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

Before the Commissioner of the Division of Mortgage Lending

In the Matter of: HOMEWARD RESIDENTIAL, INC. Mortgage Banker License No. 3792 Respondent.	Order No.: 2014-100 Case No.: 2014-100

FINAL ORDER
IMPOSING ADMINISTRATIVE FINE
AND
ASSESSING INVESTIGATIVE COSTS

Issued and Entered,
This 13th day of May, 2014,
By James Westrin,
Commissioner

I.
BACKGROUND

WHEREAS, the Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") is statutorily charged with the responsibility and authority to administer and enforce Chapter 645E of the Nevada Revised Statutes, NRS 645E.010 et seq., and Chapter 645E of the Nevada Administrative Code, NAC 645E.010 et seq., (collectively, the "Act") governing the licensing and conduct of mortgage bankers in the state of Nevada; and,

WHEREAS, the Commissioner is granted general supervisory power and control and administrative enforcement authority over all mortgage bankers doing business in the state of Nevada pursuant to the Act; and,

WHEREAS, on or about, June 14, 2012, Homeward Residential, Inc. ("Respondent") made application for and was granted a license as a mortgage banker, License No. 3792, pursuant to provisions of the Act; and,

WHEREAS, at all times relevant herein, Respondent was licensed by the Commissioner as a mortgage banker; and,

WHEREAS, on or about April 16, 2014, the Commissioner served upon Respondent a NOTICE OF INTENT TO IMPOSE ADMINISTRATIVE FINE and ASSESS INVESTIGATIVE COSTS AND NOTICE OF OPPORTUNITY FOR HEARING (the "Notice"), attached hereto as Exhibit A and incorporated herein by this reference; and,

WHEREAS, said Notice informed Respondent of alleged facts and conduct which, if true, violated the Act and would result in the issuance and entry of a final order imposing an administrative fine against Respondent. Namely, said Notice alleged that Respondent failed to timely file its monthly activity reports for the month(s) of June 2013, November 2013, December 2013, February 2014, and March 2014 in violation of NRS 645E.350(2) and NRS 645E.670(2)(c) and (i); and,

WHEREAS, said Notice further advised Respondent of its opportunity for an administrative hearing to contest the issuance and entry of a final order imposing an administrative fine against Respondent; and,

WHEREAS, Respondent failed to timely exercise its right to an opportunity for an administrative hearing and such right has been deemed waived and relinquished; and,

II.
FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

WHEREAS, based upon the files and records of the Division of Mortgage Lending, the Commissioner FINDS and CONCLUDES that:

1. At all times relevant to the matters contained herein, Respondent was and is subject to the jurisdiction of the Commissioner.

2. NRS 645E.350(2) requires a licensed mortgage banker to file a report with the Commissioner each month which provides the volume of loans arranged by the mortgage banker in the immediately preceding month (hereinafter, the "monthly activity report").

3. Respondent failed to timely file its monthly activity report for the month(s) of June 2013, November 2013, December 2013, February 2014, and March 2014.

4. NRS 645E.670(2)(c) and (i) provide that it is a violation for a mortgage banker to fail to comply with the Act or fail to timely submit a report required by the Commissioner under the Act.

5. NRS 645E.670(2) provides that the Commissioner may impose an administrative fine of up to $25,000.00 and other administrative discipline against a mortgage banker that violates the Act.

6. Respondent's failure to timely file its monthly activity report for the month(s) of June 2013, November 2013, December 2013, February 2014, and March 2014, in accordance with the requirements of NRS 645E.350(2), is a violation of NRS 645E.670(2)(c) and (i) and subjects Respondent to an administrative fine of up to $25,000.00 for each violation and other administrative discipline.

III.
ORDER

NOW, THERFORE, based upon the factual findings and conclusions set forth above and the books and records of the Division of Mortgage Lending, IT IS HEREBY ORDERED THAT:

1. An ADMINISTRATIVE FINE in the amount of $2,500.00 shall be and hereby is imposed upon Respondent. The ADMINISTRATIVE FINE is due and payable on or before the 30th day following the entry of this ORDER and the Division acknowledges Respondent has remitted the ADMINISTRATIVE FINE in full.

2. INVESTIGATIVE COSTS in the amount of $180.00 shall be and hereby are imposed upon Respondent. INVESTIGATIVE COSTS are due and payable on or before the 30th day following the entry of this ORDER.

3. Respondent shall henceforth ensure that it timely files its monthly activity reports in accordance with NRS 645E.350(2).

4. This ORDER shall be and is effective and enforceable on the date it is issued, as shown in the caption hereof.

5. This ORDER shall remain effective and enforceable until terminated, modified, set aside, or suspended in writing by the Commissioner.

6. The Commissioner specifically retains jurisdiction of the matter(s) contained herein and retains the authority to issue such further order(s) as he shall deem just, necessary, and appropriate to enforce NRS 645E and protect the public.

IT IS SO ORDERED.

DIVISION OF MORTGAGE LENDING

[redacted]

James Westrin, Commissioner

EXHIBIT “A”

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

Before the Commissioner of the Division of Mortgage Lending

In the Matter of: HOMEWARD RESIDENTIAL, INC. Mortgage Banker License No. 3792 Respondent.	Case No.: 2014-100

NOTICE OF INTENT TO IMPOSE ADMINISTRATIVE FINE
AND
ASSESS INVESTIGATIVE COSTS
AND
NOTICE OF OPPORTUNITY FOR HEARING

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") is statutorily charged with the responsibility and authority to administer and enforce Chapter 645E of the Nevada Revised Statutes, NRS 645E.010 et seq., and Chapter 645E of the Nevada Administrative Code, NAC 645E.010 et seq., (collectively, the "Act") governing the licensing and conduct of mortgage bankers in the state of Nevada; and,

The Commissioner is granted general supervisory power and control and administrative enforcement authority over mortgage bankers doing business in the state of Nevada pursuant to the Act; and,

Pursuant to that statutory authority granted to the Commissioner, Notice is hereby provided to Homeward Residential, Inc. ("Respondent") to give Respondent notice of facts or conduct which, if true, will result in the issuance and entry of a final order imposing an administrative fine against Respondent. Notice is further provided to Respondent that Respondent is entitled to an administrative hearing to contest this matter if Respondent timely files written application for an administrative hearing in accordance with instructions set forth in Section III of this Notice.

I.

FACTUAL ALLEGATIONS

1. Respondent made application for and was granted a license as a mortgage banker, License No. 3792, on June 14, 2012, pursuant to provisions of the Act.

2. At all times relevant herein, Respondent was licensed by the Commissioner as a mortgage banker, pursuant to provisions of the Act, and subject to the jurisdiction of the Commissioner.

3. The Act requires each mortgage banker to file each month with the Commissioner a report which provides the volume of loans arranged by the mortgage banker in the immediately preceding month (hereinafter, the "monthly activity report"). Specifically, NRS 645E.350(2) provides as follows:

> Each mortgage banker shall submit to the Commissioner each month a report of the mortgage banker's activity for the previous month. The report must:
>
> (a) Specify the volume of loans arranged by the mortgage banker for the month or state that no loans were arranged in that month;
>
> (b) Include any information required pursuant to the regulations adopted by the Commissioner; and
>
> (c) Be submitted to the Commissioner by the 15th day of the month following the month for which the report is made.

4. Contrary to the requirements of NRS 645E.350(2), Respondent has failed or refused to timely file with the Commissioner its monthly activity report for the month(s) of June 2013, November 2013, December 2013, February 2014 and March 2014.

5. Respondent's history of not filing monthly activity reports timely was cited in a Letter of Caution to the Respondent dated August 8, 2013.

6. Contrary to the requirements of NRS 645E.350(2) and after the issuance of the Letter of Caution, Respondent continues to file late reports.

7. The Act provides that it is a violation of the Act for a mortgage banker to fail to conduct its business in accordance with the Act or fail or refuse to timely file a required report. The Act further

grants the Commissioner the authority to impose an administrative fine or other discipline against a mortgage banker that violates the Act. NRS 645E.670(2)(c) and (i) specifically provide as follows:

> For each violation committed by a mortgage banker, the Commissioner may impose upon the mortgage banker an administrative fine of not more than $25,000, may suspend, revoke or place conditions upon the mortgage banker's license, or may do both, if the mortgage banker, whether or not acting as such:
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> * * *
>
> (c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
>
> * * *
>
> (i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter.

8. Respondent's failure to timely file with the Commissioner its monthly activity report for the month(s) of June 2013, November 2013, December 2013, February 2014, and March 2014 is a violation of NRS 645E.670(2)(c) and (i), and Respondent is, therefore, subject to the imposition of an administrative fine of up to $25,000.00 for each violation.

II.

NOTICE OF INTENT TO IMPOSE FINE AND ASSESS COSTS

Based upon the factual allegations set forth in Section I. above, Respondent is hereby given notice that it is the intent of the Commissioner to issue and enter a final order against Respondent imposing an ADMINISTRATIVE FINE of $2,500.00 and INVESTIGATIVE COSTS of $180.00. Prior to the issuance and entry of a final order Respondent is entitled to an opportunity for administrative

hearing to contest this matter if Respondent timely makes written application for such hearing in accordance with the instructions set forth in Section III. below.

III.

NOTICE OF OPPORTUNITY FOR HEARING

If Respondent wishes to exercise its right to an opportunity for an administrative hearing, within 20 days of the date of this Notice, Respondent must file a written application with the Commissioner to request a hearing. The written application requesting a hearing must be delivered to and received by the Division at:

Division of Mortgage Lending
Attn. Susan Slack
7220 Bermuda Road, Suite A
Las Vegas, Nevada 89119

If Respondent fails to timely file a written application with the Commissioner to request a hearing to contest this matter, Respondent's right to a hearing will be deemed waived and relinquished.

DIVISION OF MORTGAGE LENDING

[redacted]

James Westrin, Commissioner

Dated: April 16, 2014