real estate licensees of our State. The (retiring) and continuing Commissioners are very well respected for their knowledge and commitment to the industry and it will be a pleasure to try and continue their diligent work.



**Lerron Little**

Lerron has been a member of various committees for Utah County Association of REALTORS, Utah Association of REALTORS, and the National Association of REALTORS from 2001-2007. Currently serving as a member of the UAR Legislative Committee, chair of the UAR RPAC Trustees Committee and as a member of the NAR REALTOR Political Involvement Committee. Lerron also attended BYU and has a BA in Economics.

“I am grateful and honored to have the opportunity to serve the Division of Real Estate, the real estate profession and the public as a real estate commissioner. The other commissioners are professionals I have looked up to for years, and I am eager to serve with them as we strive to complete this important work. As we work together over the next few years I look forward to applying my industry experience for the benefit of all participants in the real estate industry.”



## **RULE DEVELOPMENTS SINCE JUNE 30, 2012**

### **AMC**

On September 26, 2012, the AMC rules were amended to require AMCs to carry a \$25,000 bond. Any AMC that obtains its initial registration on or after October 1, 2012 will be required to post the bond in order to complete the registration process. Any AMC that renews its registration between October 1, 2012 and December 31, 2012 will be required to post the bond as a condition of the renewal. All other AMCs will be required to demonstrate that the bond is in place by January 1, 2013. An appraiser who has obtained a judgment against an AMC for unpaid fees may make a claim against the AMC's bond according to procedures that are outlined in the rule.

- [R162-2f-207](#): Amendments clarify that a brokerage must obtain a new registration whenever a corporate change results in a new business license or a new registration with the Division of Corporations and Commercial Code. Other changes in corporate structure or ownership require written notification to the Division, but do not nullify an existing entity registration.
- [R162-2f-401b](#): New language prohibits licensees from making a misrepresentation to the Division in an investigation, and from having a seller sign a document allowing the licensee to lien the seller's property in a short sale transaction.

### **REAL ESTATE**

On August 21, 2012, the following amendments were made effective:

- [R162-2f-102](#): The definition of "brokerage records" is amended so as to specify that trust account records include records of deposits and conveyances.
- [R162-2f-201](#): New language requires an applicant with criminal history involving violence or physical coercion to provide records from which the Commission may assess whether the applicant might pose an ongoing threat to the public.
- [R162-2f-202b](#): Existing language is clarified to state that a trust account name must contain the term "real estate trust account" or "property management trust account" as applicable, and that trust accounts must be separate from operating accounts. Additionally, new language states that a principal broker license may not be awarded to an applicant whose sales agent license is on suspension or probation at the time of application.
- [R162-2f-205](#): Language specifies that a principal broker is required to inform the Division of where trust accounts and brokerage records are maintained. All trust and operating accounts must be in a bank or credit union that is located in Utah.

The Division has been working with individuals who focus their practice on property management to clarify several rules governing that arm of the real estate industry. In particular, we are looking at adding specific language regarding the manner in which a property management trust account must be operated and reconciled. In addition, there has been discussion about removing from the rules the restriction against a property management company engaging in real estate listings and sales. We anticipate filing amendments for public comment sometime this fall, likely prior to the December newsletter. To stay abreast of these developments, regularly consult the [Utah State Bulletin](#), where proposed rules are published on the 1<sup>st</sup> and the 15<sup>th</sup> of each month.

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## Kagie's Korner

### Who should I ask?



We would like to preface this article by stating you should never hesitate to contact the Division if you have a question and need assistance. This article

is merely a reminder about what types of inquiries the Division can handle as well as to suggest other ways you can get answers to your questions.

The Division receives numerous questions and telephone calls each month which do not involve the Division's statutes and administrative rules. The Division staff can only answer questions pertaining to the Division's statutes and administrative rules. Some of the questions asked include questions about using a specific addendum (e.g. Lead Based Paint Addendums) in a transaction, or a question regarding legal opinions/options in a transaction (e.g. Am I allowed to do \_\_\_\_\_ during my transaction?). Many times these types of questions require some legal analysis and/or the answers depend on specific facts that may be unknown to Division staff.

Even though many of our employees have industry experience and may know the answers to these types of questions, our staff may not be able to answer the questions because Division staff cannot offer legal advice to licensees or members of the public. Since many of these types of questions could be considered legal advice, licensees may need to meet with their principal broker or an attorney. Another possible resource for Realtors is to contact the UAR's legal hotline at 801-676-5211.

It is not uncommon for licensees to contact the Division prior to speaking with their broker when they have these types of legal questions. While the Division can try to help, or point agents in the right direction,

agents are side stepping one of their best resources by not approaching their broker first. Brokers have many years of experience in the industry and can answer most if not all their agents' questions. Sometimes the agents feel that the broker will not understand the question or know the answer. We have also had many calls from more than one agent within the same office asking the same question. By approaching the broker first, agents may be able to get their questions answered quickly. When agents approach their broker first, it gives the broker the opportunity to keep answers consistent within the brokerage. Brokers can also choose to hold a training on a particular subject if needed, thus benefiting the entire office staff and licensees under the broker. This is also to the benefit of the broker, since Utah requires brokers to oversee and supervise their agents and unlicensed staff (see administrative rule R162-2f-401c(1)).

If you have a have a question about the licensing or enforcement of our statutes, please call. If your question requires a legal conclusion, you may get a better and more complete answer from your broker or an attorney.



*continued from page 1*

### **Utah Mortgage Company Quarterly Condition (Call) Reporting & Annual Financial Condition Reporting Requirements**

In addition, licensed mortgage entities in Utah are now required to annually submit a financial condition report of the entity. The entity financial condition report is due within 90 days of the entity's fiscal year end. For further information on the submission of financial condition reporting requirements, please refer to the NMLS website at: <http://mortgage.nationwidelicencingsystem.org/slr/common/fs/Pages/default.aspx>



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## RULE DEVELOPMENTS SINCE JUNE 30, 2012

### TIMESHARE

On August 21, 2012 the following amendments to the timeshare rules were made effective:

- [R162-57a-5](#): The notification requirement is modified so that the filing of a civil lawsuit no longer triggers a notice requirement. Rather, the notice requirement is triggered by a finding of fraud, misrepresentation, or deceit in a judicial or administrative proceeding instituted by a purchaser and arising out of or relating to the advertising or sale of an interest; disclosure requirements; or rescission rights. New language requires a developer to amend a project registration upon a court's certifying a class in a class-action lawsuit against the developer.
- [R162-57a-11](#): The disclosure requirement is modified so that a developer is not required to provide the complete property report to a prospective purchaser at the beginning of a direct sales presentation. At that point, the developer would be required to provide notice of the right to rescind; the full property report may then be provided at any time prior to the purchaser's signing a sales contract.
- [R162-57a-13](#): The requirement to re-disclose the rescission right is modified. Rather than requiring re-disclosure in any circumstance where the developer is contacted by a purchaser during the rescission period, the requirement applies only where the developer is contacted during an applicable rescission period by a purchaser who expresses a desire to terminate the contract.

### Utah! DIVISION of REAL ESTATE NEWS

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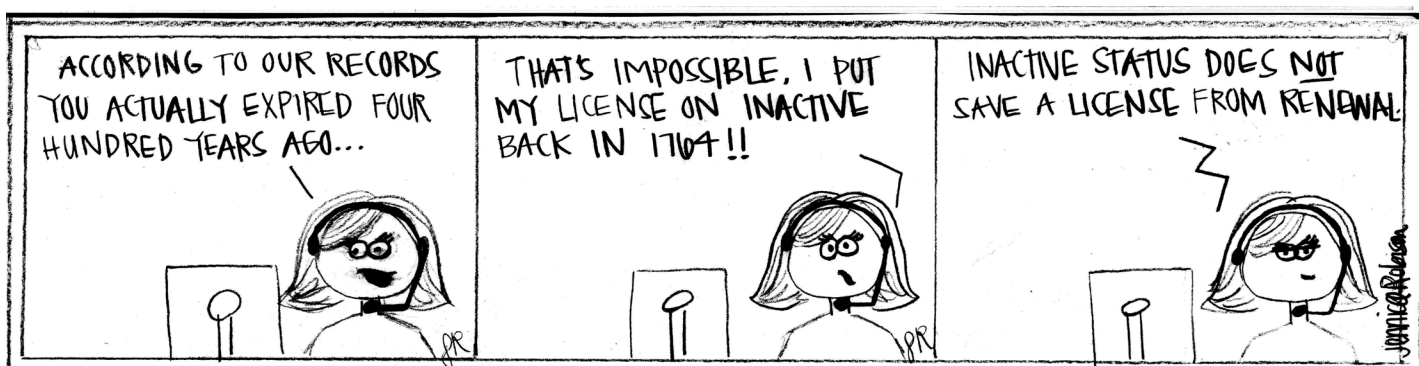
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## Mortgage License Renewal Information

# THIRD QUARTER LICENSING & DISCIPLINARY ACTIONS



*Please note that there are 30 days after the order date for a licensee or an applicant to file a request*

*for agency review of the order, and that there are 30 days after the issuance of an order on review for a licensee or an applicant to file a petition for judicial review. Some of the orders listed may be within those appeal periods.*

## APPRAISAL

GRAY, THOMAS R., State-certified residential appraiser, South Jordan, UT. In a July 25, 2012 stipulation and order, Mr. Gray agreed to pay a \$7,500 civil penalty and to complete specified education. In violation of Utah Administrative Code § R162-106-7, now codified as § R162-2g-502a(1)(f), Mr. Gray failed to report the sales and listing history of a subject property in his appraisal report. In addition, Mr. Gray violated USPAP Standards Rules 1-2(f) and 1-4(b) in regard to the manner in which he utilized the cost approach to develop market value. Case number AP-09-42315.

This article serves as a reminder of important mortgage license renewal issues prior to the NMLS renewal period, which extends from November 1 – December 31, 2012.

License deficiencies placed on a licensee's NMLS record will prevent Division licensing staff from processing the renewal. Licensees should take immediate action to clear up any existing licensing deficiencies that would prevent licenses from being processed and ultimately renewed.

Remember, all renewing Utah mortgage licensees are required to complete 8 hours of **NMLS-approved** continuing education including:

- \* 3 hours of federal law and regulations;
- \* 2 hours of ethics that shall include instruction on fraud, consumer protection and fair lending issues;
- \* 2 hours of training related to lending standards for nontraditional mortgage products; and
- \* 1 hour of undefined instruction on mortgage origination.

The SAFE Act states that MLOs may receive credit for CE **in the year in which the course is taken**, and may not take the same approved course in the same or successive year to meet the annual requirements for CE.

Mortgage loan originators who completed the 20-hour NMLS prelicense education **in 2012** and who were **also licensed in 2012** in Utah as an MLO are not required to complete any CE in order to renew the MLO license in the upcoming 2012 license renewal period. MLOs that completed the 20-hour NMLS prelicense education **this year (2012)**, will need to complete the NMLS CE hours described above **in 2013** in order to renew. Remember, except for "late" CE, which applies only in a very specific circumstance, all CE must be taken in the renewal year.

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# Appraiser Qualification Criteria Increases January 1, 2015

(Article Reprinted from March 2012 Newsletter)

The Appraisal Qualifications Board (AQB) has recently enacted some changes to licensing criteria that will take effect on January 1, 2015.

The following is a list of changes to qualification criteria that will be required for all appraiser candidates as of January 1, 2015. All candidates need to be aware and plan accordingly since there will be NO exceptions to the new AQB requirements after their implementation. These requirements include:

1. College level education will be required for all licensed appraisers—30 semester credit hours from a college or university OR an associate's degree or higher in any field.
2. College level education will be required for all certified residential appraisers – bachelor's degree or higher in any field from an accredited college or university.
3. Trainee appraiser and supervisory appraiser course (required attendance) will be implemented with specifications for course content to be established by the AQB.

Some of the AQB changes have already been implemented within our existing Utah statute and rules. These changes include the following requirements:

1. Qualifying education and experience MUST be completed BEFORE sitting for the exam.
2. The “segmented approach” for completing and satisfying licensing criteria has been eliminated.
3. Appraisers are restricted from receiving credit for completing the same continuing education course more than once within a two-year licensing cycle.
4. Certified general appraiser candidates are required to hold a bachelor's degree or higher in any field from an accredited college or university.

5. Trainee qualifying education must be completed within the five (5) year period prior to the date of application for a trainee appraiser credential.
6. Trainee appraisers are allowed to have more than one supervising certified appraiser.

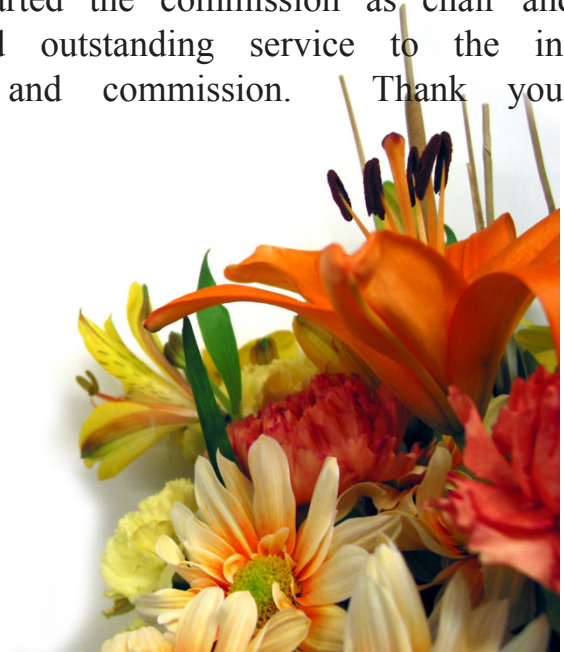
Additional modifications to Utah's statute and rules will be made as needed in order to bring them into compliance with the AQB requirements prior to January 1, 2015.



## *Thank You*

Commissioner H. Blaine Walker served two terms and played an important role in many significant rule changes. We appreciate his dedicated service. Thank you!

Commissioner Stefanie Tugaw-Madsen departed the commission as chair and rendered outstanding service to the industry and commission. Thank you!



## Do You Have A Question Or A Suggestion For The Division?

Do you have a question you have been wanting to ask an investigator but have not had the time to call? Do you have questions about your license? We want to hear about your ideas and suggestions. All questions and suggestions will be anonymous. Selected questions will be answered in the next newsletter.

**Submit questions to: [DREnewsletter@utah.gov](mailto:DREnewsletter@utah.gov)**

Recently the Division received a question from a licensee that wanted to know about Division sponsored mortgage continuing education courses. The licensee stated: "I have been frustrated to learn that numerous DRE events such as CARAVAN and the CE instructor workshop (Instructor Development Workshop—IDW) in Park City offer CE credit to Real Estate & Appraisal licensees who attend, but Mortgage Licensees cannot receive credit because your presentations are not NMLS certified." Why doesn't the Division receive NMLS approval to teach and certify these courses?

There are really two components to your question to the Division. Why aren't the Division's courses approved for mortgage CE credit? Another question that you posed is, could the Division get courses approved by the NMLS for mortgage CE credit?

In short, the courses the Division offers would not be approved in their current format for mortgage continuing education.

The Division primarily offers two regularly recurring courses. Every fall we provide an Instructor Development Workshop (IDW), where we bring a highly regarded national presenter to instruct industry prelicense and continuing education instructors (real estate, mortgage and appraisal) on how they might improve their instructional techniques and skills. Although this class does address specific industry issues, and recent statutory and rule changes, this course does not provide training on the details of each of the three industries i.e. short sale, foreclosure, loan originating and processing, appraising recreational properties, etc., etc. Once again, the course is focused on improving instruction techniques and methods, with only a small component providing a Division update on regulatory issues and changes. The NMLS would simply not approve this course because it does not primarily focus on specific mortgage education.

The Division also provides an annual CARAVAN in April and May where Division staff travel to locations throughout the state to discuss recent industry changes and receive feedback from our licensees regarding their needs and how the Division might better serve them. This three hour course would also not be approved by the NMLS because the CARAVAN also does not focus on specific mortgage education. Only a portion (approximately one third) of the class specifically pertains to mortgage licensees.

In order to have these two courses approved it would necessitate that the Division fundamentally change the intent and purpose of the courses as they are currently designed. The Division concurs with your premise that the Division clearly should be authorized by the NMLS to instruct its licensees for CE credit. We expressed this concern to the NMLS as they began to regulate and approve mortgage CE. Our request from the NMLS for either an exemption or otherwise blanket approval for the Division CARAVAN was denied. We appealed their decision to the Mortgage Testing & Education Board (MTEB) of the NMLS. Once again the Division was denied.

So in summary, the Division's two primary courses could not be approved for mortgage CE credit as they currently exist.

Could the Division receive NMLS approval to teach mortgage courses. Yes. The Division could teach specific mortgage industry courses. Several years ago the Division made a decision that the industry (private business) was in a much better position to provide the type of education that would best assist the industries that we regulate. Rather than competing with private industry which is better suited to provide timely, accurate information that is essential for the real estate, mortgage, and appraisal industries; the Division believes that our role should be primarily regulators rather than educators.

Thank you for your great question.



# Mortgage License Renewal Information

Additional note: Utah mortgage licensees who reinstated a mortgage license between January 1, 2012 and February 29, 2012 and who completed “late” or “reinstatement” CE in order to reinstate the license, will be required to complete an additional 8 hours of NMLS CE in 2012 in order to request license renewal for 2012. The reason these individuals need to complete two sets of CE in 2012 is because the “late” or “reinstatement” CE they took between January 1, 2012 and February 29, 2012 was retroactively applied to the NMLS record for the last year that CE was required.

To reiterate, the NMLS requires that CE be completed in the calendar year immediately following the date in which an MLO completes the NMLS 20-hour prelicense education (PE), regardless of the date in which an initial license is granted. However, MLOs are not required to complete CE in the same year in which they complete the 20-hour NMLS PE.

This means, for example, that an MLO who completed the 20-hour NMLS PE in October of 2011 would be required to complete CE by the end of the renewal period in 2012 even if the MLO did not receive the initial license until June of 2012.

**Case 1: Individual completed 20-hour NMLS Prelicense Education (PE) in March 2012 and was granted the license in April 2012.**

**Q: Is CE Required in 2012?**

A: No, MLO’s are not required to complete CE in the same year PE is completed.

**Q: When is CE Required?**

A: The MLO is expected to complete CE in calendar year 2013 to maintain licensure for 2014.

**Case 2: Individual completed PE in November 2011 and was granted the license in February 2012.**

**Q: Is CE required in 2012?**

A: Yes, the NMLS requires CE in the year immediately following the PE compliance date.

**Case 3: Individual completed PE in 2009 and obtained the license, but let the license expire/terminate in 2011. This individual reapplied and was granted a mortgage license in 2012.**

**Q: Is CE required in 2012?**

A: Yes. Since PE was completed in 2009, “late” CE (8 NMLS “late” CE hours) is required for 2010 AND current CE is required for 2012.

Throughout the upcoming 2012 renewal window, the NMLS will not allow a mortgage licensee to submit an application for license renewal without all required CE hours being banked in the licensee’s NMLS account. Please remember that CE banking with the NMLS can take up to seven business days, so allow sufficient time in order for your completed NMLS CE courses to be banked into your individual account.

When must I have my CE completed in order to renew my license “on time?”

**SMART DEADLINE:** CE course(s) reported to the NMLS by Friday, December 14th

**AT RISK TO MISS RENEWAL:** CE course(s) reported to the NMLS by Friday, December 21st

**LIKELY TO MISS RENEWAL:** CE course(s) reported to NMLS any time AFTER December 21<sup>st</sup>

**REMEMBER:** AFTER CE CREDITS ARE BANKED BY THE NMLS, ALLOW TWO DAYS FOR COMPLIANCE FLAGS TO BE REMOVED IN THE NMLS TO ALLOW LICENSE RENEWAL



**THIRD QUARTER  
LICENSING  
&  
DISCIPLINARY  
ACTIONS**

**APPRAISAL**

SUMMERS, CHRISTINA, State-certified residential appraiser, South Jordan, UT. In an August 22, 2012 stipulation and order, Ms. Summers agreed to the termination of her credential as a state-certified residential appraiser and the issuance of a state-licensed appraiser credential. In violation of USPAP Standards Rules 1-1(a) and 2-1(a), Ms. Summers under-reported the gross living area of a subject property in analyzing it against the properties she chose as comparables. Case number AP-11-55884.

WARD, STEPHEN M., State-certified residential appraiser, Taylorsville, UT. In an August 22, 2012 stipulation and order, Mr. Ward agreed to pay a \$2,500 civil penalty. In violation of USPAP Standards Rules 1-1(a) and 2-1(a), Mr. Ward provided an appraisal report containing internal inconsistencies as to the subject's quality of construction, as well as other incorrect, confusing, or misleading data. Case number AP-11-53969.

**APPRAISAL MANAGEMENT**

THE WILLIAM CRAIG COMPANY, INC., Auburn, WA. In an August 29, 2012 order, registration suspended due to the failure of the main control person to accurately disclose his criminal history. The company may reactivate its registration by identifying a new main control person whose disclosures are consistent with the criminal background check. Case number AP-12-61418.

**MORTGAGE**

BUNKER, MICHELLE, Mortgage loan originator license, Sandy, UT. In a July 3, 2012 stipulation and order, Ms. Bunker agreed to the revocation of her mortgage loan originator license in order to resolve allegations she had negotiated loan modifications in a manner that would violate Utah Code §§ 61-2c-301(1)(l) and 61-2c-301(1)(v)(i) and (iv). Case number MG-11-57671.

COTELO, PAULA ANDREA DE SANTI, Mortgage loan originator license, Sandy, UT. In a June 6, 2012 stipulation and order, Ms. Cotelo agreed to have her license placed on probation and to pay a \$2,500 civil penalty. In violation of Utah Code § 61-2c-301(1)(h), Ms. Cotelo failed to accurately answer five disclosure questions asking for information about prior regulatory actions. Case number MG-12-59935.

FREEDOM EQUITY AND WEALTH/FREEDOM EQUITY MORTGAGE, Mortgage entity license, Cottonwood Heights, UT. In a July 3, 2012 stipulation and order, the company agreed to the revocation of its mortgage entity license in order to resolve allegations that the company had negotiated loan modifications in a manner that would violate Utah Code §§ 61-2c-301(1)(l) and 61-2c-301(1)(v)(i) and (iv). Case number MG-11-57671.

GRIMNES, ROBERTMICHAEL, Mortgage loan originator applicant, Park City, UT. In an August 9, 2012 order, license granted on probation until Mr. Grimnes demonstrates that he has formalized a plan with the IRS for satisfying his tax arrearages and that he has satisfied or otherwise discharged current civil judgments. Case number MG-12-61132.

HILLING, CYNTHIA GAY, Mortgage loan originator applicant, Ogden, UT. In a June 28, 2012 order, license granted on probation until Ms. Hilling demonstrates that she has filed her delinquent tax returns and formalized a plan with the IRS for satisfying her tax arrearage. Case number MG-12-60541.

LINDSEY, KENNETH D., Mortgage loan originator applicant, Syracuse, UT. In an August 27, 2012 order, license granted on probation until Mr. Lindsey demonstrates that he has formalized a plan with the IRS for satisfying a tax arrearage and negotiated payment plans with his civil creditors or otherwise satisfied or discharged his outstanding judgments. Case number MG-12-61364.

MCCARTY, JOSIAH F., Mortgage loan originator license, Provo, UT. In a June 6, 2012 stipulation and order, Mr. McCarty agreed to have his license suspended for 90 days and to pay a \$2,500 civil penalty. In violation of Utah Code § 61-2c-301(1)(d) and (l), Mr. McCarty arranged for a hard money down-payment loan on a property, but did not disclose the loan to the purchase-money lender or, subsequently, to the lender on a second mortgage. Case number MG-10-51121.

PLAZAS, CARLOS, Mortgage loan originator license, West Jordan, UT. In a June 6, 2012 stipulation and order, Mr. Plazas agreed to pay a \$5,000 civil penalty. In violation of Utah Code § 61-2f-301(1)(l), Mr. Plazas attempted to obtain a loan in his name to buy a home on behalf of some clients. In so doing, he represented to the lender that funds belonging to his clients and tendered as a down payment were his own personal funds. Case number MG-11-57344.

SHANK, ERICK DANIEL, Mortgage loan originator applicant, Taylorsville, UT. In a July 23, 2012 order, license granted on probation until Mr. Shank demonstrates that he has formalized a plan with the IRS for satisfying a federal tax arrearage, has paid in full an outstanding state tax obligation, and has satisfied or otherwise discharged additional delinquent debts. Case number MG-12-60924.

STEVENS, JONATHAN KENT, Mortgage loan originator applicant, Provo, UT. In a July 31, 2012 order, license granted on probation for a two-year period due to criminal history. Case number MG-12-61031.

VAN LEEUWEN, MICHAEL, Principal lending manager license, Salt Lake City, UT. In a July 3, 2012 stipulation and order, Mr. Van Leeuwen agreed to the revocation of his principal lending manager license in order to resolve allegations he had negotiated loan modifications in a manner that would violate Utah Code §§ 61-2c-301(1)(l) and 61-2c-301(1)(v)(i) and (iv). Case number MG-11-57671.

YOUNICA, EDWARD G., III, Mortgage loan originator license, Springville, UT. In a June 6, 2012 stipulation and order, Mr. Younica agreed to the revocation of his license. In violation of Utah Code § 61-2c-301(1)(d) and (l), Mr. Younica originated at least four loans in which he had previously obtained hard money loans to cover the down payments. The hard money loans were not disclosed to the purchase-money lenders in the transactions. Thereafter, Mr. Younica originated second mortgages to pay off the hard money loans. Case number MG-10-51120.

## REAL ESTATE

ALLRED, KENNETH D., Sales agent applicant, Riverdale, UT. In a July 10, 2012 order, license granted on probation due to criminal history, which Mr. Allred failed to fully disclose in response to the license application questionnaire. Case number RE-12-60035.

BAKER, ANN-MARIE M., Sales agent license, Provo, UT. In a July 18, 2012 stipulation and order, Ms. Baker agreed to pay a \$1,000 civil penalty. In violation of Utah Code § 61-2f-301(1)(a), Ms. Baker failed to notify the Division within ten business days of resolving two criminal cases, one through plea in abeyance and the other through diversion agreement. In violation of Utah Administrative Code § R 162-2f-401b(3), Ms. Baker failed to disclose a pending criminal case when she submitted her 2012 renewal application. Case number RE-12-59909.

BHATT, JENNIFER B., Sales agent license, Toquerville, UT. In a June 20, 2012 stipulation and order, Ms. Bhatt agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(i), Ms. Bhatt failed to notify the Division within ten business days of a criminal conviction. Case number RE-12-59992.

BIDEAUX, DARREN P., Sales agent license, West Haven, UT. In a July 18, 2012 stipulation and order, Mr. Bideaux agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(i), Mr. Bideaux failed to notify the Division within ten business days of a criminal conviction. Case number RE-12-60604.

## THIRD QUARTER LICENSING & DISCIPLINARY ACTIONS *continued from page 13*

BROSIG, ALIXANDER L., Associate broker license, Sandy, UT. In an August 21, 2012 stipulation and order, Mr. Brosig agreed to pay a \$1,000 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(i), Mr. Brosig failed to notify the Division within ten business days of two criminal convictions. In violation of Utah Administrative Code § R 162-2f-401b(3), Mr. Brosig failed to accurately disclose his criminal history in response to the renewal application questionnaire. Case number RE-12-60655.

BROWN, JOHN D., Sales agent license, Salt Lake City, UT. In a June 20, 2012 stipulation and order, Mr. Brown agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(ii), Mr. Brown failed to notify the Division within ten business days of entering into a plea in abeyance agreement in a criminal case. Case number RE-12-58843.

CAMPOS, JOHN W., Sales agent license applicant, St. George, UT. In a June 27, 2012 order following an application hearing before the Commission, license granted on probation due to a March 30, 2012 misdemeanor conviction. The license will be suspended during any period of time Mr. Campos is ordered to serve a jail or prison term as part of his sentence in the criminal case. Case number RE-11-55879.

FILLMORE, LYNN C., Principal broker license, Orem, UT. In a June 20, 2012 stipulation and order, Mr. Fillmore agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(iii), Mr. Fillmore failed to notify the Division within ten business days of entering into a diversion agreement in a criminal case. Case number RE-12-59415.

GREEN, JANUARY B., Sales agent license, Riverdale, UT. In a June 25, 2012 order following a disciplinary hearing before the Commission, license placed on probation for one year due to Ms. Green's having entered into a plea in abeyance agreement (February 29, 2012) to resolve two felony charges. Case number RE-12-59152.

JONES, GARY W., Sales agent license, Payson, UT. In a July 18, 2012 stipulation and order, Mr. Jones agreed to complete a continuing education course in agency. In violation of Utah Administrative Code § R162-6.1.11.1, now codified as R162-2f-401a(2), Mr. Jones executed a real estate listing agreement without obtaining the signature of all parties holding title to the property. Case number RE-10-50562.

KLINELL, DREW, Sales agent license, Riverton, UT. In a June 20, 2012 stipulation and order, Mr. Klinell agreed to the revocation of his license. In violation of Utah Code § 61-2f-401(1), (6), (11), and (15), Mr. Klinell originated mortgage loans without being licensed as a mortgage loan originator, and continued to do so after being disciplined for these activities in a stipulation approved by the Utah Residential Mortgage Regulatory Commission. Case number MG-12-59337.

LEFTWICH, KELLY L., Sales agent license, Vineyard, UT. In a June 20, 2012 stipulation and order, Mr. Leftwich agreed to pay a \$500 civil penalty. In violation of Utah Administrative Code § R 162-2f-401b(3), Mr. Leftwich failed to accurately disclose a criminal plea agreement in response to the renewal application questionnaire. Case number RE-12-58909.

MATTHEWS, TARA D., Sales agent license, St. George, UT. In a June 20, 2012 stipulation and order, Ms. Matthews agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(i), Ms. Matthews failed to notify the Division within ten business days of a criminal conviction. Case number RE-12-59435.

MAUDSLEY, T., CARTER, Sales agent renewal applicant, Salt Lake City, UT. In a June 25, 2012 order following an application hearing before the Commission, license granted on probation due to Mr. Maudsley's failure to file and pay his taxes during approximately seven years of self-employment, with the result that a \$65,000 tax lien was filed against him. Case number RE-12-59905.

MOFFITT, ERNEST L., Sales agent license, West Jordan, UT. In an August 21, 2012 order following a disciplinary hearing before the Commission, Mr. Moffitt's license was revoked, and he was assessed a \$10,000 civil penalty. In violation of Utah Code § 61-2f-401(6)

and Utah Administrative Code § R162-2-6.1.1, now codified as § R162-2f-401b(4), Mr. Moffitt signed two verification of rent forms that contained material misrepresentations. Case number RE-11-53678.

NELSON, JESSE S., Sales agent applicant, Ogden, UT. In a June 25, 2012 order, license granted, immediately suspended until Mr. Nelson demonstrates that he has paid all fines assessed by the courts in his past criminal cases, and thereafter placed on probation for the remainder of the initial licensing period. Case number RE-12-60517.

OSGUTHORPE, JOHN CRAWFORD, Sales agent license, Salt Lake City, UT. In a June 20, 2012 stipulation and order, Mr. Osguthorpe agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(i), Mr. Osguthorpe failed to notify the Division within ten business days of a criminal conviction. Case number RE-12-59445.

ROWLEY, WILLIAM D., Real estate instructor and provider certifications, Murray, UT. In a June 20, 2012 stipulation and order, Mr. Rowley agreed to pay a \$6,000 civil penalty, to have his instructor certification placed on probation for one year, and to attend the Division's two-day instructor development workshop in 2012. In violation of Utah Administrative Code §§ R162-2f-401d(2)(p)(ii) and R162-2f-401e(2)(a) and (b), Mr. Rowley taught a continuing education course after his instructor certification and the course certification had both expired. Case number RE-12-60072.

SEAT, JEFFREY A., Sales agent applicant, Cottonwood Heights, UT. In a June 4, 2012 order, license granted on probation due to Mr. Seat's failure to disclose the full extent of his criminal history in response to the license application disclosure questionnaire. Case number RE-12-60242.

SHURTLIFF, SHAUNNA, Continuing education instructor certification applicant, Sandy, UT. In a June 4, 2012 order, certification granted on probation due to criminal history. Case number RE-12-60253.

SLAGER, JONATHAN P., Sales agent license, Salt Lake City, UT. In a July 18, 2012 stipulation and order, Mr. Slager agreed to pay a \$250 civil penalty. In violation of Utah Code § 61-2f-301(1)(a)(ii), Mr. Slager failed to notify the Division within ten business days of entering into a plea in abeyance in a criminal case. Case number RE-12-60603.

TAUAESE, NICHOLAS, Sales agent license, Spanish Fork, UT. In an August 21, 2012 stipulation and order, Mr. Tauaese agreed to pay a \$500 civil penalty and to complete specified education. In violation of Utah Code § 61-2f-401(1)(a), Mr. Tauaese failed, in preparing a broker price opinion, to accurately report information he obtained from county tax records. Case number RE-11-54253.

THOMSON, GARY G., Principal broker license, St. George, UT. In a July 18, 2012 stipulation and order, Mr. Thomson agreed to the revocation of his residual rights to reinstate his expired principal broker license and to a five-year waiting period from the date on which he completes a jail sentence before reapplying. Should he reapply in the future, Mr. Thomson shall appear before the Commission for a hearing on his application. Mr. Thomson has been convicted on three felony charges for soliciting individuals to provide money for real estate investments, but thereafter using the money for other purposes and failing to make repayments as agreed. Case number RE-12-59889.

VANCE, DAVID, Sales agent applicant, Kaysville, UT. In a June 26, 2012 order following an application hearing before the Commission, license granted on probation due to criminal history. Case number RE-12-58343.

WALLGREN-RAMIREZ, CAMIE LEE, Sales agent applicant, South Jordan, UT. In a July 18, 2012 stipulation and order, Ms. Wallgren-Ramirez agreed to have her initial license issued on probation and to pay a \$1,500 civil penalty. Ms. Wallgren-Ramirez has a forgery conviction from 1996 on her record. In addition, and in violation of Utah Code § 61-2f-401(1)(a), Ms. Wallgren-Ramirez failed to disclose additional misdemeanor criminal history in response to the application questionnaire. Case number RE-12-60742.