

1 STATE OF NEVADA

2 DEPARTMENT OF BUSINESS AND INDUSTRY

3 DIVISION OF MORTGAGE LENDING

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5 In re:

6 David Fedel,

7 Respondent.

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10 **ORDER TO CEASE AND DESIST AND**  
11 **NOTICE OF INTENT TO IMPOSE FINE AND**  
12 **NOTICE OF RIGHT TO REQUEST HEARING**

13 The licensing and regulation of mortgage brokers and mortgage agents in the State of  
14 Nevada is governed by Chapter 645B of the Nevada Revised Statutes (hereinafter, "NRS")  
15 and Chapter 645B of the Nevada Administrative Code (hereinafter, "NAC"). The State of  
16 Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the  
17 "Division") has the general duty to exercise supervision and control over mortgage brokers  
18 and mortgage agents, as well as mortgage brokering activity. See, NRS 645B.060(1), NRS  
19 645B.690 (1)(a) and NRS 645B.670. Pursuant to that authority, the Division makes the  
20 following Factual Allegations, Violations of Law, and Order as follows:

21 **FACTUAL ALLEGATIONS**

22 1. Upon information and belief, David Fedel (hereinafter, "Respondent") is an owner  
23 in Greystone Financial Group, which holds a mortgage bankers license in the State of Nevada,  
24 but was not at the time of this offense, and is currently, not licensed to operate either as a  
mortgage broker or mortgage agent in the State of Nevada.

25 2. On February 10, 2009, the Division received a Complaint alleging Respondent  
26 engaged in several acts of misconduct regarding an investment opportunity originated within  
27 the State of Nevada.

1           3.     After receiving the Complaint regarding Respondent, the Division commenced an  
2 investigation, the results of which established Respondent provided the services of a mortgage  
3 broker by originating and closing a loan in Nevada which was to be secured and was secured  
4 by real property (Sabraw) without being licensed as either a mortgage agent or mortgage  
5 broker in Nevada, and; securing an investment loan (Rodin), which was to be secured and was  
6 secured by a lien on real property in the State of Nevada.

7           4.     Pursuant to NRS 645B.060, the Division is charged with conducting "...such  
8 investigations as may be necessary to determine whether any person has violated any provision  
9 of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner."  
10 See, NRS 645B.060(2)(c).

11           5.     Pursuant to NRS 645B.610, the Division is further charged with investigating  
12 "...each violation alleged in [a] complaint..." received by the Division and "...shall determine  
13 from the investigation whether there is reasonable cause to believe that the [accused]  
14 committed the alleged violation..." See, NRS 645B.610(1)(3).

15           6.     Pursuant to NRS 645B.0127, a "mortgage broker" is defined, in pertinent part, as  
16 "...a person who directly or indirectly... holds himself out for hire to serve as an agent for any  
17 person in an attempt to obtain a loan which will be secured by a lien on real property..." or  
18 "...holds himself out for hire to serve as an agent for any person who has money to lend, if the  
19 loan is or will be secured by a lien on real property..." or "... holds himself out as being able to  
20 make loans secured by liens on real property..." See, NRS 645B.0127(1)(a)(b)(c).

21           7.     Pursuant to NRS 645B.0125, a "mortgage agent" is defined, in part, as "...a  
22 natural person who... is an employee or independent contractor of a mortgage broker who is  
23 required to be licensed pursuant to this chapter..." and "...is authorized by the mortgage broker  
24 to engage in, on behalf of the mortgage broker, any activity that would require the person, if he  
25 were not an employee or independent contractor of the mortgage broker, to be licensed as a  
26 mortgage broker pursuant to this chapter..." See, NRS 645B.0125 (1)(a)(b).

27           8.     Pursuant to NRS 645B.690, "...if a person offers or provides any of the services  
28 of a mortgage broker or mortgage agent or otherwise engages in, carries on or holds himself

1 out as engaging in or carrying on the business of a mortgage broker or mortgage agent and, at  
2 the time... the person was required to have a license pursuant to this chapter and the person  
3 did not have such a license... the Commissioner shall impose upon the person an  
4 administrative fine of not more than \$10,000 for each violation and, if the person has a license,  
5 the Commissioner shall revoke it..." See, NRS 645B.690(1)(a).

6 9. Pursuant to NRS 645B.900, "...it is unlawful for any person to offer or provide any  
7 of the services of a mortgage broker or mortgage agent or otherwise to engage in, carry on or  
8 hold himself out as engaging in or carrying on the business of a mortgage broker or agent  
9 without first obtaining the applicable license issued pursuant to this chapter..." See, NRS  
10 645B.900.

#### 11 VIOLATIONS OF LAW

12 1. Having investigated the Respondent's conduct in this matter and received  
13 competent evidence that Respondent provided the services of a mortgage broker without first  
14 obtaining the applicable license by: originating and closing a loan which was to be secured  
15 by a lien on real property and was secured by a lien on real property from Sabraw, and;  
16 closing an investment loan with Rodin in the State of Nevada, it has been determined that  
17 Respondent did, in fact, engage in mortgage brokering activity in the State of Nevada without  
18 a license to do so, thereby violating NRS 645B.690(1)(a) and NRS 645B.900.

#### 19 ORDER

20 **NOW, THEREFORE,** pursuant to NRS 622.080 and NAC 645B.340, the  
21 **COMMISSIONER** of the **DIVISION HEREBY ORDERS** that Respondent immediately **CEASE**  
22 **AND DESIST** from conducting activity requiring licensure pursuant to NRS Chapter 645B and  
23 the regulation promulgated thereto.

24 **IT IS FURTHER ORDERED,** pursuant to NAC 645B.340(4), that upon filing a verified  
25 petition with the Division within **thirty (30) days** of receipt of this Order to Cease and Desist,  
26 Respondent shall be entitled to a hearing with regard to the contents of this Order to Cease  
27 and Desist. Respondent is advised, however, that the provisions of this Order to Cease and  
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1 Desist are effective immediately upon Respondent being served therewith, whether or not  
2 Respondent requests a hearing.

3 **NOTICE TO RESPONDENT:** If you request a hearing, you are specifically informed  
4 that you have the right to appear and be heard in your defense, either personally or through  
5 your counsel of choice at your own expense. At the hearing, if one is timely requested, the  
6 Division will call witnesses and present evidence against you. You have the right to respond  
7 and to present relevant evidence and argument on all issues involved. You have the right to  
8 call and examine witnesses, introduce exhibits and cross-examine opposing witnesses on any  
9 matter relevant to the issues involved.

10 If the Division prevails at any hearing, it may request that attorney's fees and costs be  
11 awarded pursuant to NRS 622.400.

12 **IT IS HEREBY ORDERED** that pursuant to NRS 645B.750, upon written application to  
13 the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a  
14 hearing with regard to the contents of this Order referenced below. At that hearing, the Division  
15 will seek to:

16 1. Impose a fine of Ten Thousand Dollars and No Cents (\$10,000.00) for Respondent's  
17 violations of NRS Chapter 645B, as well as for the Division's investigative costs in the amount of  
18 Two Hundred and Eight Dollars and No Cents (\$208.00), and attorney's fees, if any, incurred  
19 herein, to be proven at the hearing; and

20 2. Require Respondent's payment, in full, of the administrative fine, costs and fees  
21 within **thirty (30) days** of entry of the Final Order.

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1           Should Respondent not request a hearing within **twenty (20) days** of the date of this  
2 Order, the Division will enter a Final Order in this matter against Respondent, pursuant to NRS  
3 645B.750(2)

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5           DATED this 15<sup>th</sup> day of June, 2009.

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7                                   State Of Nevada  
8                                   Department of Business and Industry  
9                                   Division of Mortgage Lending

10                                   By: Joseph L. Waltuch  
11                                                           Joseph L. Waltuch, Commissioner

**CERTIFICATE OF SERVICE**

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**I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on June 17, 2009, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, ORDER TO CEASE AND DESIST AND NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO REQUEST HEARING for DAVID FEDEL, addressed as follows:**

**David Fedel  
5441 Olivebrook Court  
Las Vegas, NV 89120**

**Certified Receipt Number: 7006 2760 0000 0875 9520**

**DATED this 16th day of June, 2009**

**By:**

**Employee of the Division**

