

1 4. Presently, the Division classifies Respondent's status as "active."

2 5. Based upon information and belief, at relevant times herein mentioned, Fung Chau
3 ("Chau"), a 50% owner of Respondent, conducted mortgage lending activity in the State of
4 Nevada on behalf of Respondent, including, but not limited to, processing three 1003 loan
5 applications for borrower Christopher Lim for the purchase of three investment properties.

6 6. Pursuant to NRS 645B.060, the Division is charged with conducting "...an annual
7 examination of each mortgage broker doing business in this State..." See, NRS
8 645B.060(2)(d).

9 7. Pursuant to NRS 645B.060, the Division conducted a regularly scheduled
10 examination of Respondent's books and records which commenced on April 23, 2009. The
11 examination revealed that three 1003 loan applications for borrower Christopher Lim which
12 Chau processed and submitted to different lenders for the purchase of three investment
13 properties did not disclose the other pending purchase transactions, so the borrower's debt
14 ratio was incorrect.

15 8. Pursuant to NRS 598.0923, "(a) person engages in a 'deceptive trade practice'
16 when in the course of his business or occupation he knowingly...(f)ails to disclose a material
17 fact in connection with the sale or lease of goods or services..." See, NRS 598.0923(2).

18 9. Pursuant to NRS 645B.189, "(i)f a mortgage broker violates any provision of NRS
19 598.0903 to 598.0999, inclusive, concerning deceptive trade practices...in addition to any
20 sanction or penalty imposed by state or federal law upon the mortgage broker for the violation,
21 the Commissioner may take any disciplinary action set forth in subsection 2 of NRS 645B.670
22 against the mortgage broker..." See, NRS 645B.189(5).

23 10. Pursuant to NRS 645B.670, "(f)or each violation committed by a mortgage broker,
24 the Commissioner may impose upon the mortgage broker an administrative fine of not more
25 than \$10,000, may suspend, revoke or place conditions upon his license, or may do both, if
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1 the mortgage broker, whether or not acting as such...(i)s grossly negligent or incompetent in
2 performing any act for which he is required to be licensed pursuant to the provisions of this
3 chapter...(d)oes not conduct his business in accordance with law or has violated any provision
4 of this chapter, a regulation adopted pursuant to this chapter or an order of the
5 Commissioner...(h)as made a material misrepresentation in connection with any transaction
6 governed by this chapter...(h)as engaged in...conduct constituting a deceitful, fraudulent or
7 dishonest business practice....” See, NRS 645B.670(2)(b), (c), (e), (o).

8 VIOLATIONS OF LAW

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10 After investigating this matter, it has been determined that Respondent violated NRS
11 645B.670 (2) (b), (c), (e), (o). Additionally, the Respondent engaged in a deceptive trade
12 practice under NRS 598.0923(2) by failing to disclose other pending purchase transactions on
13 three 1003 loan applications for borrower Christopher Lim which Chau processed and
14 submitted to different lenders for the purchase of three investment properties.

15 ORDER

16 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**
17 pursuant to NRS 645B.750, that upon written application to the Division within **twenty (20)**
18 **days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the
19 contents of this Order referenced below. At that hearing the Division will seek to:
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21 1. Impose an administrative fine against Respondent in the amount of Ten Thousand
22 Dollars and No Cents (\$10,000.00) for Respondent’s multiple violations of Chapter 645B of
23 NRS, the Division’s investigative costs in the amount of One Hundred Eighty Dollars and No
24 Cents (\$180.00) as well as the Division’s administrative costs and attorney’s fees, if any,
25 incurred herein, to be proven at the hearing; and
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27 2. Require Respondent’s payment, in full, of the administrative fine, investigative costs
28 as well as the costs and fees to the Division within **thirty (30) days** of entry of the Final Order.

