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Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
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Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

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**IN THE MATTER OF THE LICENSE OF:**  
**AMIE WHEELER**

**STIPULATION & CONSENT ORDER**  
Docket No. MG-2018-002  
(Div. Case No. MG-15-79930)

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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Amie Wheeler ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 5802011-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that she violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about March 6, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal administrative hearing in this matter is currently scheduled for August 8-9, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent is represented by Tanner Clagett of Hepworth & Associates and is satisfied with the representation she has received.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that she is entitled to a hearing before the Director and Commission, at which time she may present evidence on her own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document she hereby waives the right to a hearing, the right to present evidence on her own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which she may be entitled in connection with said hearing.
9. Respondent understands that by signing this document she waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. At all relevant times herein, Respondent was a licensed loan originator, sponsored by Fidelity First Funding. Respondent also worked from home providing contract loan processing services through her company, AW Mortgage Processing.

- b. In 2012 and 2013, Respondent provided contract loan processing services to B. Miles, the principal lending manager of Precision Home Loans, Inc (“Precision”), a licensed mortgage broker.

**Freddie Mac Loans**

- c. On or around June 11, 2012, Miles contacted Respondent seeking assistance in originating a Freddie Mac Open Access Refinance Mortgage for T. and L. Fullmer (“Fullmer Loan”). Miles indicated he was unable to originate the Fullmer Loan because he could not access Loan Prospector, Freddie Mac’s automated underwriting system, and asked to originate the loan under Respondent’s name and license.
- d. In fact, Miles’ and Precision’s names were listed on the Freddie Mac Exclusionary List, and Miles and Precision were precluded from participating, directly or indirectly, in any transaction involving Freddie Mac, but Respondent was unaware of this fact.
- e. Respondent and Miles entered into an agreement whereby Miles performed the origination functions for the Fullmer loan, and at Miles’ request, Respondent signed the loan application and processed the loan under her name and license through her sponsoring entity.
- f. The Fullmer loan file was ultimately submitted to Stearns Lending (“Stearns”) for approval. Respondent did not disclose to Stearns that Miles had originated the Fullmer loan and the loan was ultimately purchased and/or securitized by Freddie Mac.
- g. On or around August 15, 2012, the Fullmer Loan was disbursed. Respondent was paid a total commission of \$7,136.63. Of that amount, Respondent retained \$700

and paid the remaining \$6,436.63 commission to Miles.

- h. Between July 2012 and April 2013, Miles originated eight additional Freddie Mac Open Access Refinance Mortgages which Respondent processed and submitted to a lender under her name and license at Miles' request. In each instance, Respondent did not disclose to the lender that Miles had originated the loan and the loan was ultimately purchased and/or securitized by Freddie Mac.
- i. In each instance Respondent retained a portion of the commission and paid the majority of the commission on to Miles. In total, Respondent received more than \$6,100.00 and Miles received more than \$23,500.00 in commissions on the nine Freddie Mac Loans.

#### **M&T Loans**

- j. At all times relevant herein, Precision was not approved to broker loans to wholesale lender M&T and therefore had no direct access to M&T Loan Pricing.
- k. In or around June 2012, Miles took a VA purchase loan application from T. and K. Grose ("Grose Loan"). At that time, M&T offered the most favorable VA purchase loan pricing.
- l. On or around June 11, 2012, Respondent entered into an arrangement with Miles whereby Miles performed the origination functions for the Grose Loan, and, at Miles' request, Respondent signed the loan application and processed the loan under her name and license through Fidelity, an approved mortgage broker for M&T.
- m. On or about June 27, 2012, Respondent fabricated two credit score disclosure forms by cutting and pasting the Grose's signatures on the form without their knowledge and consent.

- n. The Grose VA loan file, including the fabricated credit score disclosure forms, was ultimately submitted to M&T for approval. Respondent did not disclose to M&T that Miles had originated the Grose Loan.
- o. On or about July 5, 2012, the Grose VA Loan was disbursed. Respondent was paid a total commission of \$7,223.40. Of that amount, Respondent retained \$795 and paid the remaining \$6,428.40 commission to Miles.
- p. Between July 2012 and April 2013, Respondent processed two additional loans which were originated by Miles under Respondent's name and license so that Miles could get access to M&T's exclusive pricing.
- q. In each instance, Respondent did not disclose to M&T that Miles had originated the loan.
- r. In each instance, Respondent retained a portion of the commission and paid the majority of the commission to Miles.

**Hess/Beus Loans**

- s. In 2012 and 2013, Respondent provided contract loan processing services to B. Hess ("Hess") and B. Beus ("Beus").
- t. At all relevant times herein, Hess and Beus were not approved to broker loans to wholesale lender Provident Funding ("Provident") and therefore had no direct access to Provident loan pricing.
- u. At all relevant times herein, Precision was an approved mortgage broker for Provident.
- v. In or around July 2012, at Hess' request, Respondent facilitated an arrangement between Miles and Hess so that Hess could get access to Provident loan pricing.
- w. Pursuant to the arrangement, Hess originated five loans under Miles' name and

license and, at Miles' and Hess' request, Wheeler processed the loans under Miles' name and license through Precision.

- x. All five loans were ultimately submitted to Provident for approval. Respondent did not disclose to Provident that Hess had originated the loans.
  - y. On each loan Respondent received a processing fee, Miles received a fee for use of his license, and the majority of the commission was paid to Hess.
  - z. In or around September 2012, at Beus' request, Respondent facilitated an arrangement between Miles and Beus so that Bues could get access to Provident loan pricing.
  - aa. Pursuant to the arrangement, Beus originated two loans under Miles' name and license and, at Miles' and Beus' request, Wheeler processed the loans under Miles' name and license through Precision.
  - bb. Both loans were ultimately submitted to Provident for approval. Respondent did not disclose to Provident that Beus had originated the loans.
  - cc. On each loan Respondent received a processing fee, Miles received a fee for use of his license, and the majority of the commission was paid to Beus.
11. The Division recognizes the following mitigating circumstances:
- a. Miles did not disclose that his name was on the Freddie Mac Exclusionary List when he asked for Respondent's assistance with the Freddie Mac loans and Respondent ceased assisting Miles with loans when she became increasingly concerned about Miles still not having access to LP.
  - b. Respondent asked her lending manager if the conduct was prohibited before engaging in the conduct and was told the practice was acceptable if both parties worked on the loan.

- c. As of the time Respondent engaged in the conduct above, Respondent's experience in the mortgage industry had been limited to working as a contract processor and Respondent had never been employed by a Lender. As such, at the time Respondent engaged in the conduct described above, Respondent was not aware that the Exclusionary List existed or that it is standard practice for a lender to check the Exclusionary List as part of its due diligence.
- d. Respondent received little or no compensation above her regular loan processing fee for the conduct described above.
- e. Respondent did not initiate the above described conduct; rather, Respondent only engaged in the conduct as an accommodation to her clients when they requested that she do so.
- f. Respondent was cooperative and forthcoming during the Division's investigation.

12. Respondent admits that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, Respondent admits that Respondent has violated:

**a. Utah Code § 61-2c-301(1)(d)(i) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:

- (i) make a false statement or representation;

**b. Utah Code § 61-2c-301(1)(l) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1)(l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;

**c. Utah Admin. Code R162-2c-201(5)(b) (2012 & 2013). Licensing and Registration Procedures**

(5)(b) A licensee shall not allow any other person to work under the licensee's license.

13. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against her license pursuant to Utah Code § 61-2c-402.
14. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against her as follows:
  - a. Respondent's mortgage loan originator license shall be suspended for thirty-six (36) months from the date that the Commission and Director sign the final order in this matter.
  - b. Respondent shall disgorge commissions in the amount of \$13,570.34 within twelve (12) months from the date on which this Stipulation and Consent Order is signed by the Director and Commission.
  - c. Should Respondent fail to pay said amounts within the twelve months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.

- d. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
  - e. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.
15. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
16. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
17. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
18. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 19, and a formal hearing shall be held in this matter as currently scheduled on August 8-9, 2018.

19. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
- a. having reviewed this stipulation;
  - b. having heard any statement made by investigative staff or any statement made by Respondent; and
  - c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

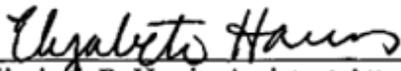
20. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
21. Respondent agrees to furnish full and complete cooperation to the Division in resolving this and related administrative enforcement matters. Such cooperation shall include attending any meeting scheduled to discuss matters related to the above-described conduct whenever the Division requests such attendance, and to testify truthfully as a witness in any proceeding including, but not limited to, the hearing in the matter of *Brandt Miles, DRE Docket No. MG-2018-001*.
22. Respondent affirms that Respondent enters into this stipulation voluntarily.
23. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
24. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies

on the basis of the facts herein admitted.

- 25. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.
- 26. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

SEAN D. REYES  
UTAH ATTORNEY GENERAL

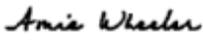
Dated: June 20, 2018.

  
 Elizabeth B. Harris, Assistant Attorney General  
 160 East 300 South, 5<sup>th</sup> Floor  
 Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

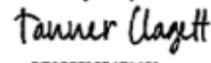
June 20, 2018

RESPONDENT

Dated: June \_\_\_\_\_, 2018.

DocuSigned by:  
  
 \_\_\_\_\_  
 1EC87581183140E  
 Amie Wheeler  
 2478 W. 1025 S.  
 Syracuse, UT 84075

Approved:

DocuSigned by:  
  
 \_\_\_\_\_  
 DE3E55388171453  
 Tanner Clagett  
*Attorney for the Respondent*

**ORDER**

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be suspended for thirty-six (36) months from the date that the Commission and Director sign the final order in this matter.
2. Respondent shall disgorge commissions in the amount of \$13,570.34 within twelve (12) months from the date on which this Stipulation and Consent Order is signed by the Director and Commission.
3. Should Respondent fail to pay said amounts within the twelve months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.
4. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
5. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended

pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

This order shall be effective on the signature date below.

Dated this 22<sup>nd</sup> day of June, 2018.

UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
STEVE A. HIATT

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 22<sup>nd</sup> day of June,  
2018.

Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.

Mark A. Fagergren  
~~JONATHAN C. STEWART, DIRECTOR~~  
DIVISION OF REAL ESTATE

Mark A. Fagergren Acting Director  
Name:

Division / Acting Director

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the Application of  
**KARL EDWIN SMITH** to Act as a Lending  
Manager

ORDER ON APPLICATION  
Case No. MG-17-94613

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On September 19, 2017, Karl Edwin Smith (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a lending manager. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on January 28, 2015, Applicant pleaded guilty in case number 155000027 (Farr West Justice Court, Weber County, Utah) to driving under the influence, a class B misdemeanor. Applicant was sentenced to serve six months in jail (suspended), fined, ordered to complete 48 hours of community service, and placed on probation for six months. Applicant completed his probation and paid the fine. The case was closed February 23, 2016.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, in making this determination.

Applicant's criminal history demonstrates a lack of respect for the law and the safety of others, which reflects negatively on his character and integrity. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of the criminal offense in Applicant's past. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. In mitigation, the presiding officer notes that Applicant honestly disclosed his criminal history on his application, that Applicant's criminal offense does not involve fraud, misrepresentation, or deceit, and that this incident appears to be an isolated instance of poor judgment rather than an episode in a long history of criminal behavior. Therefore, the presiding officer finds that issuing a probationary license is justified.

### **ORDER**

Based on the above analysis, Karl Edwin Smith's application for licensure as a lending manager is granted with restriction. The license is placed on probation until December 31, 2018. During the probationary period, Mr. Smith shall comply with all laws and with the rules

regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a lending manager.

This order shall be effective on the signature date below

DATED this 21<sup>st</sup> day of September, 2017.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 21<sup>st</sup> day of September, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

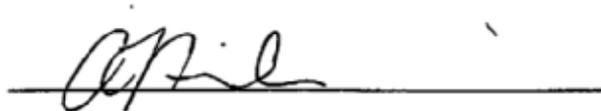
Karl Edwin Smith  
2852 Marilyn Drive  
Ogden, Utah 84403

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6551 29

SENDERS RECORD



Elizabeth B. Harris (#11173)  
Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140872  
Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

IN THE MATTER OF THE LICENSE OF:	STIPULATION & CONSENT ORDER
BRADLEY R. BEUS	Docket No. MG-2018-009 (Div. Case No. MG-16-80783)

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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Bradley R. Beus ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 5493098-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about June 4, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal hearing in this matter has not currently been scheduled before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent understands that he has a right to be represented by counsel, and he voluntarily and knowingly waives the right to have counsel represent him in this matter.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that he is entitled to a hearing before the Director and Commission, at which time he may present evidence on his own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document he hereby waives the right to a hearing, the right to present evidence on his own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which he may be entitled in connection with said hearing.
9. Respondent understands that by signing this document he waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. At all times relevant, Respondent was a licensed mortgage loan originator sponsored by Mortgage Lending Group ("MLG"). As a general practice, Respondent utilized contract loan processors, including A. Wheeler, to process his

loans.

- b. At all times relevant, MLG was not approved to broker loans to wholesale lender Provident Funding ("Provident") and therefore had no direct access to Provident loan pricing.
- c. In or around September 2012, R. and J. Braegger contacted Respondent to explore refinancing property the Braegger's owned in Mantua, Utah. At that time, Provident offered the most favorable pricing for the loan.
- d. On or around September 6, 2012, Respondent entered into an arrangement with B. Miles ("Miles") to use Miles' license and mortgage company to originate the Braegger's loan. Miles was the owner and lending manager of Precision Home Loans ("Precision"), an approved mortgage broker for Provident.
- e. Pursuant to the arrangement, Respondent originated the Braegger Loan under Miles' name and license and Wheeler processed the loan through Precision. Respondent did not disclose to Provident that he was the originator of the Braegger loan.
- f. On or about November 8, 2012, the Braegger loan was disbursed. Precision was paid a total commission of \$3,700.
- g. Of that amount, Miles retained \$637.50 for use of his license and forwarded the remaining \$3,062.50 commission to Wheeler. Wheeler kept \$595.00 as payment for processing the loan and paid the remaining \$2,467.50 commission to Respondent.
- h. In or around September 2012, T. and C. Argyle contacted Respondent to explore refinancing property they owned in Hooper, Utah. At that time, Provident offered the most favorable pricing for the loan.

- i. On or around September 10, 2012, Respondent entered into an arrangement with Miles to originate the Argyle loan under Miles' name and license so that Respondent could get access to Provident's exclusive pricing.
- j. Pursuant to the arrangement, Respondent originated the Argyle Loan under Miles' name and license and Wheeler processed the loan through Precision. Respondent did not disclose to Provident that he was the originator of the Argyle loan.
- k. On or around November 26, 2012, the Argyle Loan was disbursed. Provident paid Precision a total commission of \$4,900.
- l. Of that amount, Miles retained \$650 for use of his license and forwarded the remaining \$4,250 commission to Wheeler. Wheeler kept \$595 as payment for processing the loan and paid the remaining \$3,655.00 to Respondent.
- m. Ultimately, Respondent received a total of \$6,122.50 in commissions on the two loans he originated under Miles' name and license.

11. Respondent admits that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, Respondent admits that Respondent has violated:

- a. **Utah Code § 61-2c-301(1)(d) (iii), (f)(iii), and (l) (2012). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

- (1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:
  - (iii) knowingly permit false information to be submitted by any party;
- (f) violate or not comply with:
  - (iii) a rule made by the division;
- (l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;

b. **Utah Admin. Code R162-2c-301a(1)(a)(ii) (2012). Unprofessional Conduct**

(1)(a) **Affirmative duties.** A mortgage loan originator who fails to fulfill any affirmative duty shall be subject to discipline under Sections 61-2c-401 through 405. A mortgage loan originator shall:

(ii) : conduct the business of residential mortgage loans solely in the name of the mortgage loan originator's sponsoring entity.

12. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against his license pursuant to Utah Code § 61-2c-402.
13. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against him as follows:
  - a. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.
  - b. Respondent shall disgorge commissions in the amount of \$6,122.50 and pay an additional fine of \$4,000.00 to the Division. These amounts, totaling \$10,122.50 shall be paid to the Division within twelve (12) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.
  - c. Should Respondent fail to pay said amounts within the 12 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth

in this Stipulation and Consent Order.

- d. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
  - e. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.
14. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
  15. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
  16. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
  17. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 18, and a formal hearing shall be scheduled in this matter.

18. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:

- a. having reviewed this stipulation;
- b. having heard any statement made by investigative staff or any statement made by Respondent; and
- c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

19. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.

20. Respondent affirms that Respondent enters into this stipulation voluntarily.

21. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.

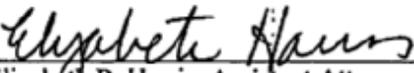
22. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.

23. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.

24. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

SEAN D. REYES  
UTAH ATTORNEY GENERAL

Dated: July 10, 2018.

  
Elizabeth B. Harris, Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

RESPONDENT

Dated: July 9, 2018.

  
Bradley R. Beus  
5666 W 4000 S  
Hooper, UT 84315

ORDER

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.

2. Respondent shall disgorge commissions in the amount of \$6,122.50 and pay an additional fine of \$4,000.00 to the Division. These amounts, totaling \$10,122.50 shall be paid to the Division within twelve (12) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.

3. Should Respondent fail to pay said amounts within the eighteen months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

4. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.

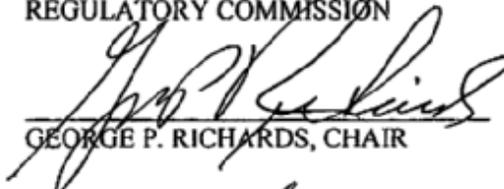
5. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended

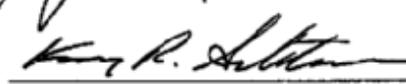
pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

This order shall be effective on the signature date below.

Dated this 11 day of July, 2018.

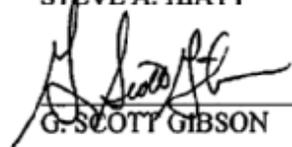
UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

  
\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

  
\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
CATHY J. GARDNER

ABSENT  
\_\_\_\_\_  
STEVE A. HIATT

  
\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 11 day of July,  
2018.

  
\_\_\_\_\_  
JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

Elizabeth B. Harris (#11173)  
 Assistant Attorney General  
 SEAN D. REYES (#7969)  
 UTAH ATTORNEY GENERAL  
 Commercial Enforcement Division  
 160 East 300 South, 5<sup>th</sup> Floor  
 P.O. Box 140872  
 Salt Lake City, UT 84114-0872  
 Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
 THE UTAH DEPARTMENT OF COMMERCE

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**IN THE MATTER OF THE LICENSE OF:  
 BRANDT MILES**

**STIPULATION & CONSENT ORDER**

Docket No. MG-2018-001

(Div. Case No. MG-13-67766)

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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Brandt Miles ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent currently holds a Lending Manager license under license no. 5498275-NMLM.
  2. Respondent was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.
  3. In connection with that investigation, on or about March 6, 2018, the Division initiated an
-

- administrative action against Respondent by filing a Verified Petition.
4. A formal administrative hearing in this matter is currently scheduled for August 8-9, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
  5. Respondent is represented in this matter by counsel and is satisfied with the representation he has received. Respondent's counsel actively participated in the negotiation and drafting of this Stipulation & Consent Order and has approved its final form.
  6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
  7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
  8. Respondent understands that he is entitled to a hearing before the Director and Commission, at which time he may present evidence on his own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document he hereby waives the right to a hearing, the right to present evidence on his own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which he may be entitled in connection with said hearing.
  9. Respondent understands that by signing this document he waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
  10. Respondent admits the following statements of fact are true and correct:
    - a. From 2003 until 2013, Miles was the owner, president, and control person/principal lending manager of Precision Home Loans, Inc., ("Precision") a

licensed mortgage entity located in Layton, Utah.

- b. On September 2, 2010, the Federal Home Loan Mortgage Corporation ("Freddie Mac") notified Miles and Precision that it intended to place their names on the Freddie Mac Exclusionary List ("Exclusionary List") due to their involvement with certain loans on Idaho properties that Respondent originated between August 2006 and March 2007.

- c. The Freddie Mac notification clearly stated that:

The effect of exclusion is to prohibit excluded persons or organizations from...involvement, direct or indirect, in any mortgage or business transaction with Freddie Mac (e.g., brokered loans sold to Freddie Mac by a seller/servicer).

- d. Although Respondent appealed Freddie Mac's decision, that appeal was ultimately denied, and Respondent's and Precision's names were placed on the Exclusionary List effective June 1, 2012. Respondent continues to dispute Freddie Mac's reasons for placing him on its Exclusionary List.

**Freddie Mac Loans  
(Nine loans)**

- e. In 2012 and 2013, Respondent utilized contract loan processors, including A. Wheeler ("Wheeler"), to process his loans.
- f. On or around May 10, 2012, Respondent took a loan application from T. and L. Fullmer who were looking to refinance their mortgage. The Fullmer's mortgage was owned and/or securitized by Freddie Mac and the Fullmers qualified to participate in the Freddie Mac Relief Refinance Mortgage Open Access loan program.
- g. On or around June 11, 2012, Respondent contacted Wheeler seeking to originate a Freddie Mac Open Access Refinance Mortgage loan for T. and L. Fullmer

("Fullmer Loan") in Wheeler's name.

- h. Respondent and Wheeler entered into an agreement whereby Respondent performed the origination functions for the Fullmer loan and Wheeler signed the loan application and processed the loan under her name and license through her sponsoring entity.
- i. The Fullmer loan file was ultimately submitted to Stearns Lending ("Stearns") for approval. Respondent did not disclose to Stearns that he had originated the Fullmer loan and the loan was ultimately purchased and/or securitized by Freddie Mac.
- j. On or around August 15, 2012, the Fullmer Loan was disbursed. Wheeler was paid a total commission of \$7,136.63. Of that amount, Wheeler retained \$700.00 and paid the remaining \$6,436.63 commission to Respondent.
- k. Between July 2012 and April 2013, Respondent originated eight additional Freddie Mac Open Access Refinance Mortgages which Wheeler processed and submitted to a lender under her name and license. In each instance, Respondent did not disclose to the lender that he had originated the loan and the loan was ultimately purchased and/or securitized by Freddie Mac.

**Additional Wheeler Loans  
(Three loans)**

- l. In 2012 and 2013, Precision was not approved to broker loans to wholesale lender M&T and had no direct access to M&T loan pricing.
- m. In or around June 2012, Respondent took a VA purchase loan application from T. and K. Grose ("Grose Loan"). At that time, M&T offered the most favorable VA purchase loan pricing.

- n. On or around June 11, 2012, Respondent and Wheeler entered into an agreement whereby Respondent performed the origination functions for the Grose Loan and Wheeler signed the loan application and processed the Grose Loan under her name and license.
- o. Wheeler submitted the Grose Loan for approval through her sponsoring entity, an approved mortgage broker for M&T. Respondent did not disclose to M&T that he had originated the Grose Loan.
- p. On or about July 5, 2012, the Grose Loan was disbursed. Wheeler was paid a total commission of \$7,223.40. Of that amount, Wheeler retained \$795 and paid the remaining \$6,428.40 commission to Respondent.
- q. Between July 2012 and April 2013, Respondent originated two additional loans under Wheeler's name and license in order to obtain access to M&T's exclusive pricing.
- r. In each instance, Respondent did not disclose to M&T that he had originated the loan. In each instance, Wheeler retained a processing fee and paid the majority of the commission to Respondent.

**Hess/Beus Loans  
(Seven loans)**

- s. In 2012 and early 2013, Precision was an approved mortgage broker for wholesale lender Provident Funding ("Provident").
- t. Between July 2012 and May 2013, Respondent allowed B. Hess, a loan originator not sponsored by Precision, to originate five loans under Respondent's name and license so that Hess could get access to Provident loan pricing.
- u. The five Hess loans were each submitted to Provident for approval. In each

instance, Respondent did not disclose to Provident that Hess had originated the loan.

- v. On each loan, Respondent retained a fee for the use of his license and paid the majority of the commission to Hess.
- w. In September 2012, Respondent allowed B. Beus, a loan originator not sponsored by Precision, to originate two loans under Respondent's name and license so that Beus could get access to Provident loan pricing. Both loans funded in November 2012.
- x. The Beus loans were each submitted to Provident for approval. In each case, Respondent did not disclose to Provident that Beus had originated the loan.
- y. On each loan, Respondent retained a fee for the use of his license and paid the majority of the commission to Beus.
- z. On the 19 loans identified above, Respondent netted a total of \$43,726.41 in commissions.

**Tomlinson Loans  
(Eight Loans)**

- aa. By early 2013, Precision sponsored the mortgage loan originator licenses of L. Tomlinson ("Tomlinson"), M. Hansen ("Hansen"), and J. Dunroe ("Dunroe"). Although Tomlinson worked solely as a loan originator, Hansen and Dunroe worked primarily as contract loan processors and originated very few loans.
- bb. In Spring 2013, Respondent arranged employment as a branch manager for a retail lender (the "Lender") and began the process of converting Precision into a new branch office for the Lender.
- cc. In mid-April 2013, Respondent and the Lender arranged for Tomlinson, Hansen,

- and Dunroe to transfer sponsorship of their licenses to the Lender's corporate office.
- dd. On or about April 19, 2013, Respondent signed a Producing Branch Manager Employment Agreement with the Lender. However, because Precision still had outstanding loans in its pipeline, Respondent continued to work for Precision and did not transfer sponsorship of his license to the Lender.
- ee. On or around April 26, 2013, Respondent took a loan application from N. and S. Taylor. With the knowledge and consent of the general counsel to the Lender, Respondent directed Hansen to open a loan file and process the Taylor loan for him at the Lender under Tomlinson's name and license. The Taylor loan was ultimately submitted to the Lender for approval.
- ff. On or about May 16, 2013, the Taylor Loan was disbursed. Although the Taylor Loan was originated under Tomlinson's name and license, Respondent directed the Lender to pay him the entire commission on the loan.
- gg. Between April 26, 2013 and June 5, 2013, while his license was sponsored by Precision, and with the knowledge and consent of the general counsel to the Lender, Respondent took eight loan applications under Tomlinson's name and license for loans that ultimately funded ("Tomlinson Loans"). In each case, with the knowledge and consent of the general counsel to the Lender, Respondent directed Hansen or Dunroe to open the loan file and process the loan at the Lender under Tomlinson's name. In each case, Respondent was paid the entire commission on the loan.
- hh. Tomlinson reported to the Division that Respondent originated the Tomlinson Loans in her name without her knowledge and consent, an assertion which

Respondent denies.

- ii. At least one of the Tomlinson Loans was approved using Loan Prospector and was ultimately purchased and/or securitized by Freddie Mac.
- jj. In total, Respondent was paid \$43,149.24 in commissions on the eight Tomlinson Loans.

**Hansen/Dunroe Loans  
(Thirteen Loans)**

- kk. Between May 2013 and September 2013, Respondent originated at least 13 additional loans at the Lender under Hansen's and Dunroe's names and licenses. These loans were originated with Hansen's and Dunroe's knowledge and consent.
  - ll. Respondent was paid the entire commission for each loan. On these 13 loans, Respondent netted a total of \$64,756.04 in commissions.
11. The Division concludes that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, the Division concludes that Respondent has violated:
- a. **Utah Code § 61-2c-301(1)(d) (i) (2012-2013). Prohibited Conduct – Violations of the chapter.**  
  
A person transacting the business of residential mortgage loans in this state may not:
    - (1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:
      - (i) make a false statement or representation;
  - b. **Utah Code § 61-2c-301(1)(d) (iii) (2012-2013). Prohibited Conduct – Violations of the chapter.**  
  
A person transacting the business of residential mortgage loans in this state may not:
    - (1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:

- (iii) knowingly permit false information to be submitted by any party;
  - c. **Utah Code § 61-2c-209(4)(b)(i) (2012 & 2013). Sponsorship-Affiliation.**
    - (4)(b) An individual licensed under this chapter may not:
      - (i) engage in the business of residential mortgage loans on behalf of more than one entity at the same time;
  - d. **Utah Admin. Code R162-2c-201(5)(b) (2012 & 2013). Licensing and Registration Procedures**
    - (5)(b) A licensee shall not allow any other person to work under the licensee's license.
12. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against his license pursuant to Utah Code § 61-2c-402.
13. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against him as follows:
- a. Respondent's lending manager license will be immediately revoked upon the Commission and the Director signing the final order in this matter. Respondent understands and acknowledges that this revocation shall act as a permanent national bar to Respondent ever holding a license as a mortgage professional.
  - b. Respondent shall pay a civil penalty of \$50,000 to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
  - c. Should Respondent fail to pay said amounts within 90 days, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment

Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

- d. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
14. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
15. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff and/or counsel questions about this stipulation and the investigative staff and/or counsel may answer such questions and provide factual information in public and on the record.
16. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
17. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 18, and a formal hearing shall be held in this matter as currently scheduled on

August 8-9, 2018.

18. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
- a. having reviewed this stipulation;
  - b. having heard any statement made by investigative staff, counsel or any statement made by any Respondent; and
  - c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

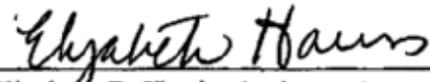
19. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
20. Respondent affirms that Respondent enters into this stipulation voluntarily.
21. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
22. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
23. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or

affect this agreement.

- 24. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

Dated: June 20, 2018.

SEAN D. REYES  
UTAH ATTORNEY GENERAL

  
 Elizabeth B. Harris, Assistant Attorney General  
 160 East 300 South, 5<sup>th</sup> Floor  
 Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*  
 RESPONDENT

Dated: June 20, 2018.

  
 Brandt Miles  
 2381 S Bluff Ridge Dr  
 Syracuse, UT 84075

**ORDER**

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's lending manager license will be immediately revoked upon the Commission and the Director signing the final order in this matter. Respondent understands and acknowledges that this revocation shall act as a permanent national bar to Respondent ever holding a license as a mortgage professional.

2. Respondent shall pay a civil penalty of \$50,000 to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.

3. Should Respondent fail to pay said amounts within 90 days, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

4. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.

This order shall be effective on the signature date below.

Dated this 22<sup>nd</sup> day of June, 2018.

UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
STEVE A. HIATT

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 22<sup>nd</sup> day of June, 2018.

Mark A. Fagergren  
~~JONATHAN C. STEWART, DIRECTOR~~  
DIVISION OF REAL ESTATE  
Acting Director

Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.

Mark A. Fagergren  
Name:

Division / Acting Director

Elizabeth B. Harris (#11173)  
Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140872  
Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

<b>IN THE MATTER OF THE LICENSE OF:</b>	<b>STIPULATION &amp; CONSENT ORDER</b>
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<b>BRETT HESS</b>	Docket No. MG-2018-005  (Div. Case No. MG-16-80508)
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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Brett Hess ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 5493802-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about March 6, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal hearing in this matter is currently scheduled for August 1, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent understands that he has a right to be represented by counsel, and he voluntarily and knowingly waives the right to have counsel represent him in this matter.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that he is entitled to a hearing before the Director and Commission, at which time he may present evidence on his own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document he hereby waives the right to a hearing, the right to present evidence on his own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which he may be entitled in connection with said hearing.
9. Respondent understands that by signing this document he waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. At all times relevant, Respondent was a licensed mortgage loan originator sponsored by Springwater Capital ("Springwater"). As a general practice, Respondent utilized contract loan processors, including A. Wheeler, to process his

loans.

- b. At all times relevant, Springwater was not approved to broker loans to wholesale lender Provident Funding ("Provident") and therefore had no direct access to Provident loan pricing.
- c. In or around July 2012, G. Johnson contacted Hess to explore refinancing property Johnson owned in Syracuse, Utah. At that time, Provident offered the most favorable pricing for the loan.
- d. On or around July 3, 2012, Respondent entered into an arrangement with B. Miles ("Miles") to use Miles' license and mortgage company to originate Johnson's loan. Miles was the owner and lending manager of Precision Home Loans ("Precision"), an approved mortgage broker for Provident.
- e. Pursuant to the arrangement, Respondent originated the Johnson Loan under Miles' name and license and Wheeler processed the loan through Precision. Respondent did not disclose to Provident that he was the originator of the Johnson loan.
- f. On or about October 18, 2012, the Johnson loan was disbursed. Precision was paid a total commission of \$2,835.00.
- g. Of that amount, Miles retained \$715.00 for use of his license and forwarded the remaining \$2,120.00 commission to Wheeler. Wheeler kept \$595.00 as payment for processing the loan and paid the remaining \$1,525.00 commission to Respondent.
- h. Between July 2012 and May 2013, Respondent originated four additional loans under Miles' name and license so that Respondent could get access to Provident's exclusive pricing. In each instance, Respondent failed to disclose to Provident

that Respondent had originated the loan.

- i. One of the four loans was unable to be closed with Provident, and was also submitted to Stearns Lending, LLC. Respondent did not disclose to Stearns that he had originated the loan.
- j. On each loan, Miles received a fee for use of his license, Wheeler was paid a processing fee, and the majority of the commission was paid to Respondent.
- k. Respondent did all of the origination work on these five loans as if the loans had been originated under his own name, including, but not limited to, taking the borrowers' loan applications, quoting interest rates, and advising borrowers on different loan programs.
- l. In total, Respondent received \$13,141.46 in commissions for the five loans he originated under Miles' name and license.

11. Respondent admits that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, Respondent admits that Respondent has violated:

a. **Utah Code § 61-2c-301(1)(d) (iii), (f)(iii), and (l) (2012). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

- (1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:
  - (iii) knowingly permit false information to be submitted by any party;
  - (f) violate or not comply with:
    - (iii) a rule made by the division;
  - (l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;

b. **Utah Admin. Code R162-2c-301a(1)(a)(ii) (2012). Unprofessional Conduct**

(1)(a) Affirmative duties. A mortgage loan originator who fails to fulfill any affirmative duty shall be subject to discipline under Sections 61-2c-401 through 405. A mortgage loan originator shall:

(ii) conduct the business of residential mortgage loans solely in the name of the mortgage loan originator's sponsoring entity.

12. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against his license pursuant to Utah Code § 61-2c-402.
13. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against him as follows:
  - a. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.
  - b. Respondent shall disgorge commissions in the amount of \$13,141.46 and pay an additional fine of \$10,000.00 to the Division. These amounts, totaling \$23,141.46 shall be paid to the Division within eighteen (18) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.
  - c. Should Respondent fail to pay said amounts within the 18 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

- d. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.
14. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
15. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
16. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
17. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 18, and a formal hearing shall be held in this matter as currently scheduled on August 1, 2018.
18. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:

- a. having reviewed this stipulation;
- b. having heard any statement made by investigative staff or any statement made by Respondent; and
- c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

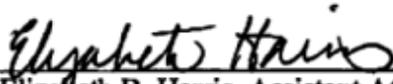
19. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
20. Respondent agrees to furnish full and complete cooperation to the Division in resolving this and related administrative enforcement matters. Such cooperation shall include attending any meeting scheduled to discuss matters related to the above-described conduct whenever the Division requests such attendance, and to testify truthfully as a witness in any proceeding including, but not limited to, the hearing in the matter of Brandt Miles, DRE Docket No. MG-2018-001, and the hearing in the matter of Amie Wheeler, DRE Docket No. MG-2018-002.
21. Respondent affirms that Respondent enters into this stipulation voluntarily.
22. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
23. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or

affect this agreement.

24. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

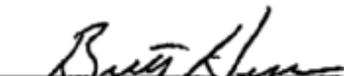
SEAN D. REYES  
UTAH ATTORNEY GENERAL

Dated: April 27, 2018.

  
Elizabeth B. Harris, Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

RESPONDENT

Dated: April 27, 2018.

  
Brett Hess  
9003 N Lippizzan Way  
Eagle Mountain, Utah 84005

## ORDER

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.

2. Respondent shall disgorge commissions in the amount of \$13,141.46 and pay an additional fine of \$10,000.00 to the Division. These amounts, totaling \$23,141.46 shall be paid to the Division within eighteen (18) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.

3. Should Respondent fail to pay said amounts within the eighteen months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

4. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

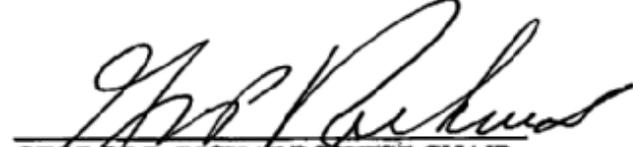
This order shall be effective on the signature date below.

Dated this 2 day of May, 2018.

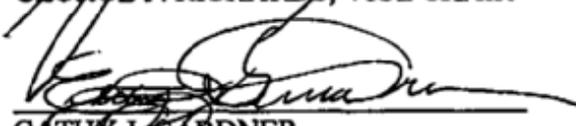
UTAH REAL ESTATE APPRAISER LICENSING  
AND CERTIFICATION BOARD



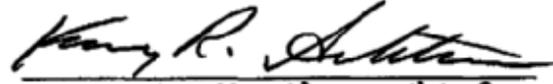
STEVE A. HIATT, CHAIR



GEORGE P. RICHARDS, VICE CHAIR



CATHY J. GARDNER



KAY R. ASHTON VICE CHAIR



G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 2 day of May,  
2018.

  
JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

Elizabeth B. Harris (#11173)  
Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140872  
Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

<b>IN THE MATTER OF THE LICENSE OF:</b>  <b>BRETT HESS</b>	<b>STIPULATION &amp; CONSENT ORDER</b>  Docket No. MG-2018-005  (Div. Case No: MG-16-80508)
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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Brett Hess ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 5493802-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that he violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about March 6, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal hearing in this matter is currently scheduled for August 1, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent understands that he has a right to be represented by counsel, and he voluntarily and knowingly waives the right to have counsel represent him in this matter.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that he is entitled to a hearing before the Director and Commission, at which time he may present evidence on his own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document he hereby waives the right to a hearing, the right to present evidence on his own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which he may be entitled in connection with said hearing.
9. Respondent understands that by signing this document he waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. At all times relevant, Respondent was a licensed mortgage loan originator sponsored by Springwater Capital ("Springwater"). As a general practice, Respondent utilized contract loan processors, including A. Wheeler, to process his

loans.

- b. At all times relevant, Springwater was not approved to broker loans to wholesale lender Provident Funding ("Provident") and therefore had no direct access to Provident loan pricing.
- c. In or around July 2012, G. Johnson contacted Hess to explore refinancing property Johnson owned in Syracuse, Utah. At that time, Provident offered the most favorable pricing for the loan.
- d. On or around July 3, 2012, Respondent entered into an arrangement with B. Miles ("Miles") to use Miles' license and mortgage company to originate Johnson's loan. Miles was the owner and lending manager of Precision Home Loans ("Precision"), an approved mortgage broker for Provident.
- e. Pursuant to the arrangement, Respondent originated the Johnson Loan under Miles' name and license and Wheeler processed the loan through Precision. Respondent did not disclose to Provident that he was the originator of the Johnson loan.
- f. On or about October 18, 2012, the Johnson loan was disbursed. Precision was paid a total commission of \$2,835.00.
- g. Of that amount, Miles retained \$715.00 for use of his license and forwarded the remaining \$2,120.00 commission to Wheeler. Wheeler kept \$595.00 as payment for processing the loan and paid the remaining \$1,525.00 commission to Respondent.
- h. Between July 2012 and May 2013, Respondent originated four additional loans under Miles' name and license so that Respondent could get access to Provident's exclusive pricing. In each instance, Respondent failed to disclose to Provident

that Respondent had originated the loan.

- i. One of the four loans was unable to be closed with Provident, and was also submitted to Stearns Lending, LLC. Respondent did not disclose to Stearns that he had originated the loan.
- j. On each loan, Miles received a fee for use of his license, Wheeler was paid a processing fee, and the majority of the commission was paid to Respondent.
- k. Respondent did all of the origination work on these five loans as if the loans had been originated under his own name, including, but not limited to, taking the borrowers' loan applications, quoting interest rates, and advising borrowers on different loan programs.
- l. In total, Respondent received \$13,141.46 in commissions for the five loans he originated under Miles' name and license.

11. Respondent admits that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, Respondent admits that Respondent has violated:

a. **Utah Code § 61-2c-301(1)(d) (iii), (f)(iii), and (l) (2012). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:

(iii) knowingly permit false information to be submitted by any party;

(f) violate or not comply with:

(iii) a rule made by the division;

(l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;

b. **Utah Admin. Code R162-2c-301a(1)(a)(ii) (2012). Unprofessional Conduct**

(1)(a) Affirmative duties. A mortgage loan originator who fails to fulfill any affirmative duty shall be subject to discipline under Sections 61-2c-401 through 405. A mortgage loan originator shall:

(ii) conduct the business of residential mortgage loans solely in the name of the mortgage loan originator's sponsoring entity.

12. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against his license pursuant to Utah Code § 61-2c-402.
13. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against him as follows:
  - a. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.
  - b. Respondent shall disgorge commissions in the amount of \$13,141.46 and pay an additional fine of \$10,000.00 to the Division. These amounts, totaling \$23,141.46 shall be paid to the Division within eighteen (18) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.
  - c. Should Respondent fail to pay said amounts within the 18 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

- d. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.
14. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
15. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
16. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
17. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 18, and a formal hearing shall be held in this matter as currently scheduled on August 1, 2018.
18. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:

- a. having reviewed this stipulation;
- b. having heard any statement made by investigative staff or any statement made by Respondent; and
- c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

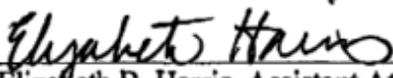
19. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
20. Respondent agrees to furnish full and complete cooperation to the Division in resolving this and related administrative enforcement matters. Such cooperation shall include attending any meeting scheduled to discuss matters related to the above-described conduct whenever the Division requests such attendance, and to testify truthfully as a witness in any proceeding including, but not limited to, the hearing in the matter of Brandt Miles, DRE Docket No. MG-2018-001, and the hearing in the matter of Amie Wheeler, DRE Docket No. MG-2018-002.
21. Respondent affirms that Respondent enters into this stipulation voluntarily.
22. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
23. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or

affect this agreement.

24. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

SEAN D. REYES  
UTAH ATTORNEY GENERAL

Dated: April 27, 2018.

  
Elizabeth B. Harris, Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

RESPONDENT

Dated: April 27, 2018.

  
Brett Hess  
9003 N Lippizzan Way  
Eagle Mountain, Utah 84005

## ORDER

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be placed on probation until December 31, 2019.

2. Respondent shall disgorge commissions in the amount of \$13,141.46 and pay an additional fine of \$10,000.00 to the Division. These amounts, totaling \$23,141.46 shall be paid to the Division within eighteen (18) months of the date on which this Stipulation and Consent Order is signed by the Director and Commission.

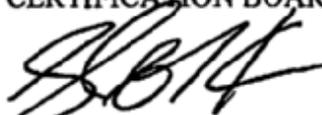
3. Should Respondent fail to pay said amounts within the eighteen months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against him for the unpaid balance owing to the Division. Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of his material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against him, less any sums paid to the Division after the date hereof, should he fail to comply with the terms set forth in this Stipulation and Consent Order.

4. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

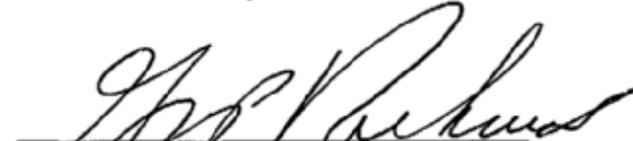
This order shall be effective on the signature date below.

Dated this 2 day of May, 2018.

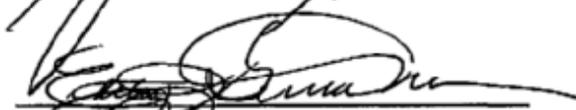
UTAH REAL ESTATE APPRAISER LICENSING  
AND CERTIFICATION BOARD



STEVE A. HIATT, CHAIR



GEORGE P. RICHARDS, VICE CHAIR



CATHY J. GARDNER



KAY R. ASHTON VICE CHAIR



G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 2 day of May,  
2018.



JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**CHRISTOPHER THOMAS MARKOSIAN**  
to Act as a Mortgage Loan Originator

ORDER ON APPLICATION FOR  
RENEWAL

Case No. MG-17-96674

---

On December 13, 2017, Christopher Thomas Markosian (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) an application to renew his license to practice as a mortgage loan originator. The request was reviewed in an informal proceeding to determine whether Applicant meets the requirements of Utah Administrative Code R62-2c-204. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

On October 5, 2011, judgment in the amount of \$2,970.00 was entered against Applicant in case number 116938946 (3<sup>rd</sup> District Court, Salt Lake, Salt Lake County, Utah) for child support arrearage. The amount of the judgment has been frequently modified, both increasing and decreasing the amount of the judgment. The amount of the judgment was last modified on December 6, 2017. The current child support arrearage in this case is \$4,126.36

On July 30, 2008, judgment in the amount of \$5,212.00 was entered against Applicant in case number 086919534 (3rd District Court, Salt Lake, Salt Lake County, Utah) for child support arrearage. The amount of the judgment has been frequently modified, both increasing and decreasing the amount of the judgment. The amount of the judgment was last modified on September 9, 2015. There is no indication in the court docket that the arrearage has been paid or satisfied. The amount of the child support arrearage as of September 9, 2015, was \$11,392.67.

Utah Code Ann § 61-2c-203(1) (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently.

The child support arrearage in the two cases referred to above reflect negatively on Applicant's financial responsibility. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about Applicant's failure to comply with the court orders requiring the child support payments. In mitigation, the presiding officer notes that Applicant has frequently made payments of child support. However, those payments have not been sufficient to significantly reduce the amounts owed. The presiding officer finds that issuing a probationary license is justified.

### **ORDER**

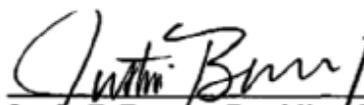
Based on the above analysis, Christopher Thomas Markosian's request for renewal of his license to practice as a mortgage loan originator is granted with restriction. The license is placed on probation until Mr Markosian demonstrates to the satisfaction of the Division his financial

responsibility by making regular and substantial payments such that the amount of the child support arrearages in case numbers 116938946 and 086919534 is satisfied or is significantly reduced over time. During the probationary period Mr. Markosian shall comply with all laws and with the rules regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage professional.

This order shall be effective on the signature date below.

DATED this 15th day of December, 2017.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and R151-4-902 of the departmental rules.

CERTIFICATE OF MAILING

I hereby certify that on the 10 day of December, 2017, a true and correct copy of the foregoing document was sent first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

Christopher Thomas Markosian  
2092 east 11270 South  
Sandy, Utah 84092

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6569 97

SENDERS RECORD



DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P O BOX 146711  
SALT LAKE CITY, UT 84114-0711  
TELEPHONE: (801) 530-6747  
FAX (801) 530-6749

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**BEFORE THE DIVISION OF REAL ESTATE  
OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH**

---

IN THE MATTER OF THE LICENSE OF  
**EDUARDO JOSE NAUDE**  
TO ACT AS A  
MORTGAGE LOAN ORIGINATOR

**STIPULATION AND ORDER**

Case No MG-13-68581

---

The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its Chief Investigator, Kadee Wright, and Eduardo Jose Naude, ("Respondent") hereby stipulate and agree as follows

**STIPULATION**

- 1 Respondent is a Mortgage Loan Originator licensed by the Division under license number 5794865-NMLO.
- 2 Respondent admits the jurisdiction of the Residential Mortgage Regulatory Commission (the "Commission") over Respondent and over the subject matter of this action
- 3 Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann. § 61-2c-402 1 (2017) Respondent and the Division hereby express their intent that

this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann § 63G-4-102(4) (2017)

- 4 The Division and Respondent recognize and agree that this Stipulation shall not be binding until the Commission and the Director of the Division of Real Estate (“the Director”) review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann § 52-4 *et seq* (2017).
- 5 Respondent acknowledges that, as part of their review, the Commission and/or Director may ask the Division investigative staff questions about this Stipulation, and the investigative staff may answer such questions and provide factual information in public and on the record
- 6 Respondent has the right to be present when the Stipulation is presented for consideration and to address the Commission about this Stipulation or the facts underlying it. If Respondent desires to be present to address the Commission, Respondent may contact Amber Nielsen, Board Secretary, at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this Stipulation will be presented for consideration to the Commission
- 7 If the Commission does not approve any part of the Stipulation agreement proposed herein, this entire Stipulation shall be null and void except as to Paragraph 8, and a hearing shall be scheduled for this matter
- 8 Should this Stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission by virtue of its
  - a having reviewed this Stipulation.

- b having heard any statement made by investigative staff or any statement made by Respondent, and
- c having decided the Stipulation shall be null and void

This waiver shall survive any nullification of this Stipulation

- 9 Respondent acknowledges that, upon approval by the Commission, this Stipulation shall be made a part of the attached final Order and shall not be subject to reconsideration, renegotiation, modification, appeal, or rehearing
- 10 Respondent acknowledges that Respondent has the right to be represented in this action by legal counsel and that, if Respondent has waived this right, Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so
- 11 Respondent affirms that Respondent enters into this Stipulation voluntarily
- 12 Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this Stipulation are contained herein
- 13 Respondent admits that the following statements of fact are true and correct
  - a At all times relevant, Respondent was a Mortgage Loan Originator sponsored by Podium Mortgage Capital, LLC ("Podium"), a licensed Mortgage Entity in Utah
  - b At all times relevant, Respondent also owned and operated Millennium Processing, Marketing & Translation, Inc. ("Millennium") as a side business
  - c Millennium was a registered business with Utah's Division of Corporations and Commercial Code, however, it was not a licensed Mortgage Entity with Utah's Division of Real Estate

- d Millennium engaged in mortgage loan modification assistance
- e Respondent's sponsoring entity, Podium, did not offer mortgage loan modification assistance to consumers
- f During September 2013, Respondent began assisting C C (name withheld to protect confidentiality) with a proposed mortgage loan modification on a single-unit residence in Utah
- g During September 2013, Respondent provided a list of required documentation on Millennium letterhead to C C for the proposed mortgage loan modification
- h Respondent required payment of the fee for the loan modification assistance to be provided to Millennium in the form of four installments at the following stages. 1) First installment to be paid at the beginning of the process, 2) Second installment to be paid at 30 days, 3) Third installment to be paid during the trial period; and 4) Fourth installment to be paid when the loan modification became final
- i C C 's proposed mortgage loan modification was never-completed
- j In mitigation, Respondent was cooperative in the Division's investigation, and Respondent's intent did not appear to be nefarious

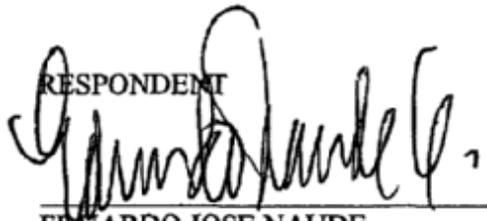
14 Respondent admits that based upon the foregoing facts, Respondent violated Utah Code Ann § 61-2c-209(4)(b)(i) (2013), which provides that "An individual licensed under this chapter may not engage in the business of residential mortgage loans on behalf of more than one entity at the same time[ ]"

15 Respondent admits that based upon the foregoing facts, Respondent violated Utah Code Ann § 61-2c-301(1)(v)(iv) (2013), which provides that, "A person transacting the business of residential mortgage loans in this state may not request or require a

person to pay a fee before obtaining (A) a written offer for a loan modification from the person's lender or servicer, and (B) the person's written acceptance of the offer from the lender or servicer[.]"

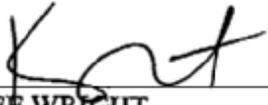
- 16 Respondent admits that, by violating the above statutes, grounds exist for taking disciplinary action against Respondent's license in accordance with Utah Code Ann § 61-2c-402(1)(a) (2013)
- 17 As full settlement of all issues raised in this Stipulation, Respondent agrees that an order shall be entered as follows
- a Respondent shall pay a civil penalty of Three Thousand Dollars (\$3,000) to the Division within three hundred and sixty-five (365) days of the date on which this stipulated Order is approved by the Commission. Payment shall be accepted in the form of twelve (12) monthly installments of Two Hundred and Fifty Dollars (\$250.00) each. Payment is due on the first day of the month beginning the month after the Order becomes final.
  - b Respondent shall take a 2-hour Ethics Continuing Education Course within ninety (90) days of the date on which this stipulated Order is approved by the Commission. This will not count toward standard continuing education requirements for license renewal.
  - c Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order.
  - d If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent's license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order.

- 18 Respondent acknowledges that this Stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts admitted
- 19 This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe or affect this agreement.
- 20 Respondent acknowledges that this Stipulation and Order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will post information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this Stipulation and Order.

RESPONDENT  
  
EDUARDO JOSE NAUDE

Dated 7/11/17

DIVISION OF REAL ESTATE

  
KADEE WRIGHT  
*Chief Investigator*

Dated 7/12/17

◦

**ORDER**

The Residential Mortgage Regulatory Commission (the "Commission") approves and adopts the foregoing Stipulation of the parties. Based upon the foregoing Stipulation and for good cause appearing, the Commission orders that, in lieu of the filing of a petition and the holding of a hearing:

- 1 Respondent shall pay a civil penalty of Three Thousand Dollars (\$3,000.00) to the Division within three hundred and sixty-five (365) days of the date on which this stipulated Order is approved by the Commission. Payment shall be accepted in the form of twelve (12) monthly installments of Two Hundred and Fifty Dollars (\$250.00) each. Payment is due on the first day of the month beginning the month after the Order becomes final.
- 2 Respondent shall take a 2-hour Ethics Continuing Education Course within ninety (90) days of the date on which this stipulated Order is approved by the Commission. This will not count toward standard continuing education requirements for license renewal.
- 3 Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order.
- 4 If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent's license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann. § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order.

This Order shall be effective on the last signature date below.

DATED this 6 day of September, 2017

RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION



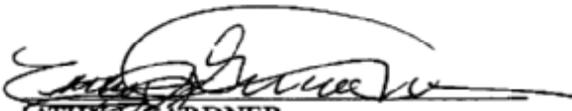
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GEORGE P RICHARDS, CHAIR



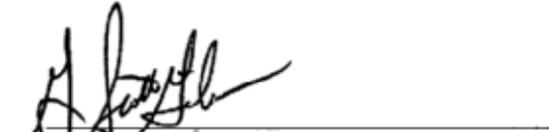
\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR



\_\_\_\_\_  
STEVEN A HIATT



\_\_\_\_\_  
CATHIE GARDNER



\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing Order this 6 day of September, 2017



\_\_\_\_\_  
JONATHAN C STEWART, DIRECTOR  
TAH DIVISION OF REAL ESTATE

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
P O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the Application of  
**LESLIE LYSY** to Act as a Mortgage Loan  
Originator

ORDER ON APPLICATION  
Case No MG-17-95442

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On October 11, 2017, Leslie Lysy (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on April 22, 2011, Applicant pleaded guilty on December 3, 2012, in case number 121400793 (4<sup>th</sup> District Court, Provo, Utah County, Utah) to theft and obstructing justice, both class A misdemeanors. Both charges were later reduced to class B misdemeanors. Applicant was sentenced to serve 365 days in jail (suspended), fined, allowed to complete 40 hours of community service in lieu of \$200, and placed on probation for 12 months. Applicant completed her probation and the case was closed January 14, 2014.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly her criminal history, in making this determination.

Applicant's criminal history involving theft reflects negatively on her character. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of criminal offenses in Applicant's past. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. In mitigation, the presiding officer notes that Applicant honestly disclosed her criminal history on her application. Therefore, the presiding officer finds that issuing a probationary license is justified.

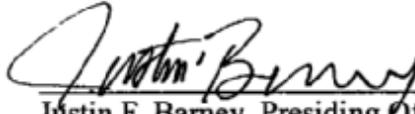
### **ORDER**

Based on the above analysis, Leslie Lysy's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation until December 31, 2018. During the probationary period, Ms. Lysy shall comply with all laws and with the rules regulating her profession, and shall conduct herself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage loan originator.

This order shall be effective on the signature date below.

DATED this 24th day of October, 2017.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann § 63G-4-301 and Utah Admin Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 7th day of November, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following.

Leslie Lysy  
8905 N Pine Hollow Dr.  
Cedar Hills, Utah 84062

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6563 55

SENDERS RECORD

  
\_\_\_\_\_

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the Application of  
**KARL EDWIN SMITH** to Act as a Lending  
Manager

ORDER ON APPLICATION  
Case No. MG-17-94613

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On September 19, 2017, Karl Edwin Smith (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a lending manager. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on January 28, 2015, Applicant pleaded guilty in case number 155000027 (Farr West Justice Court, Weber County, Utah) to driving under the influence, a class B misdemeanor. Applicant was sentenced to serve six months in jail (suspended), fined, ordered to complete 48 hours of community service, and placed on probation for six months. Applicant completed his probation and paid the fine. The case was closed February 23, 2016.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, in making this determination.

Applicant's criminal history demonstrates a lack of respect for the law and the safety of others, which reflects negatively on his character and integrity. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of the criminal offense in Applicant's past. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. In mitigation, the presiding officer notes that Applicant honestly disclosed his criminal history on his application, that Applicant's criminal offense does not involve fraud, misrepresentation, or deceit, and that this incident appears to be an isolated instance of poor judgment rather than an episode in a long history of criminal behavior. Therefore, the presiding officer finds that issuing a probationary license is justified.

### **ORDER**

Based on the above analysis, Karl Edwin Smith's application for licensure as a lending manager is granted with restriction. The license is placed on probation until December 31, 2018. During the probationary period, Mr. Smith shall comply with all laws and with the rules

regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a lending manager.

This order shall be effective on the signature date below

DATED this 21<sup>st</sup> day of September, 2017.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 21<sup>st</sup> day of September, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

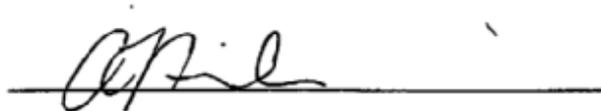
Karl Edwin Smith  
2852 Marilyn Drive  
Ogden, Utah 84403

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6551 29

SENDERS RECORD



DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the Application of  
**HELENA MARIE TUPLING** to Act as a  
Mortgage Loan Originator

ORDER ON APPLICATION  
Case No. MG-17-96690

---

On October 24, 2017, Helena Marie Tupling (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203 (2012). The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

In her application, Applicant disclosed federal tax liens with an assessed total balance of approximately \$95,000 and explained that she is working toward establishing a payment plan with the IRS to pay the delinquent taxes.

Utah Code § 61-2c-203(1) (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility. Utah Administrative Code § R162-

2c-202 requires the Division and Commission to consider evidence of delinquency in taxes in making that determination.

Applicant's tax liens reflect negatively on her financial responsibility. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure. In mitigation, Applicant has hired a consultant to assist her in addressing the tax liens with the IRS. The presiding officer finds that issuing a probationary license is justified in these circumstances.

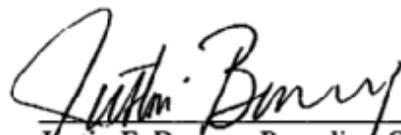
**ORDER**

Based on the above analysis, Helena Marie Tupling's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation until Applicant demonstrates to the satisfaction of the Division that she has formalized a plan with the Internal Revenue Service for satisfying the tax arrearage and has made several payments on the payment plan.

This order shall be effective on the signature date below.

DATED this 15<sup>th</sup> day of December, 2017.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

**Notice of Right to Administrative Review**

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 21<sup>st</sup> day of December, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

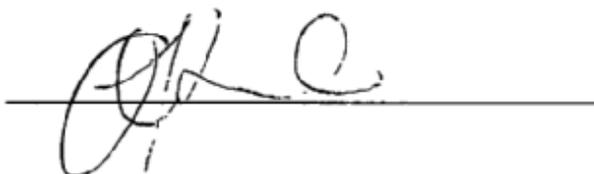
Helena Marie Tupling  
13849 Orangevale Ave  
Corona, California 92880

Certified Receipt No.

Certified Article Number

9414 7266 9904 2083 6570 00

SENDERS RECORD



Elizabeth B. Harris (#11173)  
Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140872  
Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

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IN THE MATTER OF THE LICENSE OF:

JESSICA DUNROE

STIPULATION & CONSENT ORDER

Docket No. MG-2018-003

(Div. Case No. MG-14-69349)

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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Jessica Dunroe ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 8588505-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that she violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about March 6, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal administrative hearing in this matter is currently scheduled for August 8-9, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent understands that she has a right to be represented by counsel, and she voluntarily and knowingly waives the right to have counsel represent her in this matter.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that she is entitled to a hearing before the Director and Commission, at which time she may present evidence on her own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document she hereby waives the right to a hearing, the right to present evidence on her own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which she may be entitled in connection with said hearing.
9. Respondent understands that by signing this document she waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. In 2012 and 2013, Respondent worked from home as a contract loan processor providing loan processing services to B. Miles, the principal lending manager of Precision Home Loans, Inc. ("Precision"), a licensed mortgage broker.

- b. Respondent obtained a mortgage loan originator license in February 2013. At that time, Precision also sponsored the mortgage loan originator licenses of L.T. and M. Hansen.
- c. At some point prior to April 2013, Miles notified Respondent that his name had been placed on the Freddie Mac Exclusionary List and that Miles would be converting Precision into a new branch office for a retail lender (the "Lender"). At that time, Miles also informed Respondent that he had been placed on the Exclusionary List by mistake and that his name would be removed from the list in the next few weeks.
- d. In mid-April, L.T., M. Hansen, and Respondent transferred the sponsorship of their licenses to the Lender. Because Precision still had outstanding loans in its pipeline, Miles kept sponsorship of his license with Precision until June 11, 2013.

#### **L.T. Loans**

- e. On or around May 3, 2013, Miles took a loan application from J. Wyner ("Wyner Loan")
- f. Thereafter, Miles directed Respondent to open a loan file and process the loan for him through the Lender under L.T.'s name and license.
- g. Although Respondent knew Miles had originated the Wyner Loan, she processed the loan under L.T.'s name as instructed by Miles.
- h. Between May 3, 2013 and June 28, 2013, Respondent processed three additional loans originated by Miles under L.T.'s name and license as directed by Miles. At the time Respondent processed the loans, Respondent knew Miles was the actual originator of the loans.
- i. When processing the above listed loans, Respondent signed L.T.'s name on a

Residential Mortgage Loan Application on at least two occasions.

- j. L.T. reported to the Division that the above listed loans were originated in her name without her knowledge and consent.
- k. Respondent was paid her standard processing fee of \$500 for each of these files.

**S. Dunroe Loan**

- l. On or about May 20, 2013, Respondent took a loan application for S. Dunroe ("S. Dunroe Loan").
- m. As instructed by Miles, Respondent originated the S. Dunroe Loan under L.T.'s name and license.
- n. Thereafter, Respondent allowed the S. Dunroe Loan file to be submitted to the Lender under L.T.'s name and license.
- o. Respondent was paid a commission of \$1,376.00 on the S. Dunroe Loan.

**Hansen Loans**

- p. Between April 2013 and September 2013, Miles directed Respondent to process at least nine loans originated by Miles under the name and license of M. Hansen. At the time Respondent processed the loans, Respondent knew that Miles was the actual originator of the loans.
- q. Respondent was paid her standard processing fee of \$500 for each of the loans.
- r. Although Miles was excluded from participating in transactions with Freddie Mac, at least one of these loans was approved through Loan Prospector, Freddie Mac's automated underwriting system. The loan was ultimately purchased and/or securitized by Freddie Mac.

**Dunroe Loans**

- s. Between April 2013 and September 2013, Respondent allowed Miles to originate

at least four loans under Respondent's name and license as requested by Miles.

11. The Division recognizes the following mitigating circumstances:

- a. Respondent was relatively new to the mortgage industry and largely inexperienced when she engaged in the conduct set forth above.
- b. Respondent had never worked under a lending manager other than Miles and prior to moving to the Lender, had only worked at Precision.
- c. Respondent was following Miles' instructions when she engaged in the conduct set forth above.
- d. Miles instructed Respondent to originate the S. Dunroe loan under L.T.'s name and license.
- e. Respondent believed L.T. had given Miles permission to originate loans under her name and license.
- f. Respondent understood that general counsel for the Lender had approved Miles' plan to originate loans under other loan originators' names and licenses and engaged in the conduct set forth above based upon that understanding.
- g. Although Respondent was paid her standard fee for the loans she processed, Respondent received no compensation for the loans Miles originated under her name.
- h. Respondent was not familiar with the Exclusionary List and did not understand how the list worked.

12. Respondent admits that the above acts and practices constitute violation(s) of the Act and Rules. Specifically, Respondent admits that Respondent has violated:

- a. **Utah Code § 61-2c-301(1)(d) (iii) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

- (1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:
  - (iii) knowingly permit false information to be submitted by any party;
- b. **Utah Code § 61-2c-301(1)(l) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

- (1)(l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;
- c. **Utah Code § 61-2c-301(1)(p) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

- (1)(p) engage in an act that is performed to:
  - (ii) assist another person to evade the chapter;
- d. **Utah Admin. Code R162-2c-201(5)(b) (2012 & 2013). Licensing and Registration Procedures**
  - (5)(b) A licensee shall not allow any other person to work under the licensee's license.

- 13. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against her license pursuant to Utah Code § 61-2c-402.
- 14. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against her as follows:
  - a. Respondent's mortgage loan originator license shall be suspended for twelve (12) months from the date that the Commission and Director sign the final order in this matter.

- b. Respondent shall disgorge commissions in the amount of \$1,376.00 and pay an additional civil penalty of \$5,000 to the Division. These amounts, totaling \$6,376.00 shall be paid to the Division within twelve (12) months from the date on which this Stipulation and Consent Order is signed by the Director and Commission.
- c. Should Respondent fail to pay said amounts within 12 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.
- d. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
- e. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

15. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting

conducted pursuant to Utah Code § 52-4 *et seq.*

16. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
17. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
18. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 19, and a formal hearing shall be held in this matter as currently scheduled on August 8-9, 2018.
19. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
  - a. having reviewed this stipulation;
  - b. having heard any statement made by investigative staff or any statement made by Respondent; and
  - c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

20. Respondent acknowledges that upon approval by the Commission and the Director, this

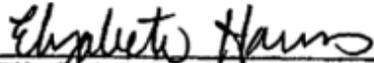
stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.

21. Respondent agrees to furnish full and complete cooperation to the Division in resolving this and related administrative enforcement matters. Such cooperation shall include attending any meeting scheduled to discuss matters related to the above-described conduct whenever the Division requests such attendance, and to testify truthfully as a witness in any proceeding including, but not limited to, the hearing in the matter of Brandt Miles, DRE Docket No. MG-2018-001.
22. Respondent affirms that Respondent enters into this stipulation voluntarily.
23. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
24. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
25. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.
26. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may

inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

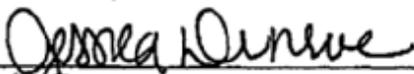
SEAN D. REYES  
UTAH ATTORNEY GENERAL

Dated: June 20, 2018.

  
Elizabeth B. Harris, Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

RESPONDENT

Dated: June 20, 2018.

  
Jessica Dunroe  
1276 Derby Court  
Kaysville, UT 84037

**ORDER**

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be suspended for twelve (12) months from the date that the Commission and Director sign the final order in this matter.

2. Respondent shall disgorge commissions in the amount of \$1,376.00 and pay an additional civil penalty of \$5,000 to the Division. These amounts, totaling \$6,376.00 shall be paid to the Division within twelve (12) months from the date on which this Stipulation and Consent Order is signed by the Director and Commission.

3. Should Respondent fail to pay said amounts within 12 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.

4. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.

5. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

This order shall be effective on the signature date below.

Dated this 22<sup>nd</sup> day of June, 2018.

UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
STEVE A. HIATT

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 22<sup>nd</sup> day of June,

2018.

Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.

Mark A. Fagergren  
Name:

Division / Acting Director

Mark A. Fagergren  
IONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

12 Acting Director

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of **JOANN  
MARTINEZ** to Act as a Mortgage Loan  
Originator

ORDER ON APPLICATION FOR  
RENEWAL

Case No MG-17-88623

---

On December 22, 2017, Joann Martinez (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) an application to renew her license to practice as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the requirements of Utah Code Ann § 61-2c-203 (2012) The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order

**REASONS FOR DECISION**

Utah Code § 61-2c-203 (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently Utah Administrative

Code § R162-2c-202 requires the Division and Commission to consider an applicant's criminal history in making that determination. Specifically, Utah Administrative Code § R162-2c-202(1)(a)(i)(A) provides that a mortgage license may not be issued to an applicant who has been convicted of a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering. In addition, Utah Administrative Code § R162-2c-202(1)(a)(i)(B) provides that in the seven-year period preceding the date of application a mortgage license may not be issued to an applicant who has been convicted of any other felony. Finally, Utah Administrative Code § R162-2c-202(1)(a)(i)(D) provides that a mortgage license may not be issued to an applicant who, within the three-year period preceding the date of application, has been prosecuted for a misdemeanor in which a finding of fraud, misrepresentation, theft, or dishonesty was entered against her.

On January 24, 2017, Applicant pleaded guilty in case number 161400838 to issuing a bad check or draft, a 2<sup>nd</sup> degree felony, issuing a bad check and failing to make good on payment, a class A misdemeanor, and issuing a bad check or draft, a class A misdemeanor. With regard to the felony conviction, Applicant was sentenced to serve an indeterminate term of not less than one year nor more than 15 years in prison (suspended). With regard to the misdemeanor convictions, Applicant was sentenced to serve 365 days in jail (275 days suspended), complete 150 hours of community service, and placed on probation for 36 months. Applicant paid restitution and her probation was successfully closed early. The case was closed November 27, 2017.

On May 9, 2011, an order on Applicant's application to renew her mortgage loan originator license was entered by the Division citing several tax liens and placing Applicant's

license on probation. The Division determined that Applicant's tax liens reflected negatively on her financial responsibility. There is no evidence that the tax liens have been satisfied.

On December 1, 2014, a civil judgment was entered against Applicant in case number 140408204 (3<sup>rd</sup> District Court, West Jordan, Salt Lake County, Utah) in the amount of \$77,577. This judgment has not been satisfied or discharged

Applicant's criminal history during the past term of licensure demonstrates a lack of respect for the law, which reflects negatively on her character and integrity. The unpaid tax liens and civil judgment against Applicant reflect negatively on her competency. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for licensure

The presiding officer is deeply concerned about the number and serious nature of Applicant's criminal behavior and notes from Applicant's recent civil judgment that she does not demonstrate financial responsibility or made significant progress in conducting her life as a responsible citizen.

The presiding officer finds that Applicant's felony conviction is within the seven-year look-back period outlined in Utah Administrative Code § R162-2c-202(1)(a)(i)(B). The presiding officer further finds that Applicant's misdemeanor convictions for issuing bad checks is within the three-year look-back period outlined in Utah Administrative Code § R162-2c-202(1)(a)(i)(D). Therefore, the presiding officer concludes that Applicant may not be issued a mortgage license at this time.

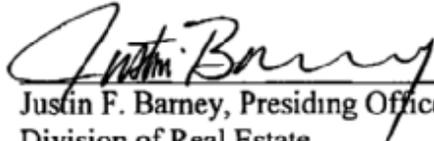
#### **ORDER**

Based on the above analysis, Joann Martinez's application for licensure as a mortgage loan originator is denied.

This order shall be effective on the signature date below

DATED this 28<sup>th</sup> day of December, 2017.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and R151-46b-12 of the departmental rules.

CERTIFICATE OF MAILING

I hereby certify that on the 28<sup>th</sup> day of January, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following.

Joann Martinez  
PO BOX 8167  
Midvale, Utah 84047

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6559 45

SENDERS RECORD



DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**KARL EDWIN SMITH** to Act as a Lending  
Manager

ORDER ON APPLICATION  
Case No. MG-17-94613

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On September 19, 2017, Karl Edwin Smith (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a lending manager. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on January 28, 2015, Applicant pleaded guilty in case number 155000027 (Farr West Justice Court, Weber County, Utah) to driving under the influence, a class B misdemeanor. Applicant was sentenced to serve six months in jail (suspended), fined, ordered to complete 48 hours of community service, and placed on probation for six months. Applicant completed his probation and paid the fine. The case was closed February 23, 2016.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, in making this determination.

Applicant's criminal history demonstrates a lack of respect for the law and the safety of others, which reflects negatively on his character and integrity. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of the criminal offense in Applicant's past. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. In mitigation, the presiding officer notes that Applicant honestly disclosed his criminal history on his application, that Applicant's criminal offense does not involve fraud, misrepresentation, or deceit, and that this incident appears to be an isolated instance of poor judgment rather than an episode in a long history of criminal behavior. Therefore, the presiding officer finds that issuing a probationary license is justified.

### **ORDER**

Based on the above analysis, Karl Edwin Smith's application for licensure as a lending manager is granted with restriction. The license is placed on probation until December 31, 2018. During the probationary period, Mr. Smith shall comply with all laws and with the rules

regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a lending manager.

This order shall be effective on the signature date below

DATED this 21<sup>st</sup> day of September, 2017.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 21<sup>st</sup> day of September, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

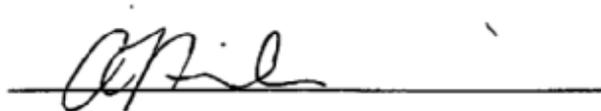
Karl Edwin Smith  
2852 Marilyn Drive  
Ogden, Utah 84403

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6551 29

SENDERS RECORD



DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
P O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of **KIERSTIN D. ELDREDGE**,  
Applicant

ORDER CONVERTING AUTOMATIC  
REVOCATION OF CONDITIONAL  
MORTGAGE LOAN ORIGINATOR  
LICENSE TO SUSPENSION

Case No. MG-17-96604

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BY THE DIRECTOR:

Kierstin D Eldredge (Applicant) was issued a conditional mortgage loan originator license, effective November 29, 2007, pending the completion of a criminal background check. The criminal background check subsequently revealed that Applicant did not accurately disclose her criminal history from May 17, 1996 in case number 961400376 (4<sup>th</sup> District Court, Provo, Utah County, Utah) in which she pleaded guilty to 10 counts of forgery. Pursuant to Utah Code § 61-2c-202(4)(d), Applicant's conditional mortgage loan originator's license was therefore automatically revoked on April 13, 2009. The convictions were later reduced to class B misdemeanors. Upon consideration of these facts, the Director finds that Applicant's conditional mortgage loan originator license was revoked for failure to disclose a criminal history. The revocation was not as a result of a felony charge involving an act of fraud, dishonesty, a breach of trust, or

money laundering. Further, the statute under which Applicant's conditional license was revoked provides an applicant the opportunity to reapply for licensure one year after the date of revocation. This statutory provision indicates that the revocation was not intended to be a lifetime bar to Applicant's career as a mortgage professional.

The Director therefore finds that, pursuant to Utah Code § 61-2c-402(4) (2016), Applicant qualifies to have the revocation converted to a suspension.

**ORDER**

It is hereby ordered that the 2009 revocation of Kierstin D. Eldredge's conditional mortgage loan originator license is converted to a suspension on a nunc pro tunc basis. The revocation shall not be reported to the Nationwide Mortgage Licensing System. This order shall be effective on the signature date below.

Dated this 13 day of December, 2017

UTAH DIVISION OF REAL ESTATE

  
Jonathan C. Stewart, Director

**CERTIFICATE OF MAILING**

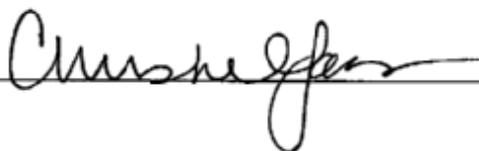
I certify that on the 15<sup>th</sup> day of December, 2017, the undersigned served a true and correct copy of the foregoing notice of correction by first class mail to.

Kierstin D. Eldredge  
1809 West 720 South  
Orem, Utah 84058

Certified Article Number

7196 9008 9111 7399 6192

SENDERS RECORD



DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
P O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**LESLIE LYSY** to Act as a Mortgage Loan  
Originator

ORDER ON APPLICATION  
Case No MG-17-95442

---

On October 11, 2017, Leslie Lysy (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on April 22, 2011, Applicant pleaded guilty on December 3, 2012, in case number 121400793 (4<sup>th</sup> District Court, Provo, Utah County, Utah) to theft and obstructing justice, both class A misdemeanors. Both charges were later reduced to class B misdemeanors. Applicant was sentenced to serve 365 days in jail (suspended), fined, allowed to complete 40 hours of community service in lieu of \$200, and placed on probation for 12 months. Applicant completed her probation and the case was closed January 14, 2014.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly her criminal history, in making this determination.

Applicant's criminal history involving theft reflects negatively on her character. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of criminal offenses in Applicant's past. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. In mitigation, the presiding officer notes that Applicant honestly disclosed her criminal history on her application. Therefore, the presiding officer finds that issuing a probationary license is justified.

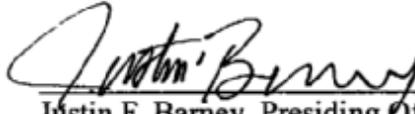
### **ORDER**

Based on the above analysis, Leslie Lysy's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation until December 31, 2018. During the probationary period, Ms. Lysy shall comply with all laws and with the rules regulating her profession, and shall conduct herself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage loan originator.

This order shall be effective on the signature date below.

DATED this 24th day of October, 2017.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann § 63G-4-301 and Utah Admin Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 7th day of November, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following.

Leslie Lysy  
8905 N Pine Hollow Dr.  
Cedar Hills, Utah 84062

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6563 55

SENDERS RECORD

  
\_\_\_\_\_

DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P.O. BOX 146711  
SALT LAKE CITY, UT 84114-6711  
TELEPHONE: (801) 530-6747  
FAX: (801) 530-6749

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

In the Matter of the License of

**LINDA KAY CRESWELL,**

to Act as a Mortgage Loan Originator.

**STIPULATION & ORDER**

Case No. MG-13-67494

---

The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its Chief Investigator, Kadee Wright, and Linda Kay Creswell ("Respondent"), a licensed Mortgage Loan Originator, of Springville, Utah, hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a licensee of the Division, licensed as a Mortgage Loan Originator, holding License No. 5941795-NMLO.
2. Respondent admits the jurisdiction of the Utah Residential Mortgage Regulatory Commission (the "Commission") over Respondent and over the subject matter of this action.
3. Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann. § 61-2c-402.1 and the rules promulgated thereunder. Respondent and the Division

hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann. § 63G-4-102(4).

4. Respondent admits the following (names withheld for privacy):
  - a. At all times relevant to this stipulation, Respondent was a mortgage loan originator in the Orem office of Superior Lending Associates, L.C. ("SLA"), a licensed mortgage company.
  - b. On or around February 11, 2013, Respondent's borrower, "J.P.", had left town and was not available to sign a Fair Credit Reporting Act disclosure.
  - c. On or around February 11, 2013, Respondent cut and pasted J.P.'s signature from a HUD-92900-A form and applied it to the Fair Credit Reporting Act disclosure and submitted the borrower's loan package to Freedom Mortgage.
  - d. Freedom Mortgage discovered the cut and pasted signature and contacted SLA's management. Along with SLA's management, Respondent wrote an apology and explanation letter to Freedom Mortgage. Freedom Mortgage agreed to allow the loan to close once they received an updated Fair Credit Reporting Act disclosure with J.P.'s authentic signature.
  - e. SLA placed Respondent on an internal probation for six months, required Respondent to complete an ethics course, and conducted audits on every loan file for the next six months.
  - f. No other issues relating to Respondent were discovered by SLA during the audit period.

5. Respondent admits that the above acts and practices constitute violation(s) of Utah Code Ann. § 61-2c *et seq.*, and the rules promulgated thereunder, as were in effect at the time of such violation(s). Specifically, Respondent admits that Respondent has violated:
- a. **Utah Code Ann. § 61-2c-301(1)(d) and 301(1)(l) (2012). Prohibited conduct – Violations of the chapter.**
- (1) A person transacting the business of residential mortgage loans in this state may not:
- (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:
- (i) make a false statement or representation;
- (ii) cause false documents to be generated; or
- (iii) knowingly permit false information to be submitted by any party;
- (l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;
6. Respondent admits that by violating the foregoing statutes and/or rules, grounds exist for taking disciplinary action against Respondent's license in accordance with Utah Code Ann. § 61-2c-402(1)(a).
7. As full settlement of all of the issues raised in this stipulation, Respondent agrees as follows:
- a. Respondent shall pay a civil penalty of Six Thousand Dollars (\$6,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
- b. Respondent's license to act as a Mortgage Loan Originator shall be placed on probation until December 31, 2018.
- c. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice

be suspended pursuant to Utah Code Ann. § 61-2c-402(3)(b) until such time as Respondent complies in full with the terms of this order. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).

8. The Division and Respondent recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann. § 52-4 *et seq.*
9. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
10. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
11. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 12 and a hearing shall be scheduled for this matter.
12. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:

- a. having reviewed this stipulation;
- b. having heard any statement made by investigative staff or any statement made by Respondent; and
- c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

13. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order, and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
14. Respondent affirms that Respondent enters into this stipulation voluntarily.
15. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
16. Respondent acknowledges that Respondent has been informed of Respondent's right to be represented by legal counsel and that if Respondent has waived this right, Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so.
17. Respondent acknowledges that this action shall be reported to the NMLS.
18. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.

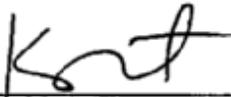
19. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
20. Respondent acknowledges that this Stipulation and Order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on the Respondent's license and the terms of this Stipulation and Order.

RESPONDENT:

  
LINDA KAY CRESWELL

Dated: 12-20-17

DIVISION OF REAL ESTATE

By:   
Kadee Wright  
Chief Investigator

Dated: 12/21/17

**ORDER**

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of the filing of a petition and the holding of a hearing:

- a. Respondent shall pay a civil penalty of Six Thousand Dollars (\$6,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
- b. Respondent's license to act as a Mortgage Loan Originator shall be placed on probation until December 31, 2018.
- c. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code Ann. § 61-2c-402(3)(b) until such time as Respondent complies in full with the terms of this order. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).

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This order shall be effective on the signature date below.

Dated this 3 day of January, 2018.

**RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION**

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
STEVEN A. HIATT

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 3 day of January, 2018.

  
\_\_\_\_\_  
JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.

  
Name: Jonathan Stewart  
Division / Acting Director

Elizabeth B. Harris (#11173)  
Assistant Attorney General  
SEAN D. REYES (#7969)  
UTAH ATTORNEY GENERAL  
Commercial Enforcement Division  
160 East 300 South, 5<sup>th</sup> Floor  
P.O. Box 140872  
Salt Lake City, UT 84114-0872  
Phone: (801) 366-0310

*Attorneys for the Division of Real Estate*

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

<b>IN THE MATTER OF THE LICENSE OF:</b>  <b>MARIA HANSEN</b>	<b>STIPULATION &amp; CONSENT ORDER</b>  Docket No. MG-2018-004  (Div. Case No. MG-14-71705)
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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its counsel, Elizabeth B. Harris, and Maria Hansen ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Mortgage Loan Originator licensed by the Division under license number 8529398-NMLO.
2. Respondent was the subject of an investigation conducted by the Division into allegations that she violated certain provisions of the Utah Residential Mortgage Practices and Licensing Act (the "Act"), Utah Code 61-2c-101 (2012) *et seq.*, and Utah Residential Mortgage Practices and Licensing Rules (the "Rules"), Utah Admin. Code R162-2c-101 (2012), *et seq.*, as amended.

3. In connection with that investigation, on or about March 6, 2018, the Division initiated an administrative action against Respondent by filing a Verified Petition.
4. A formal administrative hearing in this matter is currently scheduled for August 8-9, 2018 before the Director of the Division of Real Estate ("Director") and Utah Residential Mortgage Regulatory Commission ("Commission").
5. Respondent understands that she has a right to be represented by counsel, and she voluntarily and knowingly waives the right to have counsel represent her in this matter.
6. Respondent admits the jurisdiction of the Division and Commission over Respondent and over the subject matter of this action.
7. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code § 63G-4-102(4).
8. Respondent understands that she is entitled to a hearing before the Director and Commission, at which time she may present evidence on her own behalf, call witnesses, and confront adverse witnesses. Respondent understands that by signing this document she hereby waives the right to a hearing, the right to present evidence on her own behalf, the right to call witnesses, the right to confront adverse witnesses, and any other rights to which she may be entitled in connection with said hearing.
9. Respondent understands that by signing this document she waives all rights to any administrative and judicial review as set forth in Utah Code §§ 63G-4-301 through 63G-4-405 and Utah Admin. Code R151-4-901 through R151-4-907.
10. Respondent admits the following statements of fact are true and correct:
  - a. In 2012 and 2013, Respondent worked from home as a contract loan processor providing loan processing services to B. Miles, the principal lending manager of Precision Home Loans, Inc ("Precision"), a licensed mortgage broker.

- b. Respondent obtained a mortgage loan originator license in December 2012. At that time, Precision also sponsored the mortgage loan originator licenses of L.T. and J. Dunroe.
- c. At some point prior to April 2013, Miles notified Respondent that his name had been placed on the Freddie Mac Exclusionary List. In or around April 2013, Miles notified Respondent that he would be converting Precision into a new branch office for a retail lender (the "Lender"). At that time, Miles also informed Respondent that he had been placed on the Exclusionary List by mistake and that his name would be removed from the list in the next few weeks.
- d. In mid-April 2013, L.T., J. Dunroe, and Respondent transferred the sponsorship of their licenses to the Lender. Because Precision still had outstanding loans in its pipeline, Miles kept sponsorship of his license with Precision until June 11, 2013.

#### **L.T. Loans**

- e. On or around April 29, 2013, Miles took a loan application from N. and S. Taylor. ("Taylor Loan")
- f. Thereafter, Miles directed Respondent to open a loan file and process the loan for him through the Lender under L.T.'s name and license.
- g. Although Respondent knew Miles had originated the Taylor Loan, she processed the loan under L.T.'s name as instructed by Miles.
- h. On or about May 20, 2013, J. Dunroe took a loan application for S. Dunroe ("S. Dunroe Loan").
- i. Miles directed Respondent to open a loan file and process the S. Dunroe Loan under L.T.'s name and license.
- j. Although Respondent knew J. Dunroe had originated the S. Dunroe Loan, she

processed the loan under L.T.'s name as instructed by Miles.

- k. Between April 29, 2013 and August 23, 2013, Miles directed Respondent to process three additional loans originated by Miles under L.T.'s name and license. At the time Respondent processed the loans, Respondent knew Miles was the actual originator of the loans.
- l. When processing the above listed loans, Respondent signed L.T.'s name on a Residential Mortgage Loan Application on at least three occasions.
- m. L.T. reported to the Division that the above listed loans were originated in her name without her knowledge and consent.
- n. Respondent was paid her standard processing fee of \$500 for each of these files.
- o. Although Miles was excluded from participating in transactions with Freddie Mac, at least one of the loans was approved through Loan Prospector ("LP"), Freddie Mac's automated underwriting system. Respondent had knowledge of the LP approval prior to closing. The loan was ultimately purchased and/or securitized by Freddie Mac.

#### **Dunroe Loans**

- p. Between April 2013 and September 2013, Miles directed Respondent to process at least three additional loans originated by Miles under J. Dunroe's name and license. At the time Respondent processed the loans, Respondent knew that Miles was the actual originator of the loans.
- q. Respondent was paid her standard processing fee of \$500 for each of these loans.

#### **Hansen Loans**

- r. Between April 2013 and September 2013, Respondent allowed Miles to originate at least nine loans under Respondent's name and license as requested by Miles.

- s. Although Miles was excluded from participating in transactions with Freddie Mac, at least one of these loans was approved through LP and was ultimately purchased and/or securitized by Freddie Mac.

11. The Division recognizes the following mitigating circumstances:

- a. Respondent was following Miles' instructions when she engaged in the conduct set forth above.
- b. Respondent believed L.T. had given Miles and Dunroe permission to originate loans under her name and license.
- c. Respondent understood that general counsel for the Lender had approved Miles' plan to originate loans under other loan originators' names and licenses and engaged in the conduct set forth above based upon that understanding.
- d. Although Respondent was paid her standard fee for the loans she processed, Respondent received no compensation for the loans Miles originated under her name.
- e. Respondent was not familiar with the Exclusionary List and did not understand how the list worked.

12. Respondent admits that the above acts and practices constitute violation(s) of the Act and

Rules. Specifically, Respondent admits that Respondent has violated:

- a. **Utah Code § 61-2e-301(1)(d) (iii) (2012-2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1) (d) do any of the following to induce a lender to extend credit as part of a residential mortgage loan transaction:

- (iii) knowingly permit false information to be submitted by any party;

**b. Utah Code § 61-2c-301(1)(l) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1)(l) engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation;

**c. Utah Code § 61-2c-301(1)(p) (2012 & 2013). Prohibited Conduct – Violations of the chapter.**

A person transacting the business of residential mortgage loans in this state may not:

(1)(p) engage in an act that is performed to:

(ii) assist another person to evade the chapter;

**d. Utah Admin. Code R162-2c-201(5)(b) (2012 & 2013). Licensing and Registration Procedures**

(5)(b) A licensee shall not allow any other person to work under the licensee's license.

13. Respondent agrees that by engaging in such conduct, the Division is justified in taking disciplinary action against her license pursuant to Utah Code § 61-2c-402.
14. As full settlement of all the issues raised in this stipulation, Respondent agrees that an Order may be entered against her as follows:
- a. Respondent's mortgage loan originator license shall be suspended for twelve (12) months. The suspension period shall be deemed to have started running on March 20, 2018.
  - b. Respondent shall pay a civil penalty of \$5,000 to the Division within ten (10) months from the date that the Commission and the Director sign the final order in this matter.
  - c. Should Respondent fail to pay said amounts within 10 months, pursuant to the

provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.

- d. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.
  - e. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.
15. Respondent and the Division recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code § 52-4 *et seq.*
16. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
17. Respondent has the right to be present when the stipulation is presented for consideration

and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.

18. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 19, and a formal hearing shall be held in this matter as currently scheduled on August 8-9, 2018.
19. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
  - a. having reviewed this stipulation;
  - b. having heard any statement made by investigative staff or any statement made by Respondent; and
  - c. having decided the stipulation shall be null and void.

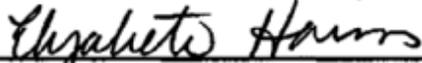
This waiver shall survive any nullification of this stipulation.

20. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
21. Respondent agrees to furnish full and complete cooperation to the Division in resolving this and related administrative enforcement matters. Such cooperation shall include attending any meeting scheduled to discuss matters related to the above-described

- conduct whenever the Division requests such attendance, and to testify truthfully as a witness in any proceeding including, but not limited to, the hearing in the matter of **Brandt Miles, DRE Docket No. MG-2018-001.**
22. Respondent affirms that Respondent enters into this stipulation voluntarily.
  23. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
  24. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
  25. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.
  26. Respondent acknowledges that this stipulation and order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this stipulation and order.

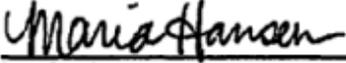
SEAN D. REYES  
UTAH ATTORNEY GENERAL

Dated: June 20, 2018.

  
Elizabeth B. Harris, Assistant Attorney General  
160 East 300 South, 5<sup>th</sup> Floor  
Salt Lake City, Utah 84114  
*Counsel for the Division of Real Estate*

RESPONDENT

Dated: June 20, 2018.

  
Maria Hansen  
5804 N Arlington Dr.  
Mountain Green, UT 84050

## ORDER

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of holding a hearing in this matter:

1. Respondent's mortgage loan originator license shall be suspended for twelve (12) months. The suspension period shall be deemed to have started running on March 20, 2018.

2. Respondent shall pay a civil penalty of \$5,000 to the Division within ten (10) months from the date that the Commission and the Director sign the final order in this matter.

3. Should Respondent fail to pay said amounts within 10 months, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now, and hereafter, authorizes entry of Judgment against her for the unpaid balance owing to the Division ("Judgment Amount"). Respondent admits, agrees, and acknowledges that the Judgment Amount will be justly due the Division by virtue of her material failure to timely pay the civil penalty as set forth herein. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against her, less any sums paid to the Division after the date hereof, should she fail to comply with the terms set forth in this Stipulation and Consent Order.

4. Respondent shall update the answers on her MU4 disclosure form to reflect this regulatory action within 10 calendar days from the date that the Commission and the Director sign the final order in this matter.

5. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code § 61-2c-402(3)(B)(i)(A) until such time as Respondent complies in full with the terms of this order.

This order shall be effective on the signature date below.

Dated this 22<sup>nd</sup> day of June, 2018.

UTAH RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
STEVE A. HIATT

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 22<sup>nd</sup> day of June,

2018.

Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.

Mark A. Fagergren  
Name:

Division / Acting Director

Mark A. Fagergren  
~~JONATHAN C. STEWART, DIRECTOR~~  
DIVISION OF REAL ESTATE  
Acting Director

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the License of:

**D. PETER LASSIG, II,**

to act as a PRINCIPAL LENDING  
MANAGER,

Respondent.

**FINDINGS OF FACT, CONCLUSIONS OF  
LAW, AND RECOMMENDED ORDER**

**Docket No. MG-2017-007**  
**Case No. MG-13-65829**

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**APPEARANCES:**

D. Peter Lassig, appearing *pro se*  
Allen McNeil for the Division of Real Estate

**COMMISSION MEMBERS:**

Kay Ashton, Vice Chair  
Cathy J. Gardner  
G. Scott Gibson

**BY THE UTAH RESIDENTIAL MORTGAGE REGULATORY COMMISSION:**

The Utah Division of Real Estate (Division) brought allegations against D. Peter Lassig (Respondent) based upon information and belief arising out of an investigation conducted by the Division under its authority as set forth in Utah Code §61-2c-401. A disciplinary hearing was held before the Utah Mortgage Regulatory Commission (Commission) and the Director of the Division (Director) on November 1, 2017. The presiding officer in this matter was Kay Ashton,

who conducted the hearing. The Division was represented by Allen McNeil. Respondent appeared, *pro se*, and testified on his own behalf. Tim Cuthbertson testified for the Division.

The Commission enters the following findings of fact, conclusions of law, and recommended order.

#### FINDINGS OF FACT

1. At all relevant times, Respondent is the Principal Lending Manager of Elite Mortgage Company, LLC, a licensed Mortgage Lender Company.
2. By email on Friday, April 26, 2013 (Bates no. DRE0038), Respondent agreed to provide a borrower seeking the refinancing of a loan (the "Borrower"), a 15 year, fixed-rate loan for \$86,000 at a 2.625% rate of interest (also offering a 2.500% rate and a 2.750% rate option).
3. By email on May 6, 2013 at 11:42 a.m. (DRE0034), the Borrower asked the Respondent:  
"Are you able to lock in the rates that we discussed last week?"
4. By email on Tuesday, May 14, 2013 at 3:46 p.m. (DRE0040), the Respondent stated:  
"I can guarantee you the original 15-year rates we discussed . . ."
5. By email on Wednesday, May 15, 2013 at 1:08 a.m. (DRE0044), the Respondent confirmed again:  
"As promised, I will honor my offer to you for a 15-year mortgage at 2.625 % (\$578.51 P&I) w/ \$1,075 in fees."
6. By email on Wednesday, May 15, 2013 at 11:19 a.m. (DRE0043), the Borrower responded, saying:  
"Thanks for the email and for honoring the previous rates. Let's go ahead and go with the 15 y[ea]r at 2.625% and \$1075 fees, \$578.51 P&I payment."
7. The Respondent never consummated this loan and his May 14<sup>th</sup> and May 15<sup>th</sup> at 1:08 a.m. emails were dishonest and a misrepresentation.

8. By email on Monday, May 20, 2013 at 12:10 p.m. (DRE0050), the Respondent gave assurance that the loan transaction described in paragraphs 2 and 5 above would be closed imminently, and stated:

“I expect that you’ll be signing closing documents in about two weeks with a funding in about 21 days.”
9. At the hearing, Respondent acknowledged that, by reason of the foregoing email, the Borrower would have reasonably believed that Respondent had locked the rate on the loan as reflected in paragraphs 2 and 5 above.
10. The acknowledged clear implication of the statement in paragraph 8 above is dishonest and a misrepresentation.
11. The Respondent at no time (a) locked a rate on the referenced loan, (b) made application for the loan, or (c) submitted loan documents to the Borrower.
12. At all times relevant, Utah Code §61-2c-301(1)(l) (2013) provided that a licensee may not “engage in an act or omission in transacting the business of residential mortgage loans that constitutes dishonesty, fraud, or misrepresentation.”

#### **CONCLUSIONS OF LAW**

Based upon the findings of fact as herein outlined, the Commission makes the following conclusions of law:

A. Respondent’s misplaced notion (i.e. that his statements (a) that he would provide a loan at an agreed interest rate, that he never was able to close and (b) that the loan, as agreed, would close within 21 days, when entirely false, do not constitute dishonesty or a misrepresentation, but that only a statement that he had locked the interest rate, but had not, would constitute a violation of the statute), is untenable.

B. These are egregious acts that are dishonest and Respondent's statements to the Borrower are misrepresentations.

C. The respondent violated Utah Code §61-2c-301(1)(I) (2013) by engaging in acts in transacting the business of residential mortgage loans that constituted dishonesty and misrepresentation.

D. Utah Code §61-2c-402 (2013) authorizes the Commission and the Director of the Division of Real Estate to impose a civil penalty up to \$5,000 for each violation, to impose educational requirements on Respondent, and to restrict Respondent's license.

#### **RECOMMENDED ORDER**

Based on the above findings and conclusions, the Commission recommends to the Director of the Division that:

Respondent be assessed a total civil penalty of \$5,000. This fine is to be paid by Respondent within 6 months of the date of the Order of the Division entered in this matter.

In addition, Respondent shall, prior to qualifying for renewal of his license for the calendar year beginning January 1, 2019, retake the entire Principal Lending Manager ("PLM") pre-licensing course. These coursework hours are in addition to the hours of continuing education required for Respondent's renewal of licensure.

Respondent's license shall be placed on probation until December 31, 2018.

If Respondent fails to pay the civil penalty in full by the due date, or if Respondent fails to complete the PLM course by December 31, 2018, his license shall be immediately and automatically suspended, and should not be reinstated until Respondent complies with the Order of the Division entered in this matter.

DATED this 2<sup>nd</sup> day of November, 2017.

Signed by the Presiding Officer pursuant to a grant of authority from the Utah Residential Mortgage Regulatory Commission and on its behalf.

UTAH DEPARTMENT OF COMMERCE



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Kay Ashton, Presiding Officer

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the License of:

**D. PETER LASSIG, II,**

to act as a PRINCIPAL LENDING  
MANAGER,

Respondent.

**FINAL ORDER**

**Docket No. MG-2017-007**

Case No. MG-13-65829

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Pursuant to a grant of authority from the Commission and on its behalf, and based on the Findings of Fact and Conclusions of Law entered by the Presiding Officer in this matter, the Director now enters the following Order:

**ORDER**

Respondent is assessed a total civil penalty of \$5,000. This fine is to be paid by Respondent within 6 months of the date of this Order.

In addition, Respondent shall, prior to qualifying for renewal of his license for the calendar year beginning January 1, 2019, retake the entire Principal Lending Manager ("PLM") pre-licensing course. These coursework hours are in addition to the hours of continuing education required for Respondent's renewal of licensure.

Respondent's license shall be placed on probation until December 31, 2018.

---

If Respondent fails to pay the civil penalty in full by the due date, or if Respondent fails to complete the PLM course by December 31, 2018, his license shall be immediately and automatically suspended, and shall not be reinstated until Respondent complies with this Order.

DATED this 6 day of November, 2017.

UTAH DIVISION OF REAL ESTATE

  
Jonathan C. Stewart, Director

**Notice of Right to Administrative Review**

Review of this order may be sought by filing a written request for administrative review with the Executive Director of the Department of Commerce within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code R151-4-902.

CERTIFICATE OF SERVICE

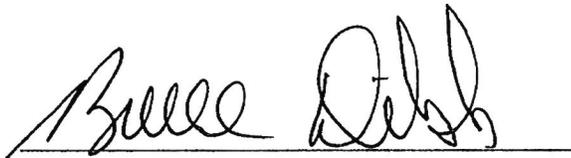
I hereby certify that I have this 6<sup>th</sup> day of November, 2017, served this ORDER and a copy of the Findings of Fact, Conclusions of Law and Recommended Order on the parties of record in this proceeding set forth below by mailing a copy, postage prepaid, by regular mail to;

D. Peter Lassig  
1370 South 400 East  
Bountiful, Utah 84010

and by email to:

Allen McNeil  
[amcneil@utah.gov](mailto:amcneil@utah.gov)

Amber Nielsen  
[amb Nielsen@utah.gov](mailto:amb Nielsen@utah.gov)





GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

State of Utah  
Department of Commerce  
Division of Real Estate

FRANCINE A. GIANI  
Executive Director

THOMAS A. BRADY  
Deputy Director

Certified Article Number

7196 9008 9111 7399 5843

SENDERS RECORD

JONATHAN C. STEWART  
Real Estate Division Director

November 8, 2017

D. PETER LASSIG, II  
1370 SOUTH 400 EAST  
BOUNTIFUL UT 84010

RE: Case No. MG-13-65829  
License No. 5558239-NMLM

Dear Mr. Lassig:

Enclosed is a copy of the signed order in the above-referenced case. It has now been approved and adopted by the Utah Residential Mortgage Regulatory Commission and the Director of the Division of Real Estate.

Your license has been put on probation until December 31, 2018.

You have been fined \$5,000.00 to be paid to the Division no later than May 6, 2018. Please make checks payable to "Division of Real Estate" or, you may pay with a credit card over the phone by calling the Division at (801) 530-6747.

In addition, prior to qualifying for renewal of your license for the calendar year beginning January 1, 2019, retake the entire Principal Lending Manager ("PLM") pre-licensing course. These coursework hours are in addition to the hours of continuing education required to renew your license.

Should you fail to pay the fine or complete other conditions of the Order by the agreed deadline(s), your license will immediately, without notice, become suspended and may only be reinstated on the condition that the fine and other conditions of the Order are met, in addition to any other license reinstatement requirements.

Thank you for your cooperation in this matter. If you have any questions, please call me at (801) 530-6747.

Sincerely,

Kadee Wright  
Chief Investigator

Enclosure

DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P.O. BOX 146711  
SALT LAKE CITY, UT 84114-6711  
TELEPHONE: (801) 530-6747  
FAX: (801) 530-6749

BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

In the Matter of the License of

QUICKEN LOANS INC

STIPULATION & ORDER

Case No. MG-14-72399

The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its Chief Investigator, Kadee Wright, and Quicken Loans Inc ("Respondent"), a licensed Mortgage Lender Company, hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a licensee of the Division, licensed as a Mortgage Lender Company under License No. 5489714-NMLC.
2. Respondent admits the jurisdiction of the Utah Residential Mortgage Regulatory Commission (the "Commission") over Respondent and over the subject matter of this action.
3. Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann. § 61-2c-402.1 and the rules promulgated thereunder. Respondent and the Division hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann. § 63G-4-102(4).

4. Respondent admits the following:

- a. At all times relevant to this stipulation, Respondent was a licensed Mortgage Lending Company in Utah.
- b. In 2014, Respondent created and sent a mailer to prospective borrowers advertising a VA Loan Refinance program. The mailer contained the following information and characteristics:
  - i. A watermark appearing to be an emblem of a federal government agency with the words: "GOVERNED BY: UNITED STATES VETERANS DEPARTMENT";
  - ii. A red stamp depicting an eagle encircled by stars (the seal of the Department of Veteran Affairs also depicts an encircled eagle and also contains stars);
  - iii. A directive stating: "IMMEDIATELY CONTACT OUR MAIN OFFICE AT 888-494-5907 TO CONFIRM RECEIPT";
  - iv. An ostensible deadline for responding to the solicitation providing: "RESPONSE REQUIRED BY SEPTEMBER 12, 2014"; and
  - v. A quoted rate of 2.75% (2.45% APR) displayed multiple times on the front of the mailer, which is less noticeably explained on the back of the mailer to be the rate for an adjustable rate loan.
- c. The advertising mailer has the appearance of a governmental agency document, and indicated that urgent action had to be taken by a specific date to secure favorable VA refinancing.

- d. The response deadline set forth in the mailer did not reflect a bona fide deadline by which a recipient had to act in order to secure VA refinancing at the rate set forth therein.
- e. Disclaimers on the back of the mailer provide that interest rates change daily and that the actual available interest rate would depend on the date a rate was locked.

Mitigating Factors

- f. The Division received only one (1) complaint relating to the above-described advertising mailer. The complaint was received in 2014.
  - g. Respondent represents that it has not used the above-described advertising mailer, or any advertising mailer similar thereto, since August 2014.
  - h. There is no evidence that any borrower detrimentally relied on the above-described advertising mailer.
5. The Division concludes that the above acts and practices constitute violation(s) of Utah Code Ann. § 61-2c-101 *et seq.*, and the rules promulgated thereunder, as were in effect at the time of such violation(s). Specifically, the Division concludes that Respondent has violated:
- a. Utah Code Ann. § 61-2c-301(1)(m) (2014). Prohibited conduct – Violations of the chapter.
    - (1) A person transacting the business of residential mortgage loans in this state may not:
      - (m) engage in false or misleading advertising;
6. Based on the investigation and conclusion of the Division, grounds exist for taking disciplinary action against Respondent's license in accordance with Utah Code Ann. § 61-2c-402(1)(a).

7. As full settlement of all of the issues raised in this stipulation, Respondent agrees as follows:
- a. Respondent shall pay a civil penalty of Three Thousand Dollars (\$3,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
  - b. Should Respondent fail to pay said sum within the 90-day period, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, Respondent specifically now and hereafter authorizes entry of judgment against Respondent for the unpaid balance owing to the Division. Respondent hereby admits, agrees, and acknowledges that the judgment amount will be justly due the Division by virtue of Respondent's material failure to timely pay the civil penalty as set forth herein.
  - c. In confessing judgment, Respondent hereby agrees and authorizes that the judgment may be immediately entered against Respondent, less any sums paid to the Division after the date hereof; should Respondent fail to comply with the terms set forth in the Order.
  - d. Respondent's automatic confession of judgment is unconditional and irrevocable and shall be binding.
  - e. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code Ann. § 61-2e-402(3)(b) until such time as Respondent complies in full with the terms of this order.

- f. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).
8. The Division and Respondent recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann. § 52-4-101 *et seq.*
9. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
10. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
11. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 12 and a hearing shall be scheduled for this matter.
12. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
- a. having reviewed this stipulation;

b. having heard any statement made by investigative staff or any statement made by Respondent; and

c. having decided the stipulation shall be null and void.

This waiver shall signify any nullification of this stipulation.

13. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order, and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
14. Respondent affirms that Respondent enters into this stipulation voluntarily.
15. Respondent is represented in this matter by George Sutton of the law firm Jones Waldo. Respondent acknowledges and affirms that Respondent has received competent and effective assistance from counsel.
16. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
17. Respondent acknowledges that this action shall be reported to the NMLS.
18. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.

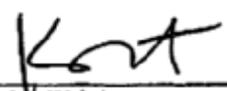
19. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
20. Respondent acknowledges that this Stipulation and Order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on the Respondent's license and the terms of this Stipulation and Order.

RESPONDENT:

QUICKEN LOANS INC

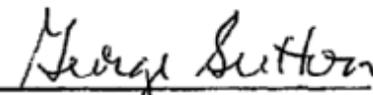
By:  (sign) Dated: 4-17-18  
Jay Farner (print)  
CEO (title)

DIVISION OF REAL ESTATE

By:  Dated: 4/20/18  
Kadee Wright  
Chief Investigator

Approved as to form:

JONES WALDO

By:   
George Sutton  
Attorney for Respondent

## ORDER

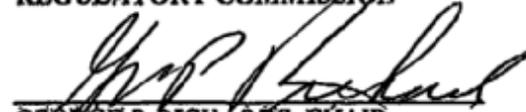
The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of the filing of a petition and the holding of a hearing:

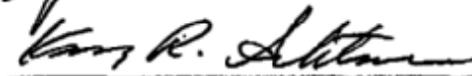
- a. Respondent shall pay a civil penalty of Three Thousand Dollars (\$3,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
- b. Should Respondent fail to pay said sum within the 90-day period, pursuant to the provisions of Utah Code § 78B-5-205 and Rule 58A of the Utah Rules of Civil Procedure, judgment shall be entered against Respondent for the unpaid balance owing to the Division in accordance with the foregoing stipulation. The judgment amount will be justly due the Division by virtue of Respondent's material failure to timely pay the civil penalty as set forth herein.
- c. Respondent's automatic confession of judgment is unconditional and irrevocable and shall be binding.
- d. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code Ann. § 61-2c-402(3)(b) until such time as Respondent complies in full with the terms of this order.
- e. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).

This order shall be effective on the signature date below.

Dated this 2 day of May, 2018.

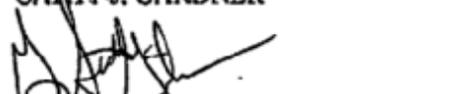
RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

  
\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

  
\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

  
\_\_\_\_\_  
STEVEN A. HIATT

  
\_\_\_\_\_  
CATHY S. GARDNER

  
\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 2 day of May  
2018.

  
\_\_\_\_\_  
JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**ROBERT JOSEPH SEDILLO** to Act as a  
Mortgage Loan Originator

ORDER ON APPLICATION

Case No. MG-18-99156

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On March 23, 2018, Robert Joseph Sedillo (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on March 11, 2016, Applicant pleaded guilty in case number 2016020446 (Mesa Municipal Court, Arizona) to assault (domestic violence), a misdemeanor. Applicant was ordered to pay case assessment and court fees and was placed on probation for 24 months.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, •

truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, in making this determination.

Applicant's criminal history reflects negatively on his character. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the serious nature of criminal offense in Applicant's past. In mitigation, the presiding officer notes that Applicant's criminal offense does not involve fraud, misrepresentation, or deceit and that this incident appears to be an isolated instance. Therefore, the presiding officer finds that issuing a probationary license is justified.

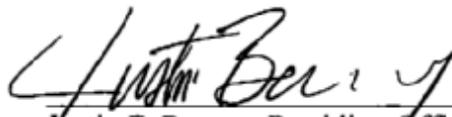
#### **ORDER**

Based on the above analysis, Robert Joseph Sedillo's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation for the initial licensing period. During the probationary period, Mr. Sedillo shall comply with all laws and with the rules regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage loan originator.

This order shall be effective on the signature date below.

DATED this 28th day of March, 2018.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 28<sup>th</sup> day of March, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

Robert Joseph Sedillo  
7238 E Osaga Ave  
Mesa, Arizona 85212

Certified Receipt No.

**Certified Article Number**

9414 7266 9904 2081 6555 32

**SENDERS RECORD**



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DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P.O. BOX 146711  
SALT LAKE CITY, UT 84114-6711  
TELEPHONE: (801) 530-6747  
FAX: (801) 530-6749

---

**BEFORE THE DIVISION OF REAL ESTATE  
OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH**

---

IN THE MATTER OF THE LICENSE OF <b>RYAN GREGORY WRIGHT</b> TO ACT AS A LENDING MANAGER.	STIPULATION AND ORDER  Case No. MG-14-71141
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The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its Chief Investigator, Kadee Wright, and Ryan Gregory Wright ("Respondent"), hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a Lending Manager licensed by the Division under license number 5487722-NMLM License status is Inactive.
2. Respondent admits the jurisdiction of the Residential Mortgage Regulatory Commission (the "Commission") over Respondent and over the subject matter of this action.
3. Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann. § 61-2c-402 1 (2017). Respondent and the Division hereby express their intent that

this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann. § 63G-4-102(4) (2017).

4. The Division and Respondent recognize and agree that this Stipulation shall not be binding until the Commission and the Director of the Division of Real Estate (“the Director”) review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann. § 52-4 *et seq.* (2017).
5. Respondent acknowledges that, as part of their review, the Commission and/or Director may ask the Division investigative staff questions about this Stipulation, and the investigative staff may answer such questions and provide factual information in public and on the record.
6. Respondent has the right to be present when the Stipulation is presented for consideration and to address the Commission about this Stipulation or the facts underlying it. If Respondent desires to be present to address the Commission, Respondent may contact Amber Nielsen, Board Secretary, at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this Stipulation will be presented for consideration to the Commission.
7. If the Commission does not approve any part of the Stipulation agreement proposed herein, this entire Stipulation shall be null and void except as to Paragraph 8, and a hearing shall be scheduled for this matter.
8. Should this Stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission by virtue of its:
  - a. having reviewed this Stipulation,

- b. having heard any statement made by investigative staff or any statement made by Respondent, and
- c. having decided the Stipulation shall be null and void.

This waiver shall survive any nullification of this Stipulation.

- 9. Respondent acknowledges that, upon approval by the Commission, this Stipulation shall be made a part of the attached final Order and shall not be subject to reconsideration, renegotiation, modification, appeal, or rehearing.
- 10. Respondent acknowledges that Respondent has the right to be represented in this action by legal counsel and that, if Respondent has waived this right, Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so.
- 11. Respondent affirms that Respondent enters into this Stipulation voluntarily.
- 12. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this Stipulation are contained herein.
- 13. Respondent admits that the following statements of fact are true and correct.
  - a. Respondent was a licensed Mortgage Loan Originator (inactive) from 2/10/06 until that license expired on 12/31/10. Respondent reacquired his Mortgage Loan Originator license (inactive) on 9/24/12, and it was replaced by his Lending Manager license (inactive) on 12/18/12. Respondent has hitherto maintained his Lending Manager license.
  - b. At all times relevant, Respondent owned and operated Dohardmoney.com, Inc. ("Do Hard Money").
  - c. Do Hard Money is a registered business with Utah's Division of Corporations and Commercial Code, however, it is not and never has been a licensed

Mortgage Entity with Utah's Division of Real Estate

- d. On or around 8/22/12, Respondent, acting on behalf of Do Hard Money, originated a closed-end loan for C.D. (name withheld to protect confidentiality) on a single-unit residence in Clinton, Utah.
  - e. On or around 9/26/13, Respondent, acting on behalf of Do Hard Money, originated a closed-end loan for S.L. (name withheld to protect confidentiality) on a single-unit residence in Centerville, Utah
  - f. On or around 4/1/14, Respondent, acting on behalf of Do Hard Money, originated a closed-end loan for B.H. (name withheld to protect confidentiality) on a single-unit residence in Tooele, Utah
  - g. In mitigation, prior to originating the loans, Respondent was advised by an attorney that Respondent and his entity did not need licenses to originate hard money loans on Utah subject properties. After the April 2014 loan, Respondent received contrary advice from another attorney, and Respondent immediately ceased lending on Utah subject properties prior to the Division's investigation
  - h. Do Hard Money currently lends in several states that do not require licensure for such lending activity, but the April 2014 loan to B.H. was Do Hard Money's final loan on a Utah subject property.
14. Respondent admits that based upon the foregoing facts, Respondent violated Utah Code Ann. § 61-2c-209(3)(a) (2013), which provides that "A person whose license is inactive may not transact the business of residential mortgage loans[ ]"
15. Respondent admits that based upon the foregoing facts, Respondent violated Utah Code Ann. § 61-2c-201(1) (2012), which provides that, "Unless exempt from this chapter under Section 61-2c-105, a person may not transact the business of residential

mortgage loans without obtaining a license under this chapter[.]”

16. Respondent admits that, by violating the above statutes, grounds exist for taking disciplinary action against Respondent’s license in accordance with Utah Code Ann. § 61-2c-402(1)(a) (2013).
17. As full settlement of all issues raised in this Stipulation, Respondent agrees that an order shall be entered as follows.
  - a. Respondent shall pay a civil penalty of Four Thousand Dollars (\$4,000 00) to the DIVISION within ninety (90) days of the date on which this stipulated Order is approved by the Commission.
  - b. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order.
  - c. If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent’s license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann. § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order
18. Respondent acknowledges that this Stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts admitted.
19. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe or affect this agreement.
20. Respondent acknowledges that this Stipulation and Order, once adopted, will be

classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will post information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this Stipulation and Order.

RESPONDENT

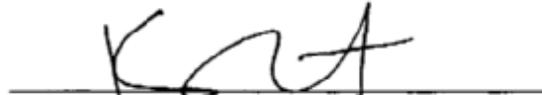
Dated: 9/5/2017



Ryan Wright (Sep 5, 2017)  
RYAN GREGORY WRIGHT

DIVISION OF REAL ESTATE

Dated: 9/8/17



KADEE WRIGHT  
*Chief Investigator*

## **ORDER**

The Residential Mortgage Regulatory Commission (the "Commission") approves and adopts the foregoing Stipulation of the parties. Based upon the foregoing Stipulation and for good cause appearing, the Commission orders that, in lieu of the filing of a petition and the holding of a hearing:

1. Respondent shall pay a civil penalty of Four Thousand Dollars (\$4,000.00) to the Division within ninety (90) days of the date on which this stipulated Order is approved by the Commission.
2. Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order.
3. If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent's license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann. § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order.

This Order shall be effective on the last signature date below

DATED this 4 day of October, 2017.

RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR



\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
STEVEN A. HIATT

  
CATHY GARDNER

  
G. SCOTT GIBSON

The undersigned concurs with the foregoing Order this 4 day of October,  
2017

  
\_\_\_\_\_  
JONATHAN C. STEWART, DIRECTOR  
UTAH DIVISION OF REAL ESTATE

DIVISION OF REAL ESTATE  
JONATHAN C STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P.O BOX 146711  
SALT LAKE CITY, UT 84114-6711  
TELEPHONE (801) 530-6747  
FAX: (801) 530-6749

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**BEFORE THE DIVISION OF REAL ESTATE  
OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH**

---

**IN THE MATTER OF THE LICENSE OF  
RYAN GREGORY WRIGHT  
TO ACT AS A  
LENDING MANAGER .**

**STIPULATION AND ORDER**

Case No MG-14-71141

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3. Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann § 61-2c-402 1 (2017) Respondent and the Division hereby express their intent that

this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann § 63G-4-102(4) (2017).

- 4 The Division and Respondent recognize and agree that this Stipulation shall not be binding until the Commission and the Director of the Division of Real Estate (“the Director”) review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann § 52-4 *et seq* (2017)
- 5 Respondent acknowledges that, as part of their review, the Commission and/or Director may ask the Division investigative staff questions about this Stipulation, and the investigative staff may answer such questions and provide factual information in public and on the record
- 6 Respondent has the right to be present when the Stipulation is presented for consideration and to address the Commission about this Stipulation or the facts underlying it. If Respondent desires to be present to address the Commission, Respondent may contact Amber Nielsen, Board Secretary, at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this Stipulation will be presented for consideration to the Commission
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- 8 Should this Stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission by virtue of its.

a having reviewed this Stipulation,

- b having heard any statement made by investigative staff or any statement made by Respondent, and
- c. having decided the Stipulation shall be null and void

This waiver shall survive any nullification of this Stipulation

9. Respondent acknowledges that, upon approval by the Commission, this Stipulation shall be made a part of the attached final Order and shall not be subject to reconsideration, renegotiation, modification, appeal, or rehearing
- 10 Respondent acknowledges that Respondent has the right to be represented in this action by legal counsel and that, if Respondent has waived this right, Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so
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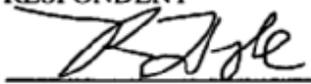
mortgage loans without obtaining a license under this chapter[ ]"

- 16 Respondent admits that, by violating the above statutes, grounds exist for taking disciplinary action against Respondent's license in accordance with Utah Code Ann § 61-2c-402(1)(a) (2013)
- 17 As full settlement of all issues raised in this Stipulation, Respondent agrees that an order shall be entered as follows:
  - a Respondent shall pay a civil penalty of Four Thousand Dollars (\$4,000 00) to the Division within ninety (90) days of the date on which this stipulated Order is approved by the Commission
  - b Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order.
  - c If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent's license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann. § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order.
- 18 Respondent acknowledges that this Stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts admitted
19. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe or affect this agreement
20. Respondent acknowledges that this Stipulation and Order, once adopted, will be

classified as a public document and will be accessible to the public Respondent acknowledges that the Division will post information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on Respondent's license and the terms of this Stipulation and Order

RESPONDENT

Dated 9/5/2017



Ryan Wright (Sep 5, 2017)  
RYAN GREGORY WRIGHT

DIVISION OF REAL ESTATE

Dated: 9/8/17



KADEE WRIGHT  
Chief Investigator

## ORDER

The Residential Mortgage Regulatory Commission (the "Commission") approves and adopts the foregoing Stipulation of the parties. Based upon the foregoing Stipulation and for good cause appearing, the Commission orders that, in lieu of the filing of a petition and the holding of a hearing

- 1 Respondent shall pay a civil penalty of Four Thousand Dollars (\$4,000.00) to the Division within ninety (90) days of the date on which this stipulated Order is approved by the Commission
- 2 Respondent shall update the answers on his MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date of this Order
- 3 If Respondent fails to comply in full with the terms of this stipulated Order by the deadline date(s) stated, Respondent's license shall be suspended, immediately and without further notice, pursuant to Utah Code Ann. § 61-2c-402(3)(b) (2017) until such time as Respondent complies in full with the terms of this Order

This Order shall be effective on the last signature date below.

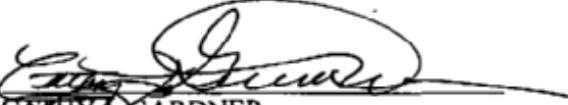
DATED this 4 day of October, 2017

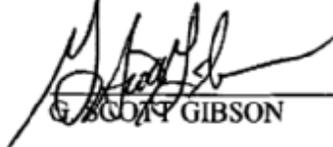
RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION

\_\_\_\_\_  
GEORGE P RICHARDS, CHAIR

  
\_\_\_\_\_  
KAY R ASHTON, VICE CHAIR

\_\_\_\_\_  
STEVEN A HIATT

  
\_\_\_\_\_  
CATHY GARDNER

  
\_\_\_\_\_  
SCOTT GIBSON

The undersigned concurs with the foregoing Order this 4 day of October,  
2017.

  
\_\_\_\_\_  
JONATHAN C STEWART, DIRECTOR  
UTAH DIVISION OF REAL ESTATE

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**RYKER DANIEL CAMPBELL** to Act as a  
Mortgage Loan Originator

ORDER ON APPLICATION  
Case No. MG-18-101717

---

On June 18, 2018, Ryker Daniel Campbell (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203 (2012). The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

On January 16, 2018, Applicant pleaded guilty and entered into a plea in abeyance agreement in case number 171701532 (2<sup>nd</sup> District Court, Farmington, Davis County, Utah) with regard to a charge of possession of controlled substance, a 3<sup>rd</sup> degree felony. Applicant's plea has not entered in this case. Applicant is currently compliant with the terms of the plea agreement.

Based on conduct that occurred on May 3, 2018, Applicant pleaded guilty in case number 181000248 (Davis County Justice Court, Utah) to misuse of dealer/dismantler plates, a class B misdemeanor. Applicant was sentenced to serve 180 days in jail (suspended) and fined.

Based on conduct that occurred on May 28, 2012, Applicant pleaded guilty in case number 121000162 (South Ogden Justice Court, Weber County, Utah) to charges of fail to display dealer plates and fail to deliver dealer card, both class B misdemeanors. Applicant was sentenced to serve 90 days in jail (suspended) and fined.

Based on conduct that occurred on October 17, 2011, Applicant pleaded guilty in case number 111702043 (2<sup>nd</sup> District Court, Farmington, Davis County, Utah) to possess other controlled substances, a class A misdemeanor. Applicant was sentenced to serve 365 days in jail (suspended), fined, and placed on probation for 24 months.

Based on conduct that occurred on April 4, 2009, Applicant pleaded guilty in case number 091700503 (2<sup>nd</sup> District Court, Farmington, Davis County, Utah) to possession or use of a controlled substance, a class B misdemeanor. Applicant was sentenced to serve 30 days in jail (suspended), fined, and placed on probation for 12 months.

Based on conduct that occurred on December 21, 2008, Applicant pleaded guilty in case number 081004108 (Centerville, Davis County, Utah) to possession of less than one ounce of marijuana and possession of drug paraphernalia, both class B misdemeanors. Applicant was sentenced to serve 108 days in jail (suspended) fined, and placed on probation for 12 months.

Utah Code § 61-2c-203 (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a

determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 provides that the Division and Commission may consider an applicant's criminal history in making this determination. Specifically, Utah Administrative Code § R162-2c-202(1)(a)(i)(B) provides that a mortgage license may not be issued to an applicant who has resolved by diversion or its equivalent any felony in the seven years preceding the day on which the application is submitted to the Division. In addition, Utah Administrative Code § R162-2c-202(1)(b) provides that a mortgage license may be denied a license for criminal conduct other than the conduct prescribed by subsection 202(1)(a)(i)(B).

The presiding officer finds that Applicant's resolution of the charge in case number 171701532 through a plea in abeyance to a felony charge requires the denial of his application pursuant to Utah Administrative Code § R162-2c-202(1)(a)(i)(B) as this resolution of a felony charge is the relative equivalent of resolving the charge through a diversion within the seven-year look-back period outlined in Utah subsection 202(1)(a)(i)(B).

Applicant's criminal history demonstrates a lack of respect for the law, which reflects negatively on his character and integrity and leads the presiding officer to question Applicant's ability to operate fairly and efficiently. The presiding officer finds that the Division may deny Applicant's application for licensure based on his criminal history as provided for in Utah Administrative Code § R162-2c-202(1)(b). Therefore, the presiding officer concludes that Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for licensure.

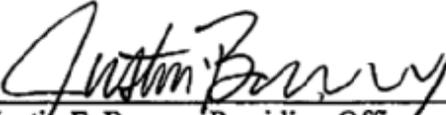
### **ORDER**

Based on the above analysis, Ryker Daniel Campbell's application for licensure as a mortgage loan originator is denied.

This order shall be effective on the signature date below.

DATED this 28 day of June, 2018.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 28<sup>th</sup> day of June, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

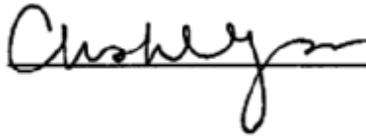
Ryker Daniel Campbell  
2649 W. 2175 South  
Syracuse, Utah 84075

Certified Receipt No.

Certified Article Number

9414 7266 9904 2328 3876 24

SENDER'S RECORD



DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

---

BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**SAYRA L. UNDERHILL** to Act as a  
Mortgage Loan Originator

ORDER ON APPLICATION  
Case No. MG-18-97604

---

On January 5, 2018, Sayra L. Underhill (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203 (2012). The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

On April 18, 2006, Applicant was issued a license to practice as a Utah principal lending manager, License No. 5488854-PLM0. This license expired on April 30, 2008. On April 18, 2007, Applicant was issued a license to practice as a Utah real estate sales agent, License No. 5488854-SA00. On March 18, 2009, the Utah Real Estate Commission approved a Stipulation and Order, Case No. 40720, in which Applicant admitted to having allowed another person to originate residential mortgage loans in Applicant's name, knowing that the other person's license

had expired. Applicant acknowledged that her conduct was in violation of Utah law. The order provided for Applicant's sales agent license to be revoked, that she not reapply for licensure for at least five years, and that she pay a civil penalty of \$25,000. Applicant's license was revoked. She has not paid the civil penalty.

Utah Code § 61-2c-203 (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 provides that the Division and Commission may consider an applicant's past acts related to honesty or moral character, with particular consideration given to any such acts involving the business of residential mortgage loans, evidence of disregard for licensing laws, and sanctions placed on professional licenses.

The revocation of Applicant's sales agent license and her failure to pay the civil penalty reflect negatively on her character, competency, and financial responsibility. In addition, the basis for the revocation of her sales agent license and the assessment of a civil penalty derive from Applicant's conduct in the residential mortgage business. In mitigation, the presiding officer notes that Applicant's conduct leading to the revocation of her sales agent license occurred more than nine years ago. However, Applicant has not paid the civil penalty. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for licensure.

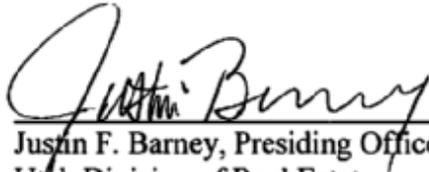
**ORDER**

Based on the above analysis, Sayra L. Underhill's application for licensure as a mortgage loan originator is denied.

This order shall be effective on the signature date below.

DATED this 25<sup>th</sup> day of January, 2018.

UTAH DIVISION OF REAL ESTATE

  
Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

**Notice of Right to Administrative Review**

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

**CERTIFICATE OF MAILING**

I hereby certify that on the 29<sup>th</sup> day of January, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

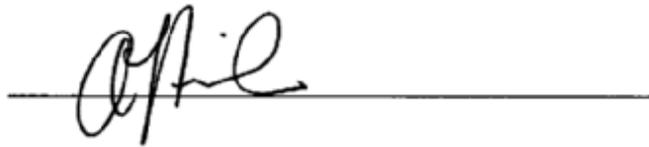
Sayra L. Underhill  
1262 N Willowbrook  
Saratoga Springs, Utah 84045

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6560 65

SENDERS RECORD



DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
DEPARTMENT OF COMMERCE  
160 EAST 300 SOUTH, 2<sup>ND</sup> FLOOR  
P.O. BOX 146711  
SALT LAKE CITY, UT 84114-6711  
TELEPHONE: (801) 530-6747  
FAX: (801) 530-6749

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE UTAH DEPARTMENT OF COMMERCE

---

In the Matter of the License of

**REBECCA STAPLES**

to Act as a Lending Manager.

**STIPULATION & ORDER**

Case No. MG-14-69409

---

The Division of Real Estate of the Department of Commerce of the State of Utah (the "Division"), by and through its Chief Investigator, Kadee Wright, and Rebecca Staples ("Respondent"), a licensed Lending Manager, hereby stipulate and agree as follows:

**STIPULATION**

1. Respondent is a licensee of the Division, licensed as a Lending Manager under License No. 6311973-NMLM.
2. Respondent admits the jurisdiction of the Utah Residential Mortgage Regulatory Commission (the "Commission") over Respondent and over the subject matter of this action.
3. Respondent specifically waives the right to an adjudicative proceeding under Utah Code Ann. § 61-2c-402.1 and the rules promulgated thereunder. Respondent and the Division

hereby express their intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann. § 63G-4-102(4).

4. Respondent admits the following (names withheld for privacy):
  - a. At all times relevant to this stipulation, Respondent was a lending manager in the St. George, Utah branch office of First Colony Mortgage Corporation (“FCMC”), a licensed Mortgage Lending Company.
  - b. On or around February 2, 2016, under Respondent’s direction and control as a lending manager, FCMC entered into a *Marketing Services Agreement* (the “MSA”) with ERA Brokers Consolidated (“ERA”), a licensed Real Estate Company.
  - c. Pursuant to the MSA, FCMC was obligated to pay a monthly “marketing fee” to ERA in exchange for certain marketing and promotional services to be rendered by ERA.
  - d. FCMC and ERA entered into a subsequent, nearly identical marketing services agreement on October 1, 2016; however, based on historical payments made by FCMC, it appears that the parties adhered to the terms of the February 2, 2016 MSA.
  - e. Although ERA prepared some marketing materials and otherwise rendered certain promotional services, the payments made by FCMC were not commensurate with the services provided by ERA.
  - f. Based on the foregoing relationship between FCMC and ERA, including FCMC’s payments under the MSA, ERA provided mortgage loan referrals to FCMC.

5. Respondent admits that the above acts and practices constitute violation(s) of Utah Code Ann. § 61-2c *et seq.*, and the rules promulgated thereunder, as were in effect at the time of such violation(s). Specifically, Respondent admits that Respondent has violated:
  - a. **Utah Code Ann. § 61-2c-301(1)(a) (2015). Prohibited conduct – Violations of the chapter.**
    - (1) A person transacting the business of residential mortgage loans in this state may not:
      - (a) give or receive a referral fee, other compensation, or anything of value in exchange for a referral of residential mortgage loan business;
      - ...
6. Respondent admits that by violating the foregoing statutes and/or rules, grounds exist for taking disciplinary action against Respondent's license in accordance with Utah Code Ann. § 61-2c-402(1)(a).
7. As full settlement of all of the issues raised in this stipulation, Respondent agrees as follows:
  - a. Respondent shall pay a civil penalty of Five Thousand Dollars (\$5,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
  - b. Respondent's license to act as a Mortgage Loan Originator shall be placed on probation until December 31, 2018.
  - c. Respondent shall update the answers on Respondent's MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date that the Commission and the Director sign the final order in this matter.
  - d. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code Ann. § 61-2c-402(3)(b) until such time as

Respondent complies in full with the terms of this order. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).

8. The Division and Respondent recognize and agree that this stipulation shall not be binding until the Commission and the Director review it and jointly approve it in a public meeting conducted pursuant to Utah Code Ann. § 52-4 *et seq.*
9. Respondent acknowledges that, as part of their review, the Commission and Director may ask the Division investigative staff questions about this stipulation and the investigative staff may answer such questions and provide factual information in public and on the record.
10. Respondent has the right to be present when the stipulation is presented for consideration and to address the Commission and the Director about this stipulation or the facts underlying it. If Respondent desires to be present to address the Commission and Director, Respondent may contact Amber Nielsen at the Division by calling (801) 530-6750 for information about the date, time, and place of the meeting at which this stipulation will be presented for consideration to the Commission and the Director.
11. If either the Commission or the Director does not approve any part of the stipulated agreement proposed herein, this entire stipulation shall be null and void except as to Paragraph 12 and a hearing shall be scheduled for this matter.
12. Should this stipulation be nullified and the matter proceed to hearing, Respondent waives any claim Respondent may have with regard to the Commission and Director by virtue of their:
  - a. having reviewed this stipulation;

- b. having heard any statement made by investigative staff or any statement made by Respondent; and
- c. having decided the stipulation shall be null and void.

This waiver shall survive any nullification of this stipulation.

- 13. Respondent acknowledges that upon approval by the Commission and the Director, this stipulation shall be made a part of the attached final order, and shall be the final compromise and settlement of this matter, and is not subject to reconsideration, renegotiation, modification, appeal, or rehearing.
- 14. Respondent affirms that Respondent enters into this stipulation voluntarily.
- 15. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Division or from any member, officer, agent, or representative of the Division regarding this stipulation are contained herein.
- 16. Respondent acknowledges that Respondent has been informed of Respondent's right to be represented by legal counsel and that if Respondent has waived this right, Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so.
- 17. Respondent acknowledges that this action shall be reported to the NMLS.
- 18. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein. This stipulated agreement supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements that modify, interpret, construe, or affect this agreement.

19. Respondent acknowledges that this stipulation does not foreclose the possibility that Respondent may be prosecuted criminally or investigated by other government agencies on the basis of the facts herein admitted.
20. Respondent acknowledges that this Stipulation and Order, once adopted, will be classified as a public document and will be accessible to the public. Respondent acknowledges that the Division will publish information in the Division's quarterly newsletter and may inform other state and federal agencies of any action taken on the Respondent's license and the terms of this Stipulation and Order.

RESPONDENT:

  
REBECCA STAPLES

Dated: 1/18/18

DIVISION OF REAL ESTATE

By:   
Kadee Wright  
Chief Investigator

Dated: 1/18/18

**ORDER**

The Commission and the Director approve and adopt the foregoing stipulation of the parties. Based upon the foregoing stipulation and for good cause appearing, the Commission and the Director order that, in lieu of the filing of a petition and the holding of a hearing:

- a. Respondent shall pay a civil penalty of Five Thousand Dollars (\$5,000.00) to the Division within ninety (90) days from the date that the Commission and the Director sign the final order in this matter.
- b. Respondent's license to act as a Mortgage Loan Originator shall be placed on probation until December 31, 2018.
- c. Respondent shall update the answers on Respondent's MU4 disclosure form to reflect this regulatory action within ten (10) calendar days from the date that the Commission and the Director sign the final order in this matter.
- d. If Respondent fails to comply in full with the terms of this stipulated order by the deadline stated, Respondent's license shall immediately and without further notice be suspended pursuant to Utah Code Ann. § 61-2c-402(3)(b) until such time as Respondent complies in full with the terms of this order. Furthermore, the Division may begin a collection process to collect any remaining balance owed pursuant to Utah Code Ann. § 61-2c-402(3)(b).

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This order shall be effective on the signature date below.

Dated this 7 day of February, 2018.

**RESIDENTIAL MORTGAGE  
REGULATORY COMMISSION**

\_\_\_\_\_  
GEORGE P. RICHARDS, CHAIR

\_\_\_\_\_  
KAY R. ASHTON, VICE CHAIR

\_\_\_\_\_  
STEVEN A. HIATT

\_\_\_\_\_  
CATHY J. GARDNER

\_\_\_\_\_  
G. SCOTT GIBSON

The undersigned concurs with the foregoing order this 7 day of February, 2018.

  
\_\_\_\_\_  
JONATHAN C. STEWART, DIRECTOR  
DIVISION OF REAL ESTATE

**Motion to sign on behalf of  
Commission / Board.  
Signing on behalf of  
Commission / Board.**

8

  
\_\_\_\_\_  
**Name:**

Jonathan Stewart  
**Division / Acting Director**



GARY R. HERBERT  
Governor

SPENCER J. COX  
Lieutenant Governor

State of Utah  
Department of Commerce  
Division of Real Estate

FRANCINE A. GIANI  
Executive Director

THOMAS A. BRADY  
Deputy Director

Certified Article Number

7196 9008 9111 7399 6710

SENDERS RECORD

JONATHAN C. STEWART  
Real Estate Division Director

February 7, 2018

REBECCA STAPLES  
PO BOX 910683  
ST GEORGE UT 84791-0683

RE: Case No. MG-14-69409  
License No. 6311973-NMLO

Dear Ms. Staples:

Enclosed is a copy of the signed order in the above-referenced case. It has now been approved and adopted by the Utah Residential Mortgage Regulatory Commission and the Director of the Division of Real Estate.

Your license has been put on probation until December 31, 2018.

You have been fined \$5,000.00 to be paid to the Division no later than May 9, 2018. Please make checks payable to "Division of Real Estate" or, you may pay with a credit card over the phone by calling the Division at (801) 530-6747.

You shall update the answers on MU4 disclosure form to reflect the regulatory action within ten (10) calendar days from the date that the Commission and the Director sign the final order.

Should you fail to pay the fine or complete other conditions of the Order by the agreed deadline(s), your license will immediately, without notice, become suspended and may only be reinstated on the condition that the fine and other conditions of the Order are met, in addition to any other license reinstatement requirements.

Thank you for your cooperation in this matter. If you have any questions, please call me at (801) 530-6747.

Sincerely,

Kadee Wright  
Chief Investigator

Enclosure

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of  
**STEVEN J. SIMMONS** to Act as a Mortgage  
Loan Originator

ORDER ON APPLICATION

Case No. MG-18-97767

---

On January 8, 2018, Steven J. Simmons (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203 (2012). The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

In his application for licensure, Applicant disclosed having unsatisfied tax liens. Applicant's credit report indicates a total of five unsatisfied state tax liens with a total lien amount of \$9,605. In addition, the credit report identifies a federal tax lien entered against Applicant in case number 11812157 in the amount of \$33,540. Applicant has explained that he is currently negotiating payment arrangements with the State of Utah and the Internal Revenue Service.

Utah Code § 61-2c-203(1) (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider evidence of delinquency in taxes in making that determination.

Applicant's failure to pay his taxes when due or to pay the tax liens entered against him reflects negatively on his financial responsibility. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure. In mitigation, Applicant is working to resolve the liens. The presiding officer finds that issuing a probationary license is justified in these circumstances.

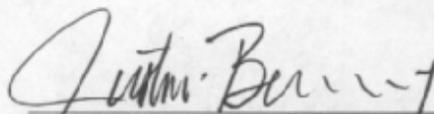
**ORDER**

Based on the above analysis, Steven J. Simmons's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation until Mr. Simmons demonstrates to the satisfaction of the Division that he has formalized a plan with the Internal Revenue Service and the State of Utah for satisfying his tax arrearage.

This order shall be effective on the signature date below.

DATED this 15<sup>th</sup> day of February 2018.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin. Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 8<sup>th</sup> day of February, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following:

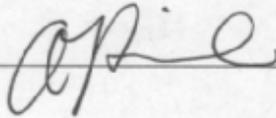
Steven J. Simmons  
12682 City Heights Drive  
Riverton, Utah 84065

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6557 92

SENDERS RECORD

 \_\_\_\_\_

DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone: (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

---

In the Matter of the Application of **TODD  
HUGH WHITTAKER** to Act as a Mortgage  
Loan Originator

ORDER ON APPLICATION

Case No. MG-18-102759

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On August 13, 2018, Todd Hugh Whittaker (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage loan originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203 (2012). The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

In 2006, Applicant was licensed with the Division as an associate lending manager. On January 26, 2009, Applicant signed a stipulation with the Division, case number MG 41638. In signing the stipulation, Applicant admitted that he had engaged in misrepresentation while transacting the business of residential mortgage loans. Under the terms of the stipulation, Applicant's mortgage license was revoked and he was assessed a civil penalty of \$2,500. In addition, Applicant was prohibited from reapplying with the Division for any professional

license for a period of five years. On February 4, 2009, the Commission approved the stipulation and entered the associated order. Applicant paid the civil penalty. On April 16, 2014, the Director issued an order converting Applicant's February 4, 2009, license revocation to a license suspension.

In 2014, Applicant applied for licensure with the Division as a mortgage loan originator.. On October 20, 2014, an Order on Application (the "2014 Order") was entered denying Applicant's application. The 2014 Order provided that Applicant "may not reapply for licensure until such time as he might be able to demonstrate that he has no outstanding judgments, liens, or similar financial obligations." In response to the state disclosure questions in the National Mortgage Licensing System, Applicant answered "Yes" to the question "Do you have any unsatisfied judgments or liens against you?"

The 2014 Order listed the following unpaid civil judgments against Applicant:

1. Judgment in favor of Linda Webber entered (case number 060918606, Third District Court, Salt Lake County, Utah), modified January 23, 2015, in the total judgment amount of \$1,454,785.86, including both actual damages and punitive damages.
2. Judgment in favor of Michel Investments LLC, (case number 070903319, Third District Court, Salt Lake County, Utah), entered June 4, 2007, in the amount of \$27,030.89.
3. Judgment in favor of Zions First National Bank (case number 080917033, Third District Court, Salt Lake County, Utah), entered October 22, 2008, in the amount of \$12,098.03.

4. Judgment in favor of Discover Financial (case number 080415702, Third District Court, Salt Lake County, Utah), entered October 8, 2008, in the amount of \$14,131.65
5. Judgment in favor of NAR Inc. (case number 080418378, Third District Court, Salt Lake County, Utah), entered November 6, 2008, in the amount of \$17,198.74
6. Judgment in favor of Asset Acceptance, LLC (case number 090418921, Third District Court, Salt Lake County, Utah), entered December 16, 2009, in the amount of \$2,035.30.
7. Judgment in favor of Gemini Capital Group, LLC (case number 129907029, Third District Court, Salt Lake County, Utah), entered June 29, 2012, in the amount of \$1,913.97.
8. Judgment for child support arrearages entered April 27, 2000, and frequently modified with the last modification entered March 8, 2017, the modified amount being \$54,199.70 (case number 006921840, Third District Court, Salt Lake County, Utah) There is no record of the arrearage having been paid but the judgment was dismissed on March 29, 2017, and, therefore, the amount of this judgment is not included in the total amount owed by Applicant to his judgment creditors.
9. A state tax lien in the amount of \$533.77 (case number 136914223, Third District Court, Salt Lake County, Utah), entered April 22, 2013.
10. A state tax lien in the amount of \$686.30 (case number 146923319, Third District Court, Salt Lake County, Utah), entered August 18, 2014.

11. Federal tax liens totaling \$164,418.70 The Division has not received evidence that the federal tax liens have been satisfied or discharged.

In addition to the liens and judgements listed above (and in the 2014 Order), the presiding officer notes a number of additional liens and judgments entered against Applicant. The court dockets in these matters show no record of satisfaction or dismissal of the judgment amounts

The additional liens and judgments are noted as follows:

- 1 A state tax lien in the amount of \$430.16 (case number 186911268, Third District Court, Salt Lake County, Utah), entered May 21, 2018.
2. A state tax lien in the amount of \$175 50 (case number 186911781, Third District Court, Salt Lake County, Utah), entered May 21, 2018.
3. Judgment in favor of Molly Lewis (case number 138400342, Salt Lake City Justice Court, Salt Lake County, Utah), entered June 5, 2013 in the amount of \$8,170.00.
4. Judgment in favor of Nicole Fernandez Seoane (case number 080410594, Third District Court, Salt Lake County, Utah), total damages in the amount of \$155,290 00, which includes \$100,000 in punitive damages, entered November 18, 2008
- 5 Judgment in favor of Cottonwood Financial Ltd (case number 070411980, Third District Court, Salt Lake County, Utah), entered August 7, 2007, in the amount of \$2,211.00.
6. September 19, 2016, judgment in favor of Janet Whittaker (case number 064401646, Third District Court, Salt Lake County, Utah), entered August 3, 2016, in the amount of \$359,240 00

Applicant has failed to demonstrate that he has no outstanding judgments and liens. On the contrary, the evidence indicates that Applicant owes judgment creditors in 11 different cases a total of more than \$2,050,000. The only evidence that Applicant has paid any of his creditors in these cases is a few court ordered garnishments which failed to significantly reduce the amount owed by Applicant. In addition, court records show unpaid state tax liens totaling more than \$1,800. Finally, Applicant has not provided evidence to the Division that he has paid his federal tax liens of more than \$164,400.

Utah Code § 61-2c-203 (2012) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently.

The presiding officer finds that Applicant has not complied with the 2014 Order which provides that Applicant “may not reapply for licensure until such time as he might be able to demonstrate that he has no outstanding judgments, liens, or similar financial obligations.” In addition, the presiding officer finds that Applicant has not demonstrated financial responsibility, good moral character, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for licensure.

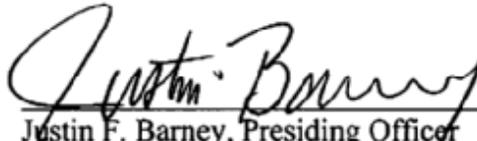
**ORDER**

Based on the above analysis, Todd H. Whittaker's application for licensure as a mortgage loan originator is denied.

This order shall be effective on the signature date below.

DATED this 13th day of August, 2018.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

**Notice of Right to Administrative Review**

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin Code § R151-4-902

**CERTIFICATE OF MAILING**

I hereby certify that on the 13th day of August, 2018, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following.

Todd Hugh Whittaker  
5750 South 900 East, Unit #12  
Salt Lake City, Utah 84121

Certified Receipt No.

Certified Article Number

9434 7266 9904 2328 3845 17

SENDER'S RECORD



DEPARTMENT OF COMMERCE  
DIVISION OF REAL ESTATE  
JONATHAN C. STEWART, DIRECTOR  
P.O. BOX 146711  
160 EAST 300 SOUTH  
SALT LAKE CITY, UTAH 84114-6711  
Telephone (801) 530-6747

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BEFORE THE DIVISION OF REAL ESTATE OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH

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In the Matter of the Application of  
**TRAVIS L. WAGGONER** to Act as a  
Mortgage Loan Originator

ORDER ON APPLICATION

Case No. MG-17-95355

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On September 29, 2017, Travis L. Waggoneer (Applicant) submitted to the Utah Residential Mortgage Regulatory Commission (Commission) and the Division of Real Estate (Division) a request for licensure as a mortgage Loan Originator. The application was reviewed in an informal proceeding to determine whether Applicant meets the licensing requirements of Utah Code § 61-2c-203. The presiding officer, on behalf of the Division and pursuant to a grant of authority from the Commission, now makes the following analysis and order.

**REASONS FOR DECISION**

Based on conduct that occurred on March 28, 2009, Applicant pleaded guilty to the unlawful possession of alcohol by a minor, a class B misdemeanor. Applicant was fined and placed on probation for one year. The docket was closed November 2, 2010.

Based on conduct that occurred on March 8, 2011, Applicant pleaded guilty in case number 111200028 (Bluffdale Justice Court, Salt Lake County, Utah) to the unlawful possession or consumption of alcohol, a class B misdemeanor. Applicant was fined and placed on probation

for 12 months Applicant failed to comply with his probation Applicant paid the fine and the case was closed.

Based on conduct that occurred on March 24, 2011, Applicant pleaded guilty in case number 115002622 (Lehi City Justice Court, Utah County, Utah) to driving under the influence, a class B misdemeanor. Applicant was sentenced to serve 180 days I jail (178 days suspended), fined, ordered to complete 24 hours of community service, and placed on probation for 12 months. Applicant failed to comply with the terms of his probation and the court issued a warrant for his arrest. Applicant eventually complied and the case was closed February 24, 2015.

Based on conduct that occurred on August 28, 2012, Applicant pleaded guilty in case number 121200053 (Alpine City Justice Court, Utah County, Utah) to the possession or use of a controlled substance, a class B misdemeanor. Applicant was sentenced to serve 90 days in jail (suspended), fined, and placed on probation for 12 months Applicant failed to comply with the terms of his probation and the court issued a warrant for his arrest Applicant paid the fine and the case was closed April 3, 2013.

Based on conduct that occurred on March 28, 2014, Applicant entered into a plea in abeyance agreement in case number 141903692 (3<sup>rd</sup> District Court, Salt Lake, Salt Lake County, Utah) with regard to charges of providing false personal information with the intent of leading a police officer to believe that the Applicant was another actual person, a class A misdemeanor and possession or use of a controlled substance, a class B misdemeanor. Applicant failed to comply with the terms of the plea agreement and the court issued a warrant for his arrest. Applicant requested that the court convert its order that he complete 40 hours of community service to a

fine of \$400. The court granted this request. Applicant completed the terms of the plea agreement and the charges were dismissed and the case closed on September 1, 2016.

On January 6, 2012, judgment was entered against Applicant in case number 110708216 (2<sup>nd</sup> District Court, Farmington, Davis County, Utah) in favor of Heather Estates Apartments in the amount of \$4001.40. The amount of the judgment has been reduced over time due to garnishments filed by the plaintiff. However, the judgment remains unsatisfied as of the date of this order.

On June 7, 2017, judgment was entered against Applicant in case number 176702659 (2<sup>nd</sup> District Court, Farmington, Davis County, Utah) in favor of Child Support Services Office of Recovery Services in the amount of \$816. The judgment has been modified several times and is \$1632 as of October 4, 2017.

Utah Code § 61-2c-203(1) requires that the Division and Commission determine whether an applicant demonstrates financial responsibility, good moral character, honesty, integrity, truthfulness, and the competence to transact the business of residential mortgage loans, including general fitness such as to command the confidence of the community and to warrant a determination that the person will operate honestly, fairly, and efficiently. Utah Administrative Code § R162-2c-202 requires the Division and Commission to consider an applicant's past, particularly his criminal history, failure to pay child support obligations, evidence of non-compliance with court orders, conditions of sentencing, or a probation agreement, in making this determination.

Applicant's criminal history and his history of failing to comply with court orders demonstrates a lack of respect for the law and the safety of others, which reflects negatively on his character and integrity. Applicant's failure to pay the civil judgements entered against him,

including the judgment for past due child support reflects negatively on his competency. Therefore, Applicant does not meet the requirements of Section 61-2c-203(1) (2012) for unrestricted licensure.

The presiding officer is concerned about the number and serious nature of criminal offenses in Applicant's past and his repeated failure to comply with court orders. The presiding officer wishes to put Applicant on notice that the Commission and Division expect licensees to be upstanding citizens who respect and obey *all laws*. Action has been taken in the past against individuals who demonstrate an ongoing disregard for the law. The presiding officer notes from Applicant's recent behavior that he appears not to have learned from his past or made significant progress in conducting his life as a responsible citizen. In mitigation, the presiding officer notes that Applicant has had no criminal charges brought against him since March 2014. Therefore, the presiding officer finds that issuing a probationary license is justified.

#### **ORDER**

Based on the above analysis, Travis L. Waggoner's application for licensure as a mortgage loan originator is granted with restriction. The license is placed on probation until at least December 31, 2018, with the probation to continue thereafter if Applicant is charged with any additional crimes and until Applicant has demonstrated financial responsibility by making regular, substantial payments such that the judgments amounts in case numbers 110708216 and 176702659 are satisfied or are significantly reduced from the judgment amounts existing as of the date of this order. During the probationary period, Mr. Waggoner shall comply with all laws and with the rules regulating his profession, and shall conduct himself in a way that demonstrates his qualification and fitness for continuing licensure as a mortgage loan originator.

This order shall be effective on the signature date below

DATED this 20th day of October, 2017.

UTAH DIVISION OF REAL ESTATE



Justin F. Barney, Presiding Officer  
Utah Division of Real Estate

Notice of Right to Administrative Review

Review of this order may be sought by filing a written request for administrative review with the Director of the Division of Real Estate within thirty (30) days after the issuance of this order. Any such request must comply with the requirements of Utah Code Ann. § 63G-4-301 and Utah Admin Code § R151-4-902.

CERTIFICATE OF MAILING

I hereby certify that on the 24th day of October, 2017, the undersigned mailed a true and correct copy of the foregoing document by first class mail, postage prepaid, and certified mail, return receipt requested, to the following

Travis L. Waggoner  
770 S 925 West  
Lehi, Utah 84043

Certified Receipt No.

Certified Article Number

9414 7266 9904 2081 6546 43

SENDERS RECORD

