

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,

Petitioner,

v.

DIXIELINE BUILDERS FUND CONTROL, INC.,
Escrow Agency License No. 4497,

Respondent.

Order No. 2017-001

Case No. 2017-001

CONSENT ORDER TO CEASE AND DESIST VIOLATING NRS 645A AND NAC 645A,
IMPOSING AN ADMINISTRATIVE FINE,
AND ASSESSING INVESTIGATIVE COSTS

Issued and Entered,
This 24th 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 645A of the Nevada Revised Statutes, NRS 645A.010 *et seq.* ("the Statute"), and Chapter 645A of the Nevada Administrative Code, NAC 645A.005 *et seq.* ("the Regulation") (collectively "the Act"), governing the licensing and conduct of escrow agencies and agents in the State of Nevada; and,

The Commissioner having been granted general supervisory power and control and administrative enforcement authority over all escrow agencies and agents doing business in the State of Nevada pursuant to the Statute; and,

1 The Commissioner having been further vested with broad authority to conduct investigations to
2 determine whether any person has violated any provision of the Act; and,

3 NRS 645A.015 prohibiting any person from engaging in or carrying on, or holding himself or
4 herself out as engaging in or carrying on, the business of administering escrows or to act in the capacity
5 of an escrow agent or escrow agency within Nevada or with respect to any transaction involving real or
6 personal property located in Nevada without first obtaining a license as an escrow agent or escrow
7 agency issued by the Commissioner pursuant to the Statute; and,
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9 Unless exempted by NRS 645A.015, NRS 645A.220(2) providing it unlawful for any foreign
10 corporation to transact any escrow business in Nevada unless it complies with the Statute; and,

11 NRS 645A.010(7) expressly including within the statutory definition of “escrow,” the
12 performance of the services of construction control; and

13 DIXIELINE BUILDERS FUND CONTROL, INC. (“DIXIELINE”), being an active foreign
14 corporation organized under the laws of California and holding a Nevada business license (Entity No.
15 E0271712016-4); and,
16

17 Cathy Osberg being the President of DIXIELINE; and,

18 DIXIELINE having been granted an escrow agency license (MLD License No. 4497) pursuant to
19 provisions of the Act on January 26, 2017; and,

20 The Division of Mortgage Lending (the “Division”), having received information on or about
21 May 2, 2016, before DIXIELINE obtained a Nevada escrow agency license under the Act, alleging that
22 DIXIELINE was engaged in numerous construction control projects in which it conducted the services
23 of a construction control within the meaning of the Statute; and,
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25 DIXIELINE having at no time relevant to this matter been licensed as an escrow agency or
26 escrow agent in Nevada under the Act, and not exempt from licensure under the Act; and,

27 Division staff (“Staff”), prior to DIXIELINE’S licensure as an escrow agency in Nevada, having
28 conducted and completed an investigation of DIXIELINE’S business practices and activities pursuant to

1 NRS 645A.110, and based upon the findings of that investigation determined that DIXIELINE, contrary
2 to NRS 645A.015 and NRS 645A.220(2), was engaged in activity requiring licensure as an escrow
3 agency or escrow agent; and,

4 The Division having informed DIXIELINE of the results of the investigation; and,

5 DIXIELINE and Staff having discussed this matter, and DIXIELINE having expressed its intent
6 to comply with the Act and desire to cooperate with the Division and to avoid the time and expense
7 involved in a formal administrative enforcement proceeding and hearing; and,

8 The Division and DIXIELINE having conferred concerning this matter and determined to
9 resolve this matter pursuant to the following terms:
10

11 1. DIXIELINE agrees to henceforth CEASE AND DESIST from any violations of the Act;
12 and,

13 2. DIXIELINE acknowledges and understands that the Act prohibits any person from
14 advertising, engaging in or carrying on, or holding himself or herself out as engaging in or carrying on,
15 the business of administering escrows or to act in the capacity of an escrow agent or escrow agency
16 within Nevada or with respect to any transaction involving real or personal property located in Nevada
17 without first obtaining a license as an escrow agent or escrow agency issued by the Commissioner
18 pursuant to the Statute; and,

19 3. DIXIELINE agrees to pay to the Division an ADMINISTRATIVE FINE in the amount
20 of \$20,000.00; and,

21 4. DIXIELINE agrees to pay to the Division its INVESTIGATIVE COSTS in the amount
22 of \$1,710.00 in accordance with NRS 622.400; and,

23 5. DIXIELINE understands and agrees that failure to strictly comply with each and every
24 provision of this Order is a violation of the Act and is grounds for any discipline authorized under the
25 Act.
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1 DIXIELINE, by and through its President, Cathy Osberg, having knowingly and voluntarily
2 affixed its signature to the attached VOLUNTARY CONSENT TO ENTRY OF COMMISSIONER'S
3 CONSENT ORDER ("Voluntary Consent"), incorporated herein by this reference, has consented to the
4 issuance of this Consent Order with the intent to be legally bound hereby, and having waived and
5 relinquished any and all rights that DIXIELINE may now or hereafter have to be served with a notice of
6 charges and an administrative hearing in this matter or to judicial review of, or otherwise challenge or
7 contest, the entry of this Consent Order; and,
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9 DIXIELINE having had opportunity to consult with legal counsel of its choosing concerning this
10 matter; and,

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

13 1. The Commissioner has jurisdiction and authority to issue this Consent Order in this
14 matter, pursuant to the Nevada Administrative Procedures Act ("NAPA"), NRS 233B.010 *et seq.*, and
15 the Statute.
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17 2. All required notices have been issued in this matter, and the notices and service thereof
18 were appropriate and lawful in all respects.

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

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

22 5. DIXIELINE violated NRS 645A.015 and NRS 645A.220(2).
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24 NOW, THEREFORE, IT IS HEREBY ORDERED that:

25 1. DIXIELINE shall CEASE AND DESIST from any and all violations of the Act..

26 2. DIXIELINE shall pay to the Division an ADMINISTRATIVE FINE in the amount of
27 \$20,000.00. The administrative fine shall be and is due upon DIXIELINE'S execution of the attached
28

1 Voluntary Consent and shall be tendered to the Division in accordance with the instructions included in
2 the enclosed invoice.

3 3. DIXIELINE shall pay to the Division INVESTIGATIVE COSTS in the amount of
4 \$1,710.00. The investigative costs shall be and are due upon DIXIELINE'S execution of the attached
5 Voluntary Consent and shall be tendered to the Division with the ADMINISTRATIVE FINE described
6 above in accordance with the instructions included in the enclosed invoice.

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8 4. This Consent Order shall be and is effective and enforceable on the date that it is issued,
9 as shown in the caption hereof.

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

12 6. The Commissioner specifically retains jurisdiction over the matters contained herein and
13 has the authority to issue such further order(s) as the Commissioner shall deem just, necessary, and
14 appropriate to enforce the Act and protect the public.

15 IT IS SO ORDERED.
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18 DIVISION OF MORTGAGE LENDING

19
20 By: 
21 CATHY SHEEHY, COMMISSIONER