

**UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 A.M.

January 4, 2012

**MINUTES**

**DIVISION MEMBERS PRESENT**

Jonathan Stewart, Division Director  
Judith Jensen, Assistant Attorney General  
Kent Nelson, Chief Investigator  
Dee Johnson, Assistant Chief Investigator  
Jennie Jonsson, Hearing Officer  
Renda Christensen, Board Secretary  
Jan Buchi, Mortgage Education Coordinator  
Marv Everett, Investigator  
Travis Cardwell, Investigator  
Jody Colvin, Division Staff

**COMMISSION MEMBERS PRESENT**

Lance Miller, Chair  
Rodney "Butch" Dailey, Commissioner  
Steve Hiatt, Commissioner

**GUESTS**

Greg Christian	Abbie Kerkman
Shannon Taylor	Jeremy Plouzek
David Luna	Chris Markosian

The meeting on January 4, 2012 of the Utah Residential Mortgage Regulatory Commission began at 9:07 a.m. with Commissioner Dailey conducting. Because of heavy traffic, Chair Miller arrived at 9:15 a.m. and resumed his Chair position.

Vice Chair Christensen is excused from the meeting today.

**PLANNING AND ADMINISTRATIVE MATTERS**

Approval of Minutes

A motion was made to approve the minutes from the December 7, 2011

meeting. Vote: Chair Miller, yes; Commissioner Hiatt, yes; Commissioner Dailey, yes. The motion carries.

## **DIVISION REPORTS**

### **Director's Report – Jonathan Stewart**

Director Stewart said that Mr. Fagergren is excused from this meeting, and that Ms. Buchi will give his report.

The Governor's office has announced our new Mortgage Commissioner, John Gonzales. Mr. Gonzales will be sworn in during the February 4, 2012 meeting. Mr. Gonzales was formerly with Republic Mortgage and is now with the Bank of Utah. He will maintain his mortgage license on inactive status.

Director Stewart announced the Division will be getting remodeled during the second week in March. We will be getting new carpeting and new cubicles, and he asked for patience until the process is complete.

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

Mr. Nelson said in December the Division received 6 complaints; opened 7 complaints; closed 57 cases; leaving the total number of open mortgage cases at 73. One company, Fortified Financial, was the bulk of those closed. Those who have filed a complaint will be contacted if there is any restitution obtained in the process.

Another investigation is being carried on against another up-front fee, national loan modification company. There should be some action on the Division's level and other jurisdiction levels that should have some action taken in the next 30 to 60 days.

#### **Stipulations for Review:**

Christopher Casey Little

Adam Erickson

Alicia Marie Piela

Gavin Ekstrom – Settlement Agreement and Amended Order

All of the respondents were advised of their rights to appear today, and each has chosen not to appear.

### **Education/Licensing Report – Jan Buchi**

Mr. Fagergren is on vacation this week, and Ms. Buchi will give his report.

Ms. Buchi said that the Division has just finished the two-month renewal

process that went from November 1 to December 31, 2011. For the most part, it went really smoothly this year. We had 2,944 licensees request renewal out of the possibility of 3,563 (83%). This is the number that were eligible for renewal, not counting new licensees.

There are 667 entities that requested renewals out of 782 (85%). On a national level we are right on track. Nationally 85% of entities have requested renewal and 77% of the individuals. This is higher than NMLS has reported in the past two years, and they are seeing less of a decline in mortgage licensees and more are renewing.

We are still in reinstatement, so some of our other licensees can still renew. Those who have requested renewal will stay in a pending renewal process until they are approved, but they can still work. Those who missed the deadline are now showing the status of "expired-failed to renew." They will have the opportunity to reinstate in the next two months. February 28, 2012 is the deadline to reinstate, and the fee will be \$128.

As of close of business yesterday, we had 68 individuals already request a reinstatement and two entities.

The Division received a lot of phone calls yesterday, mostly from people who thought they had until the end of the year to complete CE, when we have been telling them all along that they have to complete it at least ten days prior to renewing in order to have it banked and the compliance flag dropped.

During this reinstatement period we will be approving those who renewed on time and then working as quickly as we can for those who are reinstating. Those who are reinstating are not allowed to work until their license has been reinstated.

The NMLS User's Conference is coming up in Scottsdale, Arizona, on February 6 – 9, 2012, which Ms. Buchi will be attending. We received a call yesterday which indicated that licensees registered in NMLS can also be tied to a federal registrant. If they leave our industry and go to the banking side, NMLS will still show this information. Next year we are looking to simplify our renewal a bit in regard to the social security form. This year we had everyone resubmit the form. Hopefully, next year only those we specifically request will have to resubmit the form.

In 2013 we will be looking at the credit reports and background checks

again. NMLS is also looking at changing their renewal processes to streamline them a little bit for the very late people who have taken their CE late, and hoping to change the way the compliance flag drops.

**Industry and Commission Issues – Jennie Jonsson**

Ms. Jonsson said there are no rules to review today, and that we are continuing to work on the Division's bill where we will be addressing the referral fees and the language that this Commission has reviewed.

The Division has been discussing the financial responsibility criterion for licensure. The investigators are finding that more frequently the complaints that are coming in have some component of financial responsibility involved. We have been discussing to what extent the Division and this Commission should involve themselves in things such as ORS collections, tax collection, even civil judgment collections. Should we lend a hand in helping people to get what they are owed in those situations, or should we try and step back and leave it to other state agencies where that is there dedicated purpose.

After some discussion, the Commission decided it was a renewal issue, and action should be taken where a judgment or collection demonstrates lack of financial responsibility.

**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 Hiatt, yes; Commissioner Dailey, yes. Executive Session was held from 9:32 a.m. to 9:47 a.m.

**OPEN TO PUBLIC**

**LICENSE/RENEWAL HEARING:**

10:00 Christopher Markosian – Disciplinary Hearing (Continued)

A brief recess was taken until the next hearing.

11:00 Donald McClure – Application for License  
John Aldrich, PLM, First Colony Mortgage testified by phone

**OPEN TO PUBLIC**

**Results of Stipulations**

Christopher Casey Little - Approved

Adam Erickson - Approved

Alicia Marie Piela - Approved

Gavin Ekstrom – Settlement Agreement and Amended Order - Approved

A motion was made to adjourn the meeting. Vote: Chair Miller, yes; Commissioner Hiatt, yes; Commissioner Dailey, yes. Director Stewart concurs. The meeting was adjourned at 11:26 a.m.