

JEAN R. URANGA  
Hearing Officer  
714 North 5th Street  
P.O. Box 1678  
Boise, Idaho 83701  
Telephone: (208) 342-8931  
Facsimile: (208) 384-5686  
Idaho State Bar No. 1763

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE

STATE OF IDAHO

In re Mortgage Loan Originator)  
License Application of: )  
 ) Docket No. 2015-16-02  
STEVEN MICHAEL HALL, )  
NMLS ID No. 171832, ) HEARING OFFICER'S FINDINGS  
 ) OF FACT, CONCLUSIONS OF LAW  
Applicant. ) AND PRELIMINARY ORDER  
 )  
\_\_\_\_\_ )

This matter came on for an evidentiary hearing on August 12, 2015, at 9:00 a.m. Brian Nicholas, Deputy Attorney General, appeared on behalf of the Department of Finance. Steven Hall appeared representing himself.

**FINDINGS OF FACT**

1. Mr. Hall is a resident of the State of Idaho. On April 2, 2015, Mr. Hall submitted an on-line application to the Department of Finance for a Mortgage Loan Originator License. Three pages of the application were admitted as Exhibit A.

2. On Exhibit A, Page 2, Section (K) specifically asks:  
(K) Has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:

- . . .
- (2) found you to have been involved in a violation of a financial services-related business regulation(s) or statute(s).
  - (4) entered an order against you in connection with a financial services-related activity?

Idaho Code §26-31-102(6) defines "financial services" to include real estate.

Mr. Hall answered these questions: "No." On Page 3 of Exhibit A, Mr. Hall certified that the information provided is current, true, accurate and complete and has been provided under penalty of perjury.

3. Thereafter, the Department of Finance through Erin Van Engelen obtained a credit report on Mr. Hall. That credit report contained multiple entries. By letter dated April 3, 2015, Ms. Van Engelen wrote to Mr. Hall for his explanation of the multiple entries. (Exhibit B.)

4. Mr. Hall's written response was admitted as Exhibit C. In his response to one of the collection accounts, Mr. Hall admitted that he had been charged by the Idaho Real Estate Commission for selling real estate without a license. That administrative action had not previously been disclosed on his application to the Department of Finance.

5. Based upon his response, Ms. Van Engelen contacted the Idaho Real Estate Commission and obtained a copy of a Complaint which had been filed against Mr. Hall by the Idaho Real Estate Commission and which was dated November 19, 2010. (Exhibit D.)

The last page of Exhibit D indicates that Mr. Hall was personally served with a copy of that Complaint on December 5, 2010. Ms. Van Engelen also obtained Exhibit E which indicates that a Notice of Proposed Default Order was mailed to Mr. Hall on January 21, 2011.

6. Finally, Ms. Van Engelen obtained the Final Order from the Idaho Real Estate Commission dated February 2, 2011 which was mailed to Mr. Hall February 3, 2011.

7. In his defense, Mr. Hall attempted to challenge the validity of the Idaho Real Estate Commission proceedings and Final Order. He contends that he was never granted a hearing on the Complaint. However, the evidence establishes that he was personally served with the Real Estate Commission pleadings and did not file an Answer or defend himself in that case. The Department of Finance is not a forum to challenge the validity of the Final Order of the Idaho Real Estate Commission.

8. The Hearing Officer finds that Mr. Hall did provide a material misstatement in responses to his application by failing to disclose the Idaho Real Estate Commission action and Final Order.

### **CONCLUSIONS OF LAW**

9. Idaho Code §26-31-305(1) provides that an applicant for a mortgage loan originator license must apply through the Nationwide Mortgage License System and Registry (NMLSR).

10. Pursuant to Idaho Code §26-31-306(1)(h), before an application for license can be approved the Applicant must provide all information on the application.

11. The Director shall require mortgage loan originators to be licensed and as part of the application, and the Director can require applicants to submit to credit checks and provide information on any administrative agency actions. Idaho Code §26-31-311.

12. Pursuant to Idaho Code §26-31-313(1)(b), the Director may deny a license if an applicant withholds information or makes a material misstatement in an application for licensure. Further, Idaho Code §26-31-305 requires that all applicants for licensure update application forms as necessary to keep all information current.

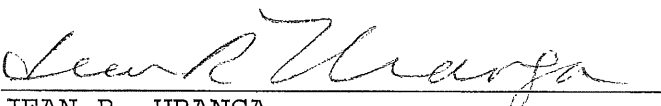
13. In his initial application, the Applicant made a material misstatement of fact. He failed to disclose the action by the Idaho Real Estate Commission.

14. The Applicant has made a material misstatement of fact in his application which is grounds to deny his application for licensure.

### PRELIMINARY ORDER

Based upon the foregoing, IT IS HEREBY ORDERED That the Department's Order Denying Mortgage Loan Originator License Application of Mr. Hall dated June 11, 2015, should be AFFIRMED.

DATED This 24 day of August, 2015.

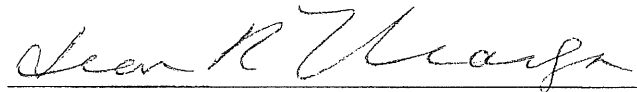
  
JEAN R. URANGA  
Hearing Officer

CERTIFICATE OF MAILING

I HEREBY CERTIFY That on this 24 day of August, 2015, I served true and correct copies of the foregoing HEARING OFFICER'S FINDINGS OF FACT, CONCLUSIONS OF LAW AND PRELIMINARY ORDER by depositing copies thereof in the United States mail, postage prepaid, in envelopes addressed to:

Steven Michael Hall  
1407 N. 23rd  
Boise, Idaho 83702

Brian D. Nicholas  
Deputy Attorney General  
State of Idaho  
Department of Finance  
P.O. Box 83720  
Boise, Idaho 83720-0031

---

JEAN R. URANGA