

ARKANSAS SECURITIES DEPARTMENT

ASD CASE NO. C-08-025

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:  
WILLIAM O. HALL

RESPONDENT

**REQUEST FOR CEASE AND DESIST ORDER**

Pursuant to the authority granted to the Arkansas Securities Commissioner (“Commissioner”) by the Fair Mortgage Lending Act, (“Act”), Ark. Code Ann. § 23-39-501 through 23-39-518, the staff of the Arkansas Securities Department (“Staff”), by and through its attorney, Karyn Tierney, requests that William O. Hall (“Respondent”) be directed to cease and desist from engaging in unlicensed mortgage loan brokering activities in Arkansas for the reasons set forth below:

**Administrative Authority**

1. This matter is brought in connection with an allegation of unlicensed mortgage loan brokering activities, which is a violation of the Act, specifically, Ark. Code Ann. § 23-39-503(a), and is therefore properly before the Commissioner.

**Respondent**

2. Respondent is an individual located in St. Louis, Missouri who has conducted mortgage loan brokering activities with residents located in Arkansas. Respondent does not hold a mortgage loan officer license with the Arkansas Securities Department (“Department”).

### **Facts to be Presented by the Department**

3. 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.
4. The Staff has received information that between the dates of 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 for Arkansas residents.
5. 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. A copy of the mortgage application and settlement statement are attached as “Exhibit A”.
6. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit B".

7. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit C".
8. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit D".
9. 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, 2006. A copy of the mortgage application and settlement statement are attached as "Exhibit E".

10. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit F".
11. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit G".
12. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit H".

13. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit I".
14. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit J".
15. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit K".

16. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit L".
17. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit M".

18. 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. A copy of the mortgage application and settlement statement are attached as “Exhibit N”.
19. 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 lender, funded AR15’s mortgage loan on November 15, 2006. A copy of the mortgage application and settlement statement are attached as “Exhibit O”.
20. 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. A copy of the mortgage application and settlement statement are attached as “Exhibit P”.

21. 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. A copy of the mortgage application and settlement statement are attached as “Exhibit Q”.
22. 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. A copy of the mortgage application and settlement statement are attached as “Exhibit R”.
23. 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. A copy of the mortgage application and settlement statement are attached as "Exhibit S".

24. According to the Department's records, Respondent was not licensed as a mortgage loan officer during the time period of January 13, 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.

#### **Legal Authority**

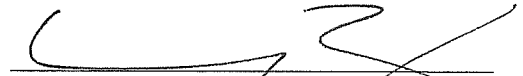
25. It is unlawful for any person located in Arkansas other than an exempt person to act or attempt to act, directly or indirectly, as a loan officer without first having obtained a license from the commissioner under the Act. Ark. Code Ann. § 23-39-503(a).
26. No person other than an exempt person shall hold himself or herself out as a loan officer unless the person is licensed in accordance with the Act. Ark. Code Ann. § 23-39-503(f).
27. 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).

#### **Summary**

Wherefore, the Staff requests that an Order be entered directing Respondent to cease and desist from all unlicensed mortgage loan brokering activities in Arkansas, including, but not limited to, soliciting mortgage loan applications, accepting mortgage

loan applications, negotiating the terms or conditions of a mortgage loans, or issuing mortgage loan commitments until such time as he has applied for and been issued the appropriate license to engage in such activities by the Department.

Respectfully Submitted,



Karyn Tierney, Staff Attorney  
Arkansas Securities Department  
201 East Markham Street, Suite 300  
Little Rock, Arkansas 72201  
Arkansas Bar No. 2003120  
Telephone: 501-324-9260

March 26, 2009  
Date