

1 STATE OF NEVADA
2 DEPARTMENT OF BUSINESS AND INDUSTRY
3 DIVISION OF MORTGAGE LENDING

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5 In re:
6 Derek Parent,
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 Findings of Fact, Conclusions of Law, and Order as follows:

21 **FACTUAL ALLEGATIONS**

22 1. On March 9, 2009, the Division conducted a regularly scheduled examination of
23 South Wind Financial and determined Derek Parent (hereinafter, "Respondent") engaged in
24 loan activity (Wurst, Scheid, and Ayele/Riktu) in Nevada, without either a mortgage broker or
25 mortgage agent license.

26 2. Although licensed with the Division until April 1, 2008, Respondent was not
27 licensed as a mortgage broker or mortgage agent with South Wind Financial when he engaged
28 in mortgage loan activity on the Wurst, Scheid, and Ayele/Riktu files.

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1 3. On March 18, 2009, the Division received a Complaint alleging Respondent was
2 conducting unlicensed mortgage activity in the State of Nevada. The Division then
3 commenced an investigation, the results of which established Respondent originated a loan
4 secured by real property for Jones in the State of Nevada without being licensed as either a
5 mortgage agent or mortgage broker in Nevada.

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

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

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

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

25 8. Pursuant to NRS 645B.400, "(a) person shall not act as or provide any of the
26 services of a mortgage agent or otherwise engage in, carry on or hold himself out as
27 engaging in or carrying on the activities of a mortgage agent unless the person has a license
28 as a mortgage agent issued pursuant to NRS 645B.410." See, NRS 645B.400.

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

8 10. Pursuant to NRS 645B.900, "...it is unlawful for any person to offer or provide any
9 of the services of a mortgage broker or mortgage agent or otherwise to engage in, carry on or
10 hold himself out as engaging in or carrying on the business of a mortgage broker or agent
11 without first obtaining the applicable license issued pursuant to this chapter..." See, NRS
12 645B.900.

13 VIOLATIONS OF LAW

14 1. Having investigated the Respondent's conduct in this matter and received
15 competent evidence that Respondent has originated loans secured by real property in the
16 State of Nevada, it has been determined that Respondent did, in fact, engage in mortgage
17 activity in the State of Nevada without a license to do so, thereby violating NRS
18 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 Five Thousand Dollars and No Cents (\$5,000.00) 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 Seventy Dollars and No Cents (\$270.00), 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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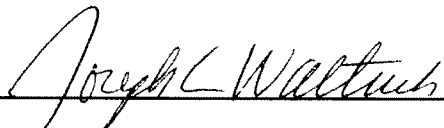
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1 Should Respondent not request a hearing within **twenty (20) days** of the date of this Order, the
2 Division will enter a Final Order in this matter against Respondent, pursuant to NRS
3 645B.750(2)

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5 DATED this 11th day of June, 2009.

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8 **STATE OF NEVADA**
9 **DEPARTMENT OF BUSINESS AND INDUSTRY**
10 **DIVISION OF MORTGAGE LENDING**

11 By: 
12 **JOSEPH L. WALTUCH, COMMISSIONER**

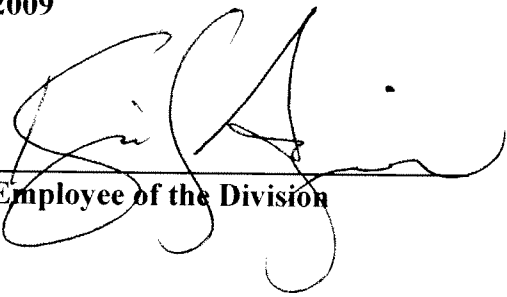
CERTIFICATE OF SERVICE

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3 **I certify that I am an employee of the State of Nevada, Department of Business and Industry,**
4 **Division of Mortgage Lending, and that on June 12, 2009, I deposited in the U.S. mail, postage**
5 **prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of**
6 **the foregoing, ORDER TO CEASE AND DESIST AND NOTICE OF INTENT TO IMPOSE**
7 **FINE AND NOTICE OF RIGHT TO REQUEST HEARING for DEREK PARENT, addressed as**
8 **follows:**
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11 **Derek Parent**
12 **2816 Barrow Downs St.**
13 **Las Vegas, NV 89135**

14 **Certified Receipt Number: 7006 2760 0000 0876 2681**

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18 **DATED this 11th day of June, 2009**

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21 **By:** 
22 **Employee of the Division**
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