

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: )  
DIVISION OF MORTGAGE LENDING, ) Order No. 2016-017  
Petitioner, )  
v. ) Case No. 2016-017  
ADVANTAGE MORTGAGE, )  
Mortgage Broker License No. 2518, )  
NLMS ID No. 3034, )  
and )  
SCOTT KRELLE, )  
President & Sole Shareholder, )  
Mortgage Agent License No. 48262, )  
NMLS ID No. 17082, )  
Respondents. )

CONSENT ORDER  
TO CEASE AND DESIST VIOLATING NRS 645B AND NAC 645B,  
REQUIRING COMPLIANCE WITH NRS 645B AND NAC 645B, PROHIBITING FUTURE  
NEVADA APPLICATIONS OR REGISTRATIONS,  
REQUIRING SURRENDER OF MORTGAGE BROKER LICENSE AND REQUIRING  
SURRENDER OF MORTGAGE AGENT LICENSE

Issued and Entered,  
This 9<sup>th</sup> day of March, 2017,  
By Cathy Sheehy,  
Commissioner

The Commissioner of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Commissioner") having been statutorily charged with the responsibility and authority to administer and enforce Chapter 645B of the Nevada Revised Statutes, NRS 645B.010 *et seq.* ("the Statute") and Chapter 645B of the Nevada Administrative Code, NAC 645B.001 *et seq.* ("the

1 Regulation”) (collectively “the Act”), governing the licensing and conduct of mortgage brokers and  
2 mortgage agents in the State of Nevada; and,

3 The Commissioner having been granted general supervisory power and control and  
4 administrative enforcement authority over all mortgage brokers and mortgage agents doing business in  
5 the State of Nevada pursuant to the Statute, including the authority to conduct examinations and  
6 investigations of its licensed mortgage brokers and mortgage agents to determine whether any such  
7 person has violated any provision of the Act; and,

8 ADVANTAGE MORTGAGE (“ADVANTAGE”) being an active foreign corporation organized  
9 under the laws of California and holding a Nevada business license (Entity No. E0261132006-0); and,

10 ADVANTAGE having been granted a mortgage broker license by the Commissioner (License  
11 No. 2518, NMLS ID. No. 3034) pursuant to the Act, on or about April 24, 2006; and,

12 SCOTT KRELLE (“KRELLE”) having been granted a mortgage agent license by the  
13 Commissioner (License No. 48262, NMLS ID. No. 7082) pursuant to the Act on or about November 23,  
14 2010; and,

15 KRELLE being the president and sole shareholder of ADVANTAGE; and,

16 The Division of Mortgage Lending (the “Division”) staff having conducted an examination of  
17 the books and records of ADVANTAGE for the period of July 1, 2013 through May 31, 2015, pursuant  
18 to NRS 645B.060; and,

19 Based upon the findings of the examination and review of the files and records of the Division,  
20 the Commissioner determined that ADVANTAGE and KRELLE (collectively, “the RESPONDENTS”)  
21 had engaged in activity and conduct that violated provisions of the Act. In particular, the Commissioner  
22 determined that RESPONDENTS: failed to fully cooperate with the examination; engaged in Nevada  
23 mortgage lending activity from an unlicensed California office; failed to keep and maintain complete  
24 and suitable records relating to loan files and additional books and records; offered or provided the  
25 services of, or instructed an agent to engage in unlicensed activity; engaged in gross negligence or  
26 incompetence; engaged in unlicensed activity; failed to maintain a principal licensed location in  
27 Nevada; failed to notify the Division of the closure of a specified Nevada office; failed to designate a  
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1 qualified employee who met the requirements of the Regulation for that specified Nevada office; and  
2 failed to comply with the terms of a prior consent order issued by the Commissioner.; and,

3         RESPONDENTS having been served on or about October 10, 2016, and in accordance with  
4 NRS 233B.127(3), with a NOTICE OF OPPORTUNITY TO SHOW COMPLIANCE AND  
5 PROPOSED ADMINISTRATIVE COMPLAINT providing RESPONDENTS with (1) notice of facts  
6 or conduct which warrant disciplinary action against RESPONDENTS and (2) notice of their  
7 opportunity for an informal conference prior to the commencement of formal disciplinary action, to  
8 show compliance with all lawful requirements for the retention of ADVANTAGE'S mortgage broker  
9 license; and,

10         RESPONDENTS having availed themselves of the opportunity to show compliance at an  
11 informal conference conducted at the Division's office on December 2, 2016; and,

12         RESPONDENTS having expressed a desire to cooperate with the Division, after formally  
13 contesting the allegations, and to avoid the time and expense involved in a formal administrative  
14 enforcement hearing; and,

15         The Division and RESPONDENTS having conferred concerning this matter and determined to  
16 resolve this matter pursuant to the following terms:

17         1.         RESPONDENTS, without admitting any liability or that there were violations of the Act,  
18 agree to henceforth cease and desist from any violations of the Act; and,

19         2.         ADVANTAGE agrees to immediately cease and desist from conducting any activity in  
20 the State of Nevada requiring licensure under the Act and to voluntarily surrender its Nevada mortgage  
21 broker license (License No. 2518); and,

22         3.         KRELLE agrees to immediately cease and desist from conducting any activity in the  
23 State of Nevada requiring licensure under the Act and to voluntarily surrender his Nevada mortgage  
24 agent license (License No. 48262); and,

25         4.         ADVANTAGE agrees to tender to the Division its surrendered Nevada mortgage broker  
26 license (License No. 2518) and KRELLE agrees to tender to the Division his surrendered Nevada  
27 mortgage agent license (License No. 48262), immediately upon KRELLE'S execution and return of the  
28 Voluntary Consent to Entry of Commissioner's Consent Order ("VOLUNTARY CONSENT"). The

1 VOLUNTARY CONSENT and the surrendered licenses shall be delivered to the Division at 7220  
2 Bermuda Road, Suite A, Las Vegas, Nevada 89119, attention Jessica Monsour, Chief Compliance  
3 Investigator.

4 5. KRELLE agrees that he, individually, or as an officer, director, shareholder, member, or  
5 partner of any business entity, whether on behalf of ADVANTAGE or any other business entity, shall  
6 not make application to the Commissioner for licensure or registration under any licensing or regulatory  
7 program administered by the Commissioner; and,

8 6. RESPONDENTS understand and agree that failure to strictly comply with each and  
9 every provision of this Consent Order is a violation of NRS 645B.670(1)(b)(3) and is grounds for any  
10 discipline authorized under the Statute.

11 RESPONDENTS, by and through SCOTT KRELLE, ADVANTAGE'S President, having  
12 knowingly and voluntarily affixed their signature to the attached VOLUNTARY CONSENT,  
13 incorporated herein by this reference, have consented to the issuance of this Consent Order with the  
14 intent to be legally bound hereby, and having waived and relinquished any and all rights that  
15 RESPONDENTS may now or hereafter have to be served with a notice of charges and an administrative  
16 hearing in this matter or to judicial review of, or otherwise challenge or contest, the entry of this  
17 Consent Order; and,

18 RESPONDENTS having had opportunity to consult with legal counsel of their choosing  
19 concerning this matter; and,

20 The Commissioner having made the following FINDINGS and CONCLUSIONS based upon the  
21 foregoing and the books and records of the Division:

22 1. The Commissioner has jurisdiction and authority to issue this Consent Order in this  
23 matter, pursuant to the Nevada Administrative Procedures Act ("NAPA"), NRS 233B.010 *et seq.*, and  
24 the Statute.

25 2. All required notices have been issued in this matter, and the notices and service thereof  
26 were appropriate and lawful in all respects.

27 3. The terms of this Consent Order are a reasonable resolution of this matter and in the  
28 public interest.

1 4. All applicable provisions of NAPA and NRS 622 have been met.

2 NOW, THEREFORE, IT IS HEREBY ORDERED that:

3 1. RESPONDENTS shall CEASE AND DESIST from any and all violations of the Act.

4 2. RESPONDENTS shall not conduct any activity in the State of Nevada requiring  
5 licensure under the Act.

6 3. ADVANTAGE shall surrender its Nevada mortgage broker license (License No. 2518)  
7 which shall be tendered to the Division immediately upon KRELLE'S execution and return of the  
8 VOLUNTARY CONSENT. The VOLUNTARY CONSENT and the surrendered mortgage broker  
9 license shall be delivered to the Division at 7220 Bermuda Road, Suite A, Las Vegas, Nevada 89119,  
10 attention Jessica Monsour, Chief Compliance Investigator.

11 4. KRELLE shall surrender his Nevada mortgage agent license (License No. 48262) which  
12 shall be tendered to the Division immediately upon KRELLE'S execution and return of the  
13 VOLUNTARY CONSENT. The VOLUNTARY CONSENT and the surrendered mortgage agent  
14 license shall be delivered to the Division at 7220 Bermuda Road, Suite A, Las Vegas, Nevada 89119,  
15 attention Jessica Monsour, Chief Compliance Investigator.

16 5. KRELLE shall not, individually, or as an officer, director, shareholder, member or  
17 partner of any business entity, whether on behalf of ADVANTAGE or any other business entity, make  
18 application to the Commissioner for licensure or registration under any licensing or regulatory program  
19 administered by the Commissioner.

20 6. This Consent Order shall be and is effective and enforceable on the date that it is issued,  
21 as shown in the caption hereof.

22 7. This Consent Order shall remain effective and enforceable until terminated, modified, set  
23 aside, or suspended in writing by the Commissioner.

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