

**UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 A.M.

August 3, 2011

**MINUTES**

**DIVISION MEMBERS PRESENT**

Thad Levar, Interim Division Director  
Xanna Hardman, Assistant Attorney General  
Kent Nelson, Chief Investigator  
Dee Johnson, Assistant Chief Investigator  
Mark Fagergren, Licensing/Education Director  
Jennie Jonsson, Hearing Officer  
Renda Christensen, Board Secretary  
Jan Buchi, Mortgage Education Coordinator  
Travis Cardwell, Investigator  
Marv Everett, Investigator  
Van Kagie, Investigator

**COMMISSION MEMBERS PRESENT**

Lance Miller, Chair  
Rodney "Butch" Dailey, Commissioner  
Holly Christensen, Commissioner  
Brigg Lewis, Commissioner  
Steve Hiatt, Commissioner

**GUESTS**

John Steward  
Ron Duyker  
Nathan Pierce  
Jeremy Plouzek  
Sara Saylor

The meeting on August 3, 2011 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Chair Miller conducting.

**PLANNING AND ADMINISTRATIVE MATTERS**

The elections for the year 2011-2012 were held. The Chair is Lance Miller and the Vice Chair is Brigg Lewis. The voting was unanimous.

#### Approval of Minutes

June: A motion was made to approve the minutes from the June 1, 2011 meeting. Vote: Chair Miller, yes; Commissioner Dailey, yes; Commissioner Christensen, yes. The motion carries.

July: A motion was made to approve the minutes from the July 6, 2011 meeting. Vote: Chair Miller, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. The motion carries.

### **DIVISION REPORTS**

#### **Director's Report – Thad Levar**

Interim Director Levar announced, for those who didn't know, that Director Sabey had resigned to return to the private sector. A new Director, Jonathan Stewart, was appointed and he will begin on August 22, 2011. Mr. Stewart has been in the Department of Commerce for seven years. He has been with Consumer Protection as an Investigator, and then was transferred to the Division of Securities as an Investigator on administrative and criminal cases. He has been involved with some of the large cases that have been in the press recently for financial fraud, Ponzi schemes, etc.

Interim Director Levar announced that Kent Nelson has been permanently appointed the Chief Investigator for the Division of Real Estate. Mr. Nelson has been with the Division of Consumer Protection for 15 years, and has been involved in white-collar crime cases, both administrative and criminal cases.

The Division's statutes are being reviewed to see if there are any changes that will be presented to the Legislature in their next session. We will vet any proposed changes with the Commission within the next two to three months.

There have been two changes in the hearings scheduled for today. Steven Brantley has been granted a continuance until November, and will be given an inactive license until that date. The Moroni Sanchez hearing notice had a mistake on the date, so his hearing has been rescheduled for the September meeting.

#### **Enforcement Report – Kent Nelson**

Mr. Nelson reported in July the Division received 19 complaints; screened 26 complaints; opened 18 cases; closed 11 cases; leaving the total of mortgage

cases at 91.

Stipulations for Review:

Travis Bradshaw  
Christian Van Schyndel  
Richard Kime  
Todd Castagno  
Brenda Wilson  
Nicholas P. Lovato  
Brandon Welch

All respondents were given the opportunity to appear today, but have chosen not to.

**Education/Licensing Report – Mark Fagergren**

Mr. Fagergren announced the dates for the Instructor Development Workshop. It will be held on October 24 and 25, 2011 (Monday and Tuesday). On the first day, the presenter will be Daniel Chase. The second day will have the Division staff give their reports, and there will be a panel of Commission members and Division staff to take questions from those in attendance.

The licensing staff has completed reviewing 3,150 credit reports. Of that number there are 50-60 applications in the final stages; 45 that have been suspended; 43 are issued on a conditional/probation status. Those that are suspended are for credit issues, failure to comply, outstanding taxes/liens, judgments, and making no attempt to repay.

The consumers now have access to the NMLS Consumer Access and Depository website, [www.nmls.consumeraccess.org](http://www.nmls.consumeraccess.org). They can verify if someone is licensed and get licensees' ID numbers. Below is a breakdown of those on the website:

Licensed	MLO	109,001	24% (non-depository)
Registered	MLO	349,825	76% (employed by financial Institutions)
Licensed	Entity	16,422	61%
Registered	Entity	10,507	39%

The top five to eight entities registered have over 100,000 registrants.

All loan originators in Utah should have a unique identifier unless they are exempt. This number should be referenced for every loan sold to FannieMae, FreddyMac, and FHA. All loan documents should be associated with the individual and the company that originated the loan.

### **Industry and Commission Issues – Jennie Jonsson**

Ms. Jonsson said that rule R162-2c-102, definitions, has been out for public comment. We have not received comments and the rule is now ready for a motion and vote from the Board. A motion was made to make this rule effective as of August 8, 2011. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurred, and the motion carries.

There are two more rules in the public comment period which will end on August 15, 2011. R162-2c-401 and R162-2c-202 has not received any public comments to date. Both rules will be able to be made effective on August 22, 2011 if no comments have been received. An anticipatory motion was made, pending receiving no public comments, to make both these rules effective on August 22, 2011. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurred, and the motion carries.

Last month there was discussion on the rules for renewal, reinstatement, and reapplication of a license in NMLS. Ms. Jonsson presented the Commission with a draft of R162-2c-204, and there was discussion on this draft.

A recess was held from 9:38 a.m. to 9:52 a.m.

### **CLOSED TO PUBLIC**

There was a motion to close the meeting to discuss the character, professional competence, or physical and mental health of an individual. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurs, and Executive Session was held from 9:57 a.m. to 10:10 a.m.

A recess was taken until the hearing for Mr. Child.

### **OPEN TO PUBLIC**

LICENSE/RENEWAL HEARING:

10:00 Moroni Sanchez – Disciplinary Hearing  
Mr. Sanchez’s hearing has been rescheduled for September

10:56 Michael Child – Application for License

**OPEN TO PUBLIC**

Ms. Jonsson brought in a revised draft of rule R162-2c-204 and handed it out to the Commission. This draft incorporated changes that were suggested in the previous discussion. A motion was made to approve these changes and submit the rule for public comment. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurred, and the motion carries.

**CLOSED TO PUBLIC**

There was a motion to close the meeting to discuss the character, professional competence, or physical and mental health of an individual. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurs, and Executive Session was held from 12:13 p.m. to 12:20 p.m.

Deliberation of Stipulations  
Deliberation on Hearing

**OPEN TO PUBLIC**

Results of Stipulations

Travis Bradshaw - Approved  
Christian Van Schyndel - Approved  
Richard Kime - Approved  
Todd Castagno - Approved  
Brenda Wilson - Approved  
Nicholas P. Lovato - Approved  
Brandon Welch - Approved

A motion was made to adjourn the meeting. Vote: Chair Miller, yes; Commissioner Lewis, yes; Commissioner Christensen, yes; Commissioner Dailey, yes; Commissioner Hiatt, yes. Interim Director Levar concurs. The meeting was adjourned at 12:21 p.m.