

**UTAH RESIDENTIAL MORTGAGE
REGULATORY COMMISSION MEETING**

Heber M. Wells Building
Room 210
9:00 A.M.
September 5, 2012

MINUTES

DIVISION MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Licensing/Education Director
Jeffery Nielsen, Chief Investigator
Judith Jensen, Assistant Attorney General
Jennie Jonsson, Hearing Officer
Renda Christensen, Board Secretary
Amber Nielsen, Assistant Board Secretary
Jan Buchi, Mortgage Education Coordinator
Marv Everett, Investigator
Michael Perrson, Investigator
Manuela Corleto, Invesigator

COMMISSION MEMBERS PRESENT

Steve Hiatt, Vice Chair
Lance Miller, Commissioner
Rodney "Butch" Dailey, Commissioner
John Gonzales, Commissioner

GUESTS

Deanna Sabey	Kristen Thomas
Greg Christian	Jordan Dorchuck
David Card	George Sutton
Bryan Bleak	Bonnie Bleak

The meeting on September 5, 2012 of the Utah Residential Mortgage Regulatory Commission began at 9:00 a.m. with Vice Chair Hiatt conducting.

Chair Christensen is excused from the meeting today.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

There was not a quorum to vote on the minutes today. The minutes from the August meeting will be voted on next month.

DIVISION REPORTS

Director's Report – Jonathan Stewart

Director Stewart reported that both he and Mr. Fagergren attended the AARMR conference a few weeks ago. Here are a few of the items that were discussed: reciprocal licensing; brick-and-mortar state requirement; call report enforcement; Uniform State Test.

NMLS is also looking into the possibility of regulating debt collection, consumer credit, money transmitting, check cashing, pre-paid cards, and debt relief services.

Director Stewart introduced and welcomed the new Mortgage investigator, Michael Persson, and the new Real Estate investigator, Manuela Corleto.

Enforcement Report – Jeffery Nielsen

Mr. Nielsen reported in August the Division received 10 complaints; opened 5 cases; closed 5 cases; leaving 20 total cases. The number of cases referred to the Attorney's General office is one case, and that will be heard today.

The Division is being pro-active in going out to do audits on companies, and meeting with the industry to answer any questions they may have.

There are no Enforcement stipulations for review today.

Education/Licensing Report – Mark Fagergren

Mr. Fagergren also touched on topics that were discussed at the AARMR conference: call reports; transitional and reciprocal licenses; inactive licenses; exempt company licenses; and multi-state exams.

The NMLS is a big proponent of a Uniform State Test. Many states adopted model legislation (35). Utah did not adopt the proposed model legislation. Utah only passed the items that we were required to pass under S.A.F.E. Act statutory provisions, but not the model state law.

The Office of Inspector General of the Federal Housing Finance Agency said there is \$187 billion dollars currently infused in the FannieMae and FreddieMac based on fraudulent activities.

First mortgage brokering of loans is done by 88% of the mortgage entities, and 22% is lending. Only 22% of mortgage entities are money lenders. The top three banks have more originators than all licensed MLOs in the country.

The CFPB is coming up with an MLO compensation rule; and background check requirements will be equivalent for banks and non-bank licensed originators.

The Utah Mortgage Lender exam review committee met recently. Members on the committee are: Karen Barnhill; Candy Olsen; Brian Rallison; Jeremy Plouzek; Marv Everett; Jan Buchi; and Mark Fagergren.

There is one Licensing stipulation to review: Linda Mae Barlow Cox. Ms. Cox was given the opportunity to appear today, and has chosen not to appear.

Commission and Industry Issues – Jennie Jonsson

Ms. Jonsson said there are no rules pending at this time.

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: Vice Chair Hiatt, yes; Commissioner Walker, yes; Commissioner Dailey, yes; Commissioner Gonzales, yes. An Executive Session was held from 9:35 a.m. to 10:00 a.m.

OPEN TO PUBLIC

INFORMAL HEARING:

10:25 Donald R. Barrow, Jr. – Disciplinary Action
Paxton Guymon, Attorney

Witness for Division:

Bonnie Bleak
Bryan Bleak
David Card
Marv Everett

A brief break was taken from 12:04 p.m. to 12:11 p.m. The hearing continued at 12:12 p.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: Vice Chair Hiatt, yes; Commissioner Walker, yes; Commissioner Dailey, yes; Commissioner Gonzales, yes. An Executive Session was held from 1:15 p.m. to 1:45 p.m.

2:00 Homeward Residential, Inc. – Application for License
Commissioner Miller has recused himself from this hearing.
George Sutton, Attorney
Kristen Thomas, Chief Compliance Officer
Jordan Dorchuck, Chief Legal Officer and Director

3:00 Lewis B. Lee – Appeal of Order
Mr. Lee has withdrawn his Appeal.

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: Vice Chair Hiatt, yes; Commissioner Dailey, yes; Commissioner Gonzales, yes. An Executive Session

was held from 3:21 p.m. to 3:24.

OPEN TO PUBLIC

Results of Stipulation:

Linda Mae Barlow Cox - Approved

A motion was made to adjourn the meeting. Vote: Vice Chair Hiatt, yes; Commissioner Dailey, yes; Commissioner Gonzales, yes. The meeting was adjourned at 3:25 p.m.