

ARKANSAS SECURITIES DEPARTMENT

ASD CASE NO. C-08-025

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

WILLIAM O. HALL

Order Number C-08-025-09-CD01

CEASE AND DESIST ORDER

On March 26, 2009, the Staff of the Arkansas Securities Department (“Staff”) filed its Request for Cease and Desist Order (“Request”) stating that it had received information and has in its possession certain evidence which indicates that William O. Hall (“Respondent”) has violated various provisions of the Fair Mortgage Lending Act (“Act”), codified at Ark. Code Ann. §§ 23-39-501 through 23-39-518. The Arkansas Securities Commissioner (“Commissioner”) has reviewed the Request, and based upon the representations made therein, finds:

FINDINGS OF FACT

1. The Staff’s Request asserts the following representations of fact:
 - a. Respondent is an individual located in St. Louis, Missouri, who has conducted mortgage loan brokering activities with Arkansas residents. Respondent does not hold a mortgage loan officer license with the Arkansas Securities Department (“Department”).
 - b. Mortgage Resource Center, LLC (“Mortgage Resource”) is a mortgage broker located in Pine Bluff, Arkansas. Mortgage Resource was licensed as a mortgage broker with the Department from May 13, 2003, until June 30, 2008.

- c. The Staff has received information that from January 9, 2006, to August 28, 2007, Respondent acted as a loan officer for Mortgage Resource with Arkansas residents. More specifically, Respondent was listed as a loan officer on nineteen closed loans in which Mortgage Resource was the mortgage broker.
- d. On or about January 13, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR1”). Respondent is listed as the loan officer on the uniform residential mortgage application (“loan application”) dated January 13, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$252,000. MortgageIT, Inc., a mortgage banker, funded AR1’s mortgage loan on January 19, 2006.
- e. On or about January 9, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR2”). Respondent is listed as the loan officer on the loan application dated January 9, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$52,200. MortgageIT, Inc., a mortgage banker, funded AR2’s mortgage loan on January 27, 2006.
- f. On or about February 6, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR3”). Respondent is listed as the loan officer on the loan application dated February 6, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located

in Pine Bluff, Arkansas, in the amount of \$27,000. BNC Mortgage Inc., a mortgage banker, funded AR3's mortgage loan on February 6, 2006.

- g. On or about February 13, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR4"). Respondent is listed as the loan officer on the loan application dated February 13, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$64,000. MortgageIT, Inc., a mortgage banker, funded AR4's mortgage loan on February 13, 2006.
- h. On or about March 3, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR5"). Respondent is listed as the loan officer on the loan application dated March 3, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$42,800. MortgageIT, Inc., a mortgage banker, funded AR6's mortgage loan on March 3, 3006.
- i. On or about March 17, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR6"). Respondent is listed as the loan officer on the loan application dated March 17, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$62,700. Argent Mortgage Company, LLC, a mortgage banker, funded AR5's mortgage loan on March 17, 2006.
- j. On or about March 30, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR7"). Respondent is listed as the loan officer on the

loan application dated March 30, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas. Argent Mortgage Company, a mortgage banker, funded AR7's mortgage loan on April 11, 2006, for the amount of \$90,000.

- k. On or about April 17, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR8"). Respondent is listed as the loan officer on the loan application dated April 17, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas. MortgageIT, Inc., a mortgage banker, funded the AR8's mortgage loan on April 21, 2006 for the amount of \$360,000.
- l. On or about April 17, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR9"). Respondent is listed as the loan officer on the loan application dated April 17, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas. MortgageIT, Inc., a mortgage banker, funded the AR9's mortgage loan on April 21, 2006, for the amount of \$290,000.
- m. On or about April 25, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR10"). Respondent is listed as a loan officer on the loan application dated April 25, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas in the amount of \$125,400. MortgageIT, Inc., a mortgage banker, funded AR10's mortgage loan on April 25, 2006.

- n. On or about April 26, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR11”). Respondent is listed as the loan officer on the loan application dated April 26, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas. MortgageIT, Inc., a mortgage banker, funded AR11’s mortgage loan on May 1, 2006, for the amount of \$168,000.
- o. On or about May 25, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR12”). Respondent is listed as the loan officer on the loan application dated May 25, 2006. The loan application sought to re-finance a mortgage loan to be secured by residential property located in White Hall, Arkansas. Argent Mortgage Company, LLC, a mortgage banker, funded AR12’s mortgage loan on May 31, 2006, for the amount of \$255,000.
- p. On or about August 18, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR13”). Respondent is listed as the loan officer on the loan application dated August 18, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$118,750. Argent Mortgage Company, LLC, a mortgage banker, funded AR13’s mortgage loan on August 18, 2006.
- q. On or about November 2, 2006, Respondent brokered a mortgage loan for an Arkansas resident (“AR14”). Respondent is listed as the loan officer on the loan application dated November 2, 2006. The loan application

sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$63,650. MortgageIT, Inc., a mortgage banker, funded AR14's mortgage loan on November 2, 2006.

- r. On or about November 14, 2006, Respondent brokered a mortgage loan for an Arkansas resident ("AR15"). Respondent is listed as the loan officer on the loan application dated November 14, 2006. The loan application sought funding for a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas, in the amount of \$82,650. Wells Fargo Bank, NA, a mortgage banker, funded AR15's mortgage loan on November 15, 2006.
- s. On or about January 9, 2007, Respondent brokered a mortgage loan for an Arkansas resident ("AR16"). Respondent is listed as the loan officer on the loan application dated January 9, 2007. The loan application sought funding for a mortgage loan to be secured by residential property located in Sherwood, Arkansas, in the amount of \$380,000. Option One Mortgage, a mortgage banker, funded AR16's mortgage loan on January 9, 2007.
- t. On or about August 10, 2007, Respondent brokered a mortgage loan for an Arkansas resident ("AR17"). Respondent is listed as the loan officer on the loan application dated August 10, 2007. The loan application sought to re-finance a mortgage loan to be secured by residential property located

in Pine Bluff, Arkansas. MortgageIT, Inc., a mortgage banker, funded AR17's mortgage loan on August 13, 2007, for the amount of \$31,500.

- u. On or about August 20, 2007, Respondent brokered a mortgage loan for an Arkansas resident ("AR18"). Respondent is listed as the loan officer on the loan application dated August 20, 2007. The loan application sought to re-finance a mortgage loan to be secured by residential property located in Pine Bluff, Arkansas. MortgageIT, Inc., a mortgage banker, funded AR18's mortgage loan on August 24, 2007, for the amount of \$152,000.
- v. On or about August 28, 2007, Respondent brokered a mortgage loan for an Arkansas resident ("AR19"). Respondent is listed as the loan officer on the loan application dated August 28, 2007. The loan application sought funding for a mortgage loan to be secured by residential property located in Stuttgart, Arkansas, in the amount of \$54,000. MortgageIT, Inc., a mortgage banker, funded AR19's mortgage loan on August 28, 2007.
- w. According to the Department's records, Respondent was not licensed as a mortgage loan officer during the time period of January 9, 2006, and August 28, 2007, in which the mortgage loan activity was conducted, therefore, this activity should be deemed unlicensed and in violation of the Act.

CONCLUSIONS OF LAW

2. This matter is properly brought before the Commissioner in accordance with Ark. Code Ann. §23-39-514(a).

3. It is unlawful for any person other than an exempt person to act or attempt to act, directly or indirectly, or to hold himself or herself out as a mortgage broker, mortgage banker, mortgage loan officer, or mortgage servicer with a person located in Arkansas without first having obtained a license from the Commissioner. Ark. Code Ann. § 23-39-503(b) & (f). Respondent conducted mortgage loan brokering activities in Arkansas without a license and accordingly Respondent violated Ark. Code Ann. § 23-39-503(b) & (f) by holding himself out as a loan officer with Mortgage Resource Center and accepting loan applications without holding a license as a loan officer.
4. Upon finding that any action of a person is in violation of the Act, the Commissioner may summarily order the person to cease and desist from the prohibited action. Ark. Code Ann. § 23-39-514(d)(1). Based on the Findings of Fact and Conclusions of Law, this Order is in the public interest and is appropriate pursuant to Ark. Code Ann. § 23-39-514.

ORDER

IT IS HEREBY ORDERED that Respondent shall CEASE and DESIST effective immediately, from all mortgage loan brokering activities in Arkansas until such time as the Respondent has applied for and been granted a license to engage in such activities.

Respondent may request a hearing before the Commissioner in accordance with Ark. Code Ann. § 23-39-514. Any request for a hearing must be made in writing and delivered to the Commissioner within thirty (30) days from the date on which notice of this Order is sent by the Commissioner to Respondent's address by first class mail, postage prepaid. Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
201 East Markham
Suite 300
Little Rock, Arkansas 72201

If no hearing is requested, and no hearing is ordered by the Commissioner, this Order will remain in effect until it is modified or vacated by the Commissioner.

IT IS SO ORDERED:



A. Heath Abshure
Arkansas Securities Commissioner

April 8, 2009
Date