

**UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION MEETING**

Heber M. Wells Building
Second Floor - Room 210

9:00 A.M.

November 2, 2005

MINUTES

STAFF MEMBERS PRESENT

Derek Miller, Division Director
Mark Fagergren, Education/Licensing Director
Jon Brown, Enforcement Director
Dee Johnson, Investigator
Ron Kunzler, Assistant Attorney General
Shelley Wismer, Assistant Attorney General
Renda Christensen, Board Secretary
Amanda Orme, Mortgage Education Secretary

COMMISSION MEMBERS PRESENT

A. Thompson Calder, Chair
Pierre Alley, Vice Chair
Alan Bowyer, Commissioner
Julie McCan, Commissioner
Heather MacKenzie, Commissioner

GUESTS

Dave Luna	Ron Whitehead
Mike Welker	Eva Rees
Howard Tolley	John Norman
Ron Duyker	Kevin Swensen
Lance Miller	

The meeting on November 2, 2005 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Chair Calder conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes - The minutes from the October 5, 2005 meeting were approved as written.

DIVISION REPORTS

Enforcement Report – Dee Johnson

Mr. Johnson said in October there were 23 written complaints logged, 9 new cases opened, 7 cases closed, leaving the total number of open cases at 124.

Mr. Johnson said there have been a few new scams appearing lately. One of these is a company that will let you rent a bank account to make your qualifications appear more appealing, and Commissioner McCan said another is a company that will create a pay stub for a person to help raise a person's bottom line.

Director's Report – Derek Miller

Director Miller said the Division is following up on the topic of an alternative commissioner. The process is to have an applicant be reviewed and approved by Executive Director Francine Giani, then approved by the Governor.

Director Miller announced the Division will begin to combine the newsletters for the mortgage, real estate and appraisers. The next newsletter will be sent out at the first of the year. The Commission believes this will help all three industries, and is pleased with this change.

In the last meeting, the issue came up of the Commission having the authority to fine an applicant, even if they have been denied. Director Miller said according to R162-61-2C-402(1)(c), the Commission does have the ability to fine an applicant even if they are denied.

Director Miller said there was discussion on having the Commission delegate authority to the Division on certain categories to help streamline case loads. The proposed categories are any Felonies or Class A cases that are 10 years or older; Class B or C Misdemeanors that are 5 years or older; lesser crimes not involving moral turpitude; applicants still on probation/parole; and, all post-revocation hearings. A motion was made and unanimously passed to accept this proposed list.

Director Miller said beginning with this meeting, there will be fewer Division employees sitting in on the hearings. Mr. Brown and Mr. Fagergren will attend the opening session to give their reports to the Commission, and then they will return after the hearings for any further business to be discussed.

OTHER BUSINESS

Commissioner Alley brought up the progress of the PLM Exam Writing Committee. He said there have been questions on exemptions for applying, or

any different ways to become eligible for a PLM. A licensee must have 5 years of lending experience and take the Utah portion of the state exam. There is not any exemption for "grand fathering" a licensee, or any alternate way to become licensed. There was discussion on the topic of each branch having a PLM or Branch Broker. The Division is reviewing the current real estate practice of having Branch Brokers and Associate Brokers, and will be making a decision on this issue in the near future. Mr. Fagergren mentioned there are some strong voices against any regulations. He has been approached by many individuals who are angry with any type of regulations.

Chair Calder suggested advertising rules be addressed. He said there has been quite a bit of discussion and he would like to see some rules put in place as soon as possible.

Chair Calder suggested the Commission follow the example of the Real Estate Commission and move up the starting time of the Mortgage Commission meetings to 8:30 a.m. The Commission unanimously agreed to this change.

Education/Licensing Report – Mark Fagergren

Mr. Fagergren handed out a Memo on the update on preparation of the Principal Lending Manager Exam. There were meetings on October 17-18, 2005 with Promissor to review the questions being submitted for the exam. Each question must pass strict guidelines and will either be deleted or approved. The Committee recommended the Commission consider modifying the PLM outline to include the following topics: Option ARM, Balloon Payments, Aggregate Accounting, Buydown Feature, and the Home Owners Protection Act. A motion was made and unanimously passed to accept this recommendation.

Mr. Fagergren said continuing education banking will begin in January. Schools will be required to download the rosters and information on each class taken for CE to Promissor within 10 days. Promissor will be downloading this information into the Division's database, and when a licensee renews their license using the on-line process, they will be able to review the classes they have taken. If they have all 14 CE hours required, they will be able to continue the process and renew on-line. If the education is not there, the system will not let them continue.

Chair Calder said the Commission approves of the work that has been done, and is very appreciative of the Committees hard work on getting this new exam in place.

Mr. Fagergren reminded the Commission of the Instructor Development

Workshop on December 1-2, 2005. He encourages all of the Commissioners to attend and share their ideas and interact with the instructors.

INFORMAL HEARINGS

- 10:06 Paul Staley/Excel Home Loans – Application for Renewal
- 10:50 Fieldstone Mortgage Co. – Application for License Renewal
Mitchel H. Kider, Attorney
John Socknet, Attorney
Jackie Smith, Fieldstone Mortgage, State Licensing/State Exams
Sandy Wood, Fieldstone Mortgage, Quality Control
- 11:50 American Home Mortgage Corp. – Application for License
Renewal
Allen Horn, Executive Vice President, American Home Mortgage
Mitchel H. Kider, Attorney
John Socknet, Attorney

Executive Session was held from 12:20 p.m. until 1:00 p.m. This was a working lunch.

REVIEW CRIMINAL CONVICTIONS LIST

American Brokers Conduit
Russell Anderegg
Janice Aubuchon
Jamie Bowthorpe
Jonalda Burdett
Douglas Denniston
JammiAnn DeYoung
Kimberly Dojaquez
Seth Ellison
Maria Fernandez
Mignon Field
Sam Finley
Freedom Mortgage Corp.
Courtney Henry
Andrew Hill
Brady Hughes
Lending First Home Loans/Blair Eldridge, Control Person
Tom W. Lundgreen
Nicci Naccarato
Michael Stanger

David Yerage

INFORMAL HEARINGS (Continued)

1:05 Jennifer Estroque – Application for License

Executive Session was held from 1:45 p.m. until 1:55 p.m.

1:55 Bryan Anderson – Application for License
Applicant did not appear.

2:00 Kevin Thompson – Application for License
Lance Thaxton, Attorney

2:33 Carissa Ray Miller – Post-Revocation Hearing

Executive Session was held from 2:50 p.m. until 3:15 p.m.

OTHER BUSINESS

Director Miller announced starting next month, Mr. Johnson will be the person reviewing and making recommendations on all the applicants. He will also be the Hearing Officer in the cases the Commission has just delegated authority.

EXECUTIVE SESSION

Results of Executive Session

Paul Staley/Excel Home Loans – Mr. Staley’s renewal application was granted, pending payment of a \$1500 fine, and his license will be inactive until the fine is paid in full. Excel Home Loan’s renewal application was granted with a \$500 fine, and the license will be inactive until the fine is paid.

Fieldstone Mortgage Co. – Renewal application is granted and will be inactive status until the company has a licensed loan officer in Utah.

American Home Mortgage Corp. – Renewal application is denied.

Jennifer Estroque – Application is denied.

Bryan Anderson – Application is granted and immediately suspended until proof is provided that the child support is current.

Kevin Thompson – Application is granted on probation pending broker notification.

Carissa Ray Miller – Revocation has been reversed.

Criminal Convictions List

American Brokers Conduit – Schedule for hearing

Russell Anderegg - Approved
Janice Aubuchon - Approved
Jamie Bowthorpe - Approved
Jonalda Burdett - Approved
Douglas Denniston - Approved
JammiAnn DeYoung – Schedule for hearing
Kimberly Dojaquez – Schedule for hearing
Seth Ellison - Approved
Maria Fernandez - Approved
Mignon Field - Approved
Sam Finley - Approved
Freedom Mortgage Corp. – Approved
Courtney Henry - Approved
Andrew Hill - Approved
Brady Hughes - Approved
Lending First Home Loans/Blair Eldridge, Control Person - Approved
Tom W. Lundgreen - Approved
Nicci Naccarato - Approved
Michael Stanger - Approved
David Yerage - Approved

A motion was passed to adjourn at 3:17 p.m.