

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. C-10-0094
ORDER NO. C-10-0094-10-OR01**

ARKANSAS SECURITIES DEPT.

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**IN THE MATTER OF:
UNITED-BILT HOMES, L.L.C., NMLS&R NO. 39943**

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Fair Mortgage Lending Act (“FMLA”), codified at Ark. Code Ann. §§ 23-39-501 through 23-39-518, the Rules of the Arkansas Fair Mortgage Lending Act (“Rules”) and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-101 through 25-15-219, in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”) and the Respondent, United-Bilt Homes, L.L.C. (“United-Bilt”), in full and final settlement of all claims that could be brought against United-Bilt by the Staff on the basis of the facts set forth herein.

United-Bilt admits the jurisdiction of the FMLA and the Arkansas Securities Commissioner (“Commissioner”), waives its right to a formal hearing and appeal, admits the findings of facts made herein, consents to the entry of this Order, and agrees to abide by its terms.

FINDINGS OF FACT

1. United-Bilt is a mortgage broker, mortgage banker, and mortgage servicer located in Springdale, Arkansas, Nationwide Mortgage Licensing System Registry (“NMLS&R”) number 39943. United-Bilt is currently licensed as a mortgage broker, mortgage banker, and mortgage servicer by the Arkansas Securities Department (“Department”). United-Bilt’s license as a

mortgage broker, mortgage banker, and mortgage servicer is scheduled to expire on December 31, 2010.

2. The Staff has also determined that in 2008 the following loan officers employed by United-Bilt engaged in mortgage loan activity without being licensed under the FMLA:

a. Between April and May 2008, while Trip Bailey (“Bailey”) was employed as a loan officer for United-Bilt, Bailey was involved in accepting mortgage loan applications from two Arkansas residents without being properly licensed by the Commissioner.

b. In May 2008, while Terry Counts (“Counts”) was employed as a loan officer for United-Bilt, Counts was involved in accepting a mortgage loan application from one Arkansas resident without being properly licensed by the Commissioner.

c. Between January and February 2008, while Raymond Gordon (“Gordon”) was employed as a loan officer for United-Bilt, Gordon was involved in accepting mortgage loan applications from three Arkansas residents without being properly licensed by the Commissioner.

d. Between May and November 2008, while Jason Harrell (“Harrell”) was employed as a loan officer for United-Bilt, Harrell was involved in accepting mortgage loan applications from seven Arkansas residents without being properly licensed by the Commissioner.

e. Between January and February 2008, while Rita Humphrey (“Humphrey”) was employed as a loan officer for United-Bilt, Humphrey was involved in accepting mortgage loan applications from two Arkansas residents without being properly licensed by the Commissioner.

f. Between March and April 2008, while Jeff Nordin (“Nordin”) was employed as a loan officer for United-Bilt, Nordin was involved in accepting mortgage loan applications from five Arkansas residents without being properly licensed by the Commissioner.

g. In March and June 2008, while Harley Thompson (“Thompson”) was employed as a loan officer for United-Bilt, Thompson was involved in accepting mortgage loan applications from two Arkansas residents without being properly licensed by the Commissioner.

h. In December 2008, while Winfred Ward (“Ward”) was employed as a loan officer for United-Bilt, Ward was involved in accepting a mortgage loan application from one Arkansas resident without being properly licensed by the Commissioner

3. The unlicensed mortgage loan officer activity of Bailey, Counts, Gordon, Harrell, Humphrey, Nordin, Thompson, and Ward as detailed above constitutes 23 separate violations of Ark. Code Ann. § 23-39-503(c) by United-Bilt in 2008.

4. The Staff has also determined that in 2010 the following loan officers employed by United-Bilt engaged in mortgage loan activity without being licensed under the FMLA:

a. In February 2010, while John Tuyo (“Tuyo”) was employed as a loan officer for United-Bilt, Tuyo was involved in accepting a mortgage loan application from one Arkansas resident without being properly licensed by the Commissioner.

b. In June 2010, while Dale Barnett (“Barnett”) was employed as a loan officer for United-Bilt, Barnett was involved in accepting a mortgage loan application from one Arkansas resident without being properly licensed by the Commissioner.

5. The unlicensed mortgage loan officer activity of Tuyo and Barnett as detailed above constitutes two separate violations of Ark. Code Ann. § 23-39-503(c) by United-Bilt in 2010.

6. United-Bilt fully cooperated with the Staff during the Staff’s investigation of this matter. In addition, United-Bilt has assured the Staff that it has instituted significant internal controls and supervisory changes in order to ensure that the above detailed violations will not occur in the future.

LEGAL AUTHORITY AND CONCLUSIONS OF LAW

7. Pursuant to Ark. Code Ann. § 23-39-503(c), it is unlawful for any person other than an exempt person to employ, to compensate, or to appoint as its agent any person to act as a loan officer unless the loan officer is licensed as a loan officer under the FMLA. The acts of United-Bilt and the unlicensed loan officers employed by United-Bilt as detailed in ¶¶ 2-5 constitute 25 violations of Ark. Code Ann. § 23-39-503(c) by United-Bilt.

8. Pursuant to Ark. Code Ann. § 23-39-514(a)(1), the entry of this order is in the public interest.

9. The Commissioner by order may impose a civil penalty that shall not exceed \$10,000.00 for each violation by a mortgage broker, banker, or servicer upon a licensee or any partner, officer, director, member, manager, or other person occupying a similar status or performing a similar function on behalf of a licensee for any violation of the FMLA. Ark. Code Ann. § 23-39-514(b)(1) and (2). The acts and violations of the FMLA and Rules by United-Bilt as detailed in ¶¶ 2-5 warrant the entry of appropriate civil penalties against United-Bilt as authorized by Ark. Code Ann. § 23-39-514(b)(1) and (2).

10. Pursuant to Ark. Code Ann. § 23-39-514(k), the FMLA permits the informal disposition of an allegation by a consent order. The acts and violations of the FMLA by United-Bilt as detailed in ¶¶ 2-5 warrant the entry of this Consent Order.

ORDER

By agreement and with the consent of the Staff and the authorized representative of United-Bilt, it is hereby ordered that United-Bilt shall be responsible for the payment of a civil penalty in the amount of \$5,000.00 to the Arkansas Securities Department. The payment of said

civil penalty by United-Bilt shall be made to the Arkansas Securities Department within ten (10) calendar days of the entry of this Consent Order.

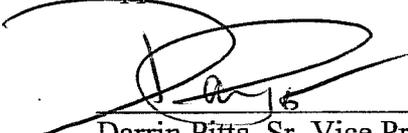
IT IS SO ORDERED.



A. Heath Abshure
Arkansas Securities Commissioner

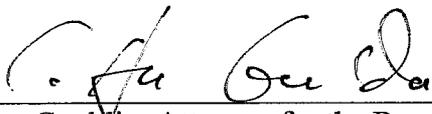
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Date

Approved as to Content and Form:



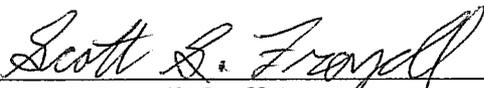
Darrin Pitts, Sr. Vice President
United-Bilt Homes, L.L.C., the Respondent

11/29/10
Date



Alan Gauldin, Attorney for the Respondent

11/29/10
Date



Scott S. Freydl, Staff Attorney
Arkansas Securities Department

12/6/10
Date