

DIVISION OF REAL ESTATE
DEPARTMENT OF COMMERCE
P.O. BOX 146711
160 EAST 300 SOUTH
SALT LAKE CITY, UTAH 84114-6711
Telephone: (801) 530-6747

BEFORE THE DIVISION OF REAL ESTATE OF
THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

In the Matter of the Application of
PATRICK H. CREE to Act as a Mortgage
Loan Originator

ORDER ON APPLICATION

Case # MG-10-51333

REASONS FOR DECISION

The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

On January 4, 2010, Patrick H. Cree (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) an application for a license to practice as a mortgage loan originator. In responding to the licensing questionnaire, Applicant answered "yes" to the following question:

Have you EVER been convicted of or pled guilty or no contest to, or entered a plea in abeyance or diversion agreement to, a felony or misdemeanor in any jurisdiction? **Consult court records to determine the nature of any offenses, including traffic offenses which may be felonies or misdemeanors.** (Emphasis in the original.)

Applicant then crossed out his "yes" answer and wrote a new answer of "no." Applicant also answered "no" to the following question:

Have you EVER been on probation, or ordered to pay a fine or restitution or complete community service, in connection with

any criminal offense or licensing action? (Emphasis in the original.)

Because Applicant indicated that he had no criminal history to disclose, the Division issued his conditional license, effective January 4, 2010, and subject to final approval upon receipt of his background check. Thereafter, the Division received the report from Applicant's criminal background check. The report indicated that Applicant was arrested on August 9, 2001 and charged with DUI alcohol/drugs with priors.

On May 26, 2010, Division staff sent Applicant a letter via certified mail requesting a letter explaining the incident and court documents showing the final disposition of the criminal case. Applicant responded on June 3, 2010. The documents he submitted show that he entered a guilty plea and was sentenced to a suspended jail term of 365 days, placed on probation, and fined \$1,300. Given these facts, the presiding officer finds that Applicant gave false answers to the two questions quoted above.

Utah Code Ann. § 61-2c-203(1) (2010) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility; good moral character; and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the individual will operate honestly, fairly, and efficiently. Utah Admin. Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, in making that determination.

Applicant's criminal history involving driving under the influence of alcohol demonstrates a lack of respect for the law and the safety of others, which reflects negatively on his character. Applicant has not explained why he failed to disclose his criminal history in response to the licensing questionnaire. If he simply failed to read the questions carefully enough

to understand that full disclosure was required, those circumstances would reflect negatively on his competency. If he read and understood the questions but determined nevertheless to conceal his past, those circumstances would further call his character into question.

Regardless, the presiding officer wishes to put Applicant on notice that his failure to disclose his DUI conviction on his application is considered falsification of a sworn document. The Division and the Commission take such matters very seriously and wish to emphasize to Applicant that a mortgage loan originator must be thorough and accurate in the documents that he completes and attests to in his profession.

Although concerned about Applicant's criminal history and his falsified application, the presiding officer notes that Applicant's criminal offense does not involve fraud, misrepresentation, or deceit, and that this incident appears to be an isolated instance of poor judgment rather than an episode in a long history of criminal behavior. Therefore, the presiding officer finds that, pursuant to Utah Code Ann. §61-2c-(202)(2)(c)(ii) (2010), Applicant's conditional license shall be granted final approval with restriction.

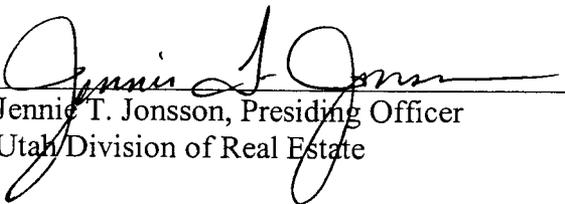
ORDER

Based on the above analysis, Patrick Cree's license to practice as a mortgage loan originator is suspended for 30 days from the date of this order and thereafter placed on probation for the remainder of the initial licensing period. During the probationary period, Mr. Cree shall comply with all laws and with the rules regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage loan originator.

This order shall be effective on the signature date below.

DATED this 9 day of June, 2010.

UTAH DIVISION OF REAL ESTATE


Jennie T. Jonsson, Presiding Officer
Utah Division of Real Estate

Notice of Right to Administrative Review

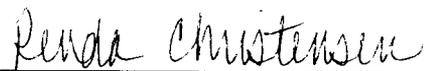
Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and R151-46b-12 of the departmental rules.

CERTIFICATE OF MAILING

I hereby certify that on the 9 day of June, 2010, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, to the following:

Patrick H. Cree
1051 Freedom Ct.
Del Mar, CA 92014

I also certify that I have this day mailed a copy of the foregoing document to Matthew J. Dawson, principal lending manager for Paramount Equity Mortgage, Inc., at 8781 Sierra College Blvd., Roseville, CA 95661.


Renda Christensen