

STATE OF NEBRASKA
Department of Banking & Finance

IN THE MATTER OF:)	
)	FINDINGS OF FACT
Mortgage Research Center, LLC,)	CONCLUSIONS OF LAW
d/b/a www.VAMortgageCenter.com,)	AND
2101 Chapel Plaza Court, Suite 107,)	CONSENT AGREEMENT
Columbia, Missouri)	

THIS MATTER comes before the Nebraska Department of Banking and Finance (“DEPARTMENT”), by and through its Director, pursuant to its authority under the Mortgage Bankers Registration and Licensing Act, Neb. Rev. Stat. §§ 45-701 to 45-723 (Reissue 2004; Cum. Supp. 2006; Supp. 2007) (“the Act”). Pursuant to Neb. Rev. Stat. § 45-710 (Supp. 2007), the DEPARTMENT has investigated the acts of Mortgage Research Center, LLC, d/b/a www.VAMortgageCenter.com (“MRC”). As a result of such investigation, and being duly advised and informed in the matter, the Director and MRC enter into the following Findings of Fact, Conclusions of Law, and Consent Agreement.

FINDINGS OF FACT

1. On August 3, 2007, MRC submitted a Mortgage Banker License Application (“Application”) to the DEPARTMENT pursuant to Neb. Rev. Stat. § 45-705 (Supp. 2007).
2. In its Application, MRC disclosed a website with an address of www.vamortgagecenter.com. When the DEPARTMENT reviewed the website in August 2007, the DEPARTMENT discovered that the website also contained an on-line application which appeared to accept applications from Nebraska residents. The website did not contain any statement that MRC did not make loans in Nebraska, or a statement that it made loans in only those states in which it had licenses.

3. On August 31, 2007, the DEPARTMENT sent a letter to MRC in which it requested:

Please provide us a list of all customers who have submitted a mortgage application with Affordable (sic) Mortgage Research Center, LLC d/b/a www.VAMortgageCenter.com for property located in Nebraska. This list should include all applications received by the website and any other source.

4. MRC responded in a letter dated September 20, 2007 as follows:

From our website, www.VAMortgageCenter.com, we have received the following applications where we have made or arranged to make mortgage loans:

(nine customer names redacted)

Since reaching our limit we have removed NE from a drop down option on our website until our license is finalized.

5. Neb. Rev. Stat. § 45-702(9) (Supp. 2007) defines the term “mortgage banker” as any person who “makes, originates, services, negotiates, acquires, sells, arranges for, or offers to make, originate, service, negotiate, acquire, sell, or arrange for ten or more mortgage loans in a calendar year.”

6. Neb. Rev. Stat. § 45-702(13) (Supp. 2007) defines the term “offer” as every attempt to provide, offer to provide, or solicitation to provide a mortgage loan or any form of mortgage banking business. Offer includes, but is not limited to, all general and public advertising, whether made in print, through electronic media, or by the Internet.

7. MRC, by accepting nine applications and offering to accept loan applications via the Internet, committed multiple violations of Neb. Rev. Stat. § 45-705(1) (Supp. 2007) which provides that:

(n)o person shall act as a mortgage banker or use the title mortgage banker in this state unless he, she, or it is licensed or has registered with the department as provided in the Mortgage Bankers Registration and Licensing Act or is licensed under the Nebraska Installment Loan Act.

8. MRC does not hold, and never has held, a license issued pursuant to the Nebraska Installment Loan Act.

9. The DEPARTMENT incurred a minimum of five hundred dollars in investigation costs in this matter.

CONCLUSIONS OF LAW

1. Neb. Rev. Stat. § 45-705 (Supp. 2007) provides, in part, that no person shall act as a mortgage banker or use the title mortgage banker in this state unless he, she, or it is licensed or registered with the DEPARTMENT.

2. Neb. Rev. Stat. § 45-702(9) (Supp. 2007) defines the term “mortgage banker” as any person not exempt from the Act who, for compensation, gain or in the expectation of compensation or gain, directly or indirectly makes, originates, services, negotiates, acquires, sells, arranges for, or offers to make, originate, service, negotiate, acquire, sell, or arrange for ten or more mortgage loans in a calendar year.

3. Neb. Rev. Stat. § 45-702(13) (Supp. 2007) defines the term “offer” as every attempt to provide, offer to provide, or solicitation to provide a mortgage loan or any form of mortgage banking business. Offer includes, but is not limited to, all general and public advertising, whether made in print, through electronic media, or by the Internet.

4. Neb. Rev. Stat. § 45-706(1) (Supp. 2007) provides that the business of a mortgage banker shall be operated honestly, soundly, and efficiently in the public interest consistent with the purposes of the Act.

5. Neb. Rev. Stat. § 45-706(1) (Supp. 2007) provides that the Director of the DEPARTMENT shall issue a mortgage banker license if he or she finds that the character

and general fitness of the applicant are such that the business will be operated honestly, soundly, and efficiently in the public interest consistent with the purposes of the Act.

6. Neb. Rev. Stat. § 45-717.01(2) (Cum. Supp. 2006) provides that if the Director finds, after notice and hearing in accordance with the Administrative Procedure Act, that any person has knowingly committed any act prohibited by Section 45-707 or has otherwise violated the Act, the Director may order such person to pay an administrative fine not exceeding five thousand dollars for each separate violation plus the costs of investigation.

7. The above Findings of Fact contain information which indicates that MRC acted as a mortgage banker without a license. Operating without a license is itself a violation of the Act. Moreover, MRC operated a website that promoted its proposed mortgage banking business and accepted online applications. MRC's decision to operate a mortgage banking business and to use a website to solicit and conduct business without a license raises serious questions regarding MRC's ability to operate the business soundly, efficiently, and in the public interest.

8. The facts listed in the above Findings of Fact constitute a sufficient basis for the Director to have determined that MRC has violated the Act and that proceedings to deny MRC's Application should be initiated and/or that an administrative fine in an amount of not more than five thousand dollars for each separate violation plus costs of investigation should be imposed in accordance with Neb. Rev. Stat. § 45-717.01(2) (Cum. Supp. 2006).

9. Under the Act's statutory framework, the Director has the legal and equitable authority to fashion significant remedies.

10. It is in the best interest of MRC, and the best interest of the public, to resolve the issues included herein.

CONSENT AGREEMENT

The DEPARTMENT and MRC agree as follows:

Stipulations: In connection with this Consent Agreement, MRC and the DEPARTMENT stipulate to the following:

1. The DEPARTMENT has jurisdiction as to all matters herein.
2. This Consent Agreement shall resolve all matters between the DEPARTMENT and MRC in connection with the Findings of Fact listed above. Should future circumstances warrant, the facts from this matter may be considered in a future administrative action by the DEPARTMENT.
3. This Consent Agreement shall be in lieu of all other proceedings available to the DEPARTMENT, except as specifically referenced in this Consent Agreement.

MRC further represents as follows:

1. MRC is aware of its right to a hearing on these matters at which it may be represented by counsel, present evidence, and cross-examine witnesses. The right to such a hearing, and any related appeal, is irrevocably waived.
2. MRC is acting free from any duress or coercion of any kind or nature.
3. This Consent Agreement is executed to avoid further proceedings and constitutes an admission of violations of the Act solely for the purpose of this Consent Agreement and for no other purpose.

IT IS, THEREFORE AGREED as follows:

1. Within ten (10) days after the effective date of this Consent Agreement, MRC shall pay a fine of nine thousand dollars (\$9,000.00) for its nine violations of Neb. Rev. Stat. § 45-705 (Supp. 2007), in which MRC acted as a mortgage banker without the

required license by operating a website and accepting applications from Nebraska consumers.

2. Within ten (10) days after the effective date of this Consent Agreement, MRC shall pay the investigation costs of the DEPARTMENT in the amount of five hundred dollars (\$500.00).

3. The total amount of the fine and investigation costs, nine thousand five hundred dollars (\$9,500.00), shall be payable in one check or money order to the DEPARTMENT.

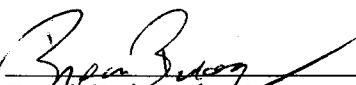
4. Within three (3) business days of receipt of the payment of the fine and investigation costs, the DEPARTMENT shall issue a Mortgage Banker License to MRC for the current licensing period.

5. In the event MRC fails to comply with any of the provisions of this Consent Agreement, the DEPARTMENT may commence such action regarding MRC as it deems necessary and appropriate in the public interest.

6. The effective date of this Consent Agreement shall be the date of the Director's signature.

DATED this 7th day of November, 2007.

**Mortgage Research Center, LLC,
d/b/a www.VAMortgageCenter.com**


By: 
Brock Bukowsky, Manager

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(573) 876-2600

DATED this 13th day of November, 2007.

**STATE OF NEBRASKA
DEPARTMENT OF BANKING AND FINANCE**

By:



John Munn, Director

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