

**UTAH RESIDENTIAL MORTGAGE REGULATORY  
COMMISSION MEETING**

Heber M. Wells Building

Room 210

9:00 AM

September 2, 2009

**MINUTES**

**STAFF MEMBERS PRESENT**

Deanna D. Sabey, Division Director  
Dee Johnson, Enforcement Director  
Mark Fagergren, Education/Licensing Director  
Judy Jensen, Assistant Attorney General  
Jennie Jonsson, Hearing Officer  
Renda Christensen, Board Secretary  
Tiffeni Wall, Real Estate Education Coordinator  
Jan Buchi, Mortgage Education Coordinator  
Jody Colvin, Division Staff  
Elizabeth Beazley, Investigator  
Marv Everett, Investigator

**COMMISSION MEMBERS PRESENT**

Rodney "Butch" Dailey, Chair  
Heather MacKenzie, Vice Chair  
Maralee Jensen, Commissioner  
Lance Miller, Commissioner  
Brigg Lewis, Commissioner

**GUESTS**

Tyler Camp	David Luna
JR Thompson	Ron Duyker
Paul Naylor	Chad Ahearn
Don Downing	Kevin Swenson
Irene Kennedy	Michael Welker

The meeting on September 2, 2009 of the Utah Residential Mortgage Regulatory Commission began at 9:04 a.m. with Chair Dailey conducting.

Chair Dailey turned over the time to Mr. Johnson to introduce the new Division Director. Mr. Johnson introduced Deanna Sabey as the new Director

for the Division of Real Estate. Director Sabey is a graduate of Brigham Young University and Golden Gate University, where she got her law degree. Director Sabey has been an attorney for 16 years, and is also married to an attorney. Director Sabey was involved in drafting the first mortgage exam with Mr. Fagergren and a panel that was established for that purpose. She has been involved in mortgage and real estate for many years, and has been advisor to mortgage companies. With all the new changes involved with the implementation of the SAFE Act, her knowledge will be helpful in the upcoming years. The Division is happy to have Director Sabey as our new Director. She just started last week and this is her first day to meet the Mortgage Commission.

## **PLANNING AND ADMINISTRATIVE MATTERS**

Approval of Minutes - The minutes from the August 5, 2009 meeting were approved as written.

## **DIVISION REPORTS**

### **Director's Report – Deanna Sabey**

Director Sabey thanked Mr. Johnson for the introduction and said her philosophy is that it is important to have all the regulations and governance of the mortgage industry that we do and we want to help the consumers. The Division doesn't want to make it so strict on the industry that it will harm the industry, but also wants to keep those who are causing problems out of the industry. She believes that most people and regulators as well, have a similar philosophy.

Since this is her first meeting with the Mortgage Commission, Director Sabey said the only topic to mention for this meeting is that we are continuing to work on the SAFE Act, and to balance the provisions of the SAFE Act with our existing licensing regulations. At some point, the Division will need to get approval to change those regulations to comply with the changes coming up to implement the SAFE Act.

### **Enforcement Report – Dee Johnson**

Mr. Johnson reported in August the Division received 16 complaints; screened 11 complaints; opened 4 cases; closed 11 cases; leaving the total mortgage cases at 43. This number is an excellent example of the hard work of the mortgage investigators, Mr. Everett and Ms. Beazley. The bad news is that Mr. Johnson suspects that the numbers will be driven up now by the number of complaints that the Division has received, and the fact that we are short one individual for a period of time. Our Chief Investigator,

Dave Mecham, is facing some problems that the doctors are trying to analyze, and we hope to hear the results of the tests Mr. Mecham is undergoing so we can offer any assistance to him that we can.

There are four stipulations and one order being presented today for the Commission to review. All of the individuals were offered a chance to appear today, but all have chosen not to appear.

Review of Stipulations

Stonecrest Financial Mortgage Services, LLC

Robert Allen Little

Chris Evans

Ellen Brown

Robert Wayne Little – Order Nullifying Stipulation & Order

Mr. Johnson said the Division is taking action against our first “loan modification expert” because she is not licensed. The Division’s opinion is that someone who is modifying loans needs to be licensed with the Division of Real Estate. There are no exemptions in this field.

**Education/Licensing Report – Mark Fagergren**

Mr. Fagergren said at last months meeting we went through each of the components in our transition plan to comply with SAFE. That discussion has been compiled into a chart which is in our new newsletter that everyone should be receiving any day. He recommends each office should make a copy of that page so existing licensees and new licensees will know what the changes are going to happen. In conversations with NLMS&R, the only change was that they now want to be referred to as NMLS. They have approved our plans for the upcoming transition.

Mr. Fagergren, Commissioner Miller, and Assistant Director Thad Levar attended a meeting last week in Georgia about the implementation of SAFE. As part of the new plan with new people coming on, Mr. Fagergren wanted to emphasize a few points. When a new person receives a mortgage officer license at the first of the year that person has to be affiliated with a company. We are not requiring that companies come on line at the first of the year, but they can if they wish. They will be required to come on line at the end of next year. Companies who want to manage their people might find it an advantage to come on line early to enter their data in NMLS so those people can be affiliated with that company.

Mr. Fagergren wants to get the word out that at the first of the year, not only will new people be licensed in NMLS, but existing people have from

January 1, 2010 until May 31, 2010 to submit their data into NMLS. There is a two-step data submission and subsequent licensing process in NMLS. The first step for existing licensees is to submit their data. This is quite an involved and complex process, and it may take several visits to the NMLS website in order to finish submitting their data. Step two commences as of November 1, 2010 when licensees will renew their licenses with NMLS. After the license renewal period is completed (December 31, 2010), licensees will have a short reinstatement period (January 1, 2011 – February 28, 2011). Licensees who fail to reinstate will be required to reapply as initial applicants.

Mr. Fagergren discussed with Director Sabey the ability to “vacate” some license revocations. SAFE states that if a person has ever been revoked, they will not be licensed. The Division will review this situation so that qualified individuals won’t have a lifetime bar on being a mortgage officer.

The Division has learned that CSBS will not allow a combined 60 hours of mortgage officer pre-license education. They are requesting that mortgage officer pre-license education be broken down into 20 hours of NMLS approved and 40 hours UDRE approved education. Commissioner Miller has worked on an education committee submitted outline which is the recommended 40 hour pre-licensing mortgage officer education outline. It is now being submitted to the Commission for their review and approval. After reviewing and discussing this outline, a motion was made to approve the proposed outline, which was passed unanimously. The Division and Commission thanked Commissioner Miller for his hard work in compiling this outline and chairing the mortgage education committee curriculum review.

Mr. Fagergren reminded the Commission and those educators in attendance that the Instructor Development Workshop will be held on October 19 and 20<sup>th</sup>. He encouraged the Commissioners to attend.

A motion was made and unanimously passed to close the public portion of the meeting for the upcoming hearings.

**CLOSED TO PUBLIC**

**LICENSE/RENEWAL HEARINGS:**

10:08 Zachary Eastman – Appeal of Order  
Jason Kessler

11:09 Weslend Financial, Wesley Hoaglund, PLM – Application to

Renew License

This was a telephone hearing.

Holly Spencer, VP Compliance

Mr. Hoaglund was not in attendance for this call.

A motion was made and passed unanimously to go into Executive Session from 12:00 p.m. to 1:00 p.m.

1:00 Robert Markosian – Appeal of Order  
Mary Ester Markosian, Mother

A motion was made and passed unanimously to go into Executive Session from 1:43 p.m. to 2:00 p.m.

2:00 Tiffany Crippen – Application for License  
Ms. Crippen did not appear.

A motion was made and passed unanimously to go into Executive Session from 2:38 p.m. to 2:42 p.m.

### **OPEN TO PUBLIC**

#### Results of Stipulations

Stonecrest Financial Mortgage Services, LLC

Robert Allen Little

Chris Evans

Ellen Brown

Robert Wayne Little – Order Nullifying Stipulation & Order

A motion was passed unanimously to adjourn at 2:50 p.m.