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ARKANSAS SECURITIES DEPT.

**BEFORE THE ARKANSAS SECURITIES COMMISSIONER**

**CASE NO. C-20-0019**
**ORDER NO. C-20-0019-20-OR01**

**IN THE MATTER OF:**

**LICENSURE OF QUICKEN LOANS, INC.,**
**BRANCH 1556 HIGHWAY 62/412**
**HIGHLAND, AR**

## ORDER

This Order is entered pursuant to the Arkansas Fair Mortgage Lending Act ("Act"), Ark. Code Ann. §§ 23-39-501 through 23-39-518, the Rules of the Fair Mortgage Lending Act, and the Arkansas Administrative Procedures Act, Ark. Code Ann. §§ 25-15-201 through 25-15-220.

## FINDINGS OF FACT

1. Quicken Loans Inc. ("Quicken"), NMLS No. 3030 filed an application for a license for a branch office to be located at 1556 Highway 62/412 Highland, AR 72542 ("Branch Office"), NMLS No. 1970137 on March 23, 2020 with the Arkansas Securities Department ("Department").

2. Michael Don Watson ("Watson"), NMLS No. 331938 filed an application to be licensed as the Branch Manager of the Branch Office on March 23, 2020. Watson has passed all the requirements to be a Branch Manager under the Act.

3. The Act requires that licensed mortgage brokers and mortgage bankers, or any person directly or indirectly controlling the licensee, comply with all provisions of the Act.

4. The Act requires that licensed branch offices have a designated branch manager who is in charge of and who is responsible for the business operations of a branch office.

5. The Staff of the Department discussed with Quicken that a conditioned branch license for the Branch Office for supervision of mortgage loan activity in Arkansas may be granted upon receipt and acceptance of a written plan of compliance and responsibility for the mortgage loan activity originated by the Branch Office and Branch Manager designated by Quicken.

6. Michael Stidham, Senior Team Leader, Legal for Quicken, has submitted a "Plan for Compliance" of the Branch Office and Branch Manager with the Department. The Plan for Compliance is attached as "Exhibit A".

7. Watson has agreed to act, in all respects as, as a branch manager for mortgage loan activity in Arkansas in compliance with the Act in order for Quicken to conduct mortgage loan activity on its behalf in Arkansas.

## CONCLUSIONS OF LAW

8. The Arkansas Securities Commissioner may by order approve a limited registration with such limitations, qualifications, or conditions as the Commissioner deems appropriate. Ark. Code Ann. § 23-39-505(a)(2).

## ORDER

The application of a Branch Office located at 1556 Highway 62/412 Highland, AR 72542 for Michael Don Watson as a Branch Manager, is hereby approved as a conditional license based upon Quicken's agreement to oversee mortgage loan activity in

Arkansas in compliance with the Fair Mortgage Lending Act and continued compliance with the provisions of Exhibit A.

IT IS SO ORDERED.

B. Edmond Waters
Arkansas Securities Commissioner

March 25th 2020
DATE

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WRITER'S CONTACT INFORMATION
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**Fax:** (877) 382-2376
MichaelStidham@QuickenLoans.com

February 10, 2020

Ms. Karyn Tierney
Arkansas Securities Department
Heritage Building West, Suite 300
201 East Markham Street
Little Rock, AR 72201

Re: Quicken Loans Inc.
Plan for Compliance
NMLS ID: 3030

Dear Ms. Karyn Tierney

Provided below is the Plan of Compliance for the new Quicken Loans Inc. ("Quicken Loans") for its branch located at 1556 Highway 62 412, Highland, AR 72542. The branch manager at this location is Michael Watson (NMLS# 331938):

1. Quicken Loans is a residential mortgage lender and currently holds an Arkansas Combination Mortgage Banker-Broker-Servicer License. The license was issued in 2003 and is in good standing.

2. All loan applications taken by or on behalf of Quicken Loans flow through robust technology systems and are processed and underwritten from our centralized office in Detroit, Michigan to ensure high loan quality and compliance standards are adhered to by its licensed loan originators.

3. Quicken loans has and will maintain procedures to comply with the Fair Mortgage Lending Act, the Rules of the Fair Mortgage Lending Act, and any orders of the Arkansas Securities Commissioner, including, but not limited to, providing a surety bond; notifying the Arkansas Securities Department ("Department") of all office locations and any change in office locations, notifying the Department of the location of books, records, and files used by Quicken loans and its loan originators; providing the Department with a quarterly report of mortgage loan activity; keeping the books, records, and files in the manner prescribed by the Department; complying with the advertising provisions of the Fair Mortgage Lending Act; and complying with the duties of a licensee.

4. Quicken Loans agrees, upon request, to provide the staff of the Arkansas Securities Department with copies of such written supervisory procedures and documentation of such supervision activities, if applicable.

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5. Quicken Loans agrees to appoint a branch manager(s) for its licensed branch office location(s) in Arkansas. The branch manager(s) will have oversight and is responsible for the business operations of the Quicken Loans' branch office location(s) in Arkansas.

6. Quicken Loans agrees to notify the Department of any branch office locations used by Quicken Loans and loan originators conducting mortgage loan activity in Arkansas. Quicken Loans agrees to notify the Department of any change in location of any branch office locations used by Quicken Loans and loan originators to conduct mortgage loan activity in Arkansas.

7. Quicken Loans currently maintains all books, records and files required to be maintained by the Fair Mortgage Lending Act, Rules of the Fair Mortgage Lending Act, and orders of the Arkansas Securities Commissioner at its corporate headquarters located at 1050 Woodward, Detroit, MI 48226. Quicken Loans will notify the Commissioner of any change in the location of the books, records, and files pertaining to the mortgage loan transactions in Arkansas.

8. Quicken Loans agrees that any advertisement for solicitation of mortgage loan transactions in Arkansas comply with the Fair Mortgage Lending Act, the Rules of the Fair Mortgage Lending Act, and the Rules of the Arkansas Securities Commissioner.

9. Quicken Loans is responsible for all loan origination activity conducted by its loan originators.

If you have any questions or need additional information, please contact me directly at 313-373-4691 or via email at MichaelStidham@QuickenLoans.com.

Sincerely,

Michael Stidham
Sr. Team Leader, Legal