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STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

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In re:
First Mortgage Corporation
Respondent.

FINAL ORDER

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the "Division"), having served the Respondent, First Mortgage Corporation, (hereinafter, "Respondent") on July 1, 2010, with its Notice of Intent to Impose Fine and Notice of Right to Request Hearing, attached hereto as Exhibit "1" and incorporated herein by reference, which notified Respondent that a final order would issue in this matter unless, within twenty (20) days of entry and receipt of said Order, Respondent requested a hearing to contest the charges against it, with said request to be made in writing, and;

Said Order having been sent to Respondent via certified mail and regular mail, and received by Respondent on July 6, 2010, and;

Respondent having failed to request a hearing in this matter, and good cause appearing:

NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to NRS 645E, Respondent will be subject to the administrative fines, fees and/or costs as set forth in the original Order attached hereto as Exhibit "1".

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2 **IT IS HEREBY ACKNOWLEDGED** that said administrative fines, fees and/or costs have
3 been paid in full.

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5 Dated this 21st day of July, 2010.

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

11 By: 
12 Joseph Z. Waltuch, Commissioner

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EXHIBIT “1”

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**STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING**

In re:

First Mortgage Corporation,
Respondent.

**NOTICE OF INTENT TO IMPOSE
FINE AND NOTICE OF RIGHT TO
REQUEST HEARING**

The licensing and regulation of mortgage brokers, mortgage bankers and escrow agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Revised Statutes ("NRS"), respectively, and Chapter 645B, Chapter 645E and Chapter 645A of the Nevada Administrative Code ("NAC"), respectively, and the regulations promulgated thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division") has the general duty to exercise supervision and control over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. First Mortgage Corporation ("Respondent") is a California corporation. Currently, Respondent's status with the Nevada Secretary of State is "default."

2. On July 20, 2004, the Division issued Respondent a mortgage banker license (License No. 576) pursuant to NRS Chapter 645E. Currently, Respondent's status with the Division is "active license."

3. Based upon information and belief and at all relevant times herein mentioned, Respondent conducted mortgage banker activity in the State of Nevada out of a principal office located at 2920 N Green Valley Parkway, #814, Henderson, Nevada 89014 (hereinafter "Respondent's Green Valley Office"), and branch offices at 2298 Horizon Ridge Parkway,

1 #106, Henderson, Nevada 89052 (hereinafter "Respondent's Horizon Ridge Office") and 1141
2 Southern Highlands Parkway, #210, Las Vegas, Nevada 89141 (hereinafter "Respondent's
3 Southern Highlands Office").

4 4. Pursuant to NRS 645E.200, a person who wishes to be licensed as a mortgage
5 banker must file a written application for a license with the Office of the Commissioner and
6 must "[s]tate the name, residence address and business address of the applicant and the
7 location of each principal office and branch office at which the mortgage banker will conduct
8 business in this State, including, without limitation, any office or other place of business
9 located outside this State from which the mortgage banker will conduct business in this State."

10 See NRS 645E.200(1)(b).

11
12 5. Pursuant to NRS 645E.200, "[i]f a mortgage banker will conduct business in this
13 State at one or more branch offices, the mortgage banker must apply for a license for each
14 such branch office." See NRS 645E.200(2).

15 6. Pursuant to 645E.300, with limited exception, the Division is charged with
16 conducting "an annual examination of each mortgage banker doing business in this State."
17 See NRS 645E.300(2)(d).

18
19 7. Pursuant to NRS 645E.300, the Division conducted a regularly scheduled
20 examination of Respondent's books and records on November 30, 2009 which revealed that:

21 a. On at least five (5) separate occasions prior to September 1, 2009
22 Respondent's mortgage agents conducted mortgage loan activity on behalf of Respondent out
23 of Respondent's Horizon Ridge Office;

24 b. Respondent's Horizon Ridge Office was not licensed by the Division
25 pursuant to Chapter 645E of NRS until September 22, 2009. The above-violations
26 enumerated in (a) each occurred prior to the licensing of Respondent's Horizon Ridge Office;

27
28 c. On at least two (2) separate occasions prior to November 6, 2009,

1 Respondent's mortgage agents conducted mortgage loan activity on behalf of Respondent out
2 of Respondent's Southern Highlands Office;

3 d. Respondent's Southern Highlands Office was not licensed by the Division
4 pursuant to Chapter 645E of NRS until November 6, 2009. The above-violations enumerated
5 in (c) each occurred prior to the licensing of Respondent's Southern Highlands Office.

6 8. Pursuant to NRS 645E.670, "[f]or each violation committed by a licensee, the
7 Commissioner may impose upon the licensee an administrative fine of not more than \$10,000,
8 may suspend, revoke or place conditions upon the license, or may do both, if the licensee,
9 whether or not acting as such... [d]oes not conduct his or her business in accordance with law
10 or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or
11 an order of the Commissioner..." See NRS 645E.670(2)(c).

12 VIOLATIONS OF LAW

13
14 After investigating this matter, the Division determined that Respondent conducted
15 unlicensed mortgage banker activity relating to loans on properties in Nevada out of
16 Respondent's Horizon Ridge and Southern Highlands Offices, respectively, in violation of
17 NRS 645E.200(1)(b) and NRS 645E.200(2).

18 ORDER

19
20 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**
21 pursuant to NRS 645E.750, that upon written application to the Division within **twenty (20)**
22 **days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the
23 contents of this Order referenced below. At that hearing the Division will seek:

24 a. The imposition of an administrative fine against Respondent in the amount of
25 Ten Thousand Dollars and No Cents (\$10,000.00), payable to the Division on account of
26 Respondent's multiple violations of Chapter 645E of NRS, as well as the Division's attorney's
27 fees, if any, incurred herein, each to be proven at the hearing; and
28

1 b. Respondent's payment, in full, of the administrative fine, costs and fees to the
2 Division within **thirty (30) days** of entry of the Final Order.

3 Should Respondent request a hearing, Respondent is advised of the following:

4 a) Respondent is entitled to be represented by legal counsel at its own cost and
5 expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and
6 argument on all issues involved; c) Requests may be made to the Commissioner for the
7 issuance of subpoenas; however, the Commissioner may request the proposed testimony of any
8 such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties
9 may agree to an informal resolution or settlement prior to any hearing.
10

11 Should Respondent not request a hearing within **twenty (20) days** of the date of this
12 Order, the Division will enter a Final Order in this matter against Respondent, as otherwise
13 required by law.

14 Dated this 15th day of July, 2010.

15 State of Nevada
16 Department of Business and Industry
17 Division of Mortgage Lending

18 By: 
19 Joseph L. Waltuch, Commissioner