STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

In re:

OneCap Mortgage Corporation

Respondent.

NOTICE OF INTENT TO REVOKE MORTGAGE BROKER LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of mortgage brokers and mortgage agents in the State of Nevada is governed by Chapter 645B of the Nevada Revised Statutes ("NRS") and by Chapter 645B of the Nevada Administrative Code ("NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (the "Division") has the general duty to exercise supervision and control over mortgage brokers and mortgage agents, as well as mortgage broker and mortgage agent activity. *See*, NRS 645B.060(1), NRS 645B.670 and NRS 645B.690. Pursuant to that authority, the Division makes Factual Allegations, Violations of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Based upon information and belief, Respondent, OneCap Mortgage Corporation ("Respondent") is a corporation with an office located at 5440 W. Sahara Avenue, Suite 205, Las Vegas, NV 89146. The Nevada Secretary of State currently classifies Respondent's corporate status as in 'active.'

2. On 01/12/1994, Respondent was issued a mortgage broker license (License No. 243) pursuant to Chapter 645B of NRS. At all relevant times herein mentioned Respondent operated within the State of Nevada as a licensed mortgage broker. The Division classifies

Respondent's license as "inactive." All factual allegations herein occurred while Respondent held an active mortgage broker license and was permitted to engage in activities requiring such a license.

3. On October 16, 2007 the Division entered a Cease and Desist Order against Respondent. On July 29, 2009, Respondent and the Division entered into a Stipulated Settlement Agreement ("Agreement") wherein Respondent agreed, among other things, to pay to the Division a fine in the amount of $35,000.00 within 30 days of the date of the Agreement being signed by the Division [i.e. July 29, 2009].

4. As part of the Agreement, the Respondent also agreed to pay to the Division the sum of $27,595.00 for examination fees within 30 days of the date of the Agreement being signed by the Division.

5. As part of the Agreement, the Respondent agreed to pay to the Division the sum of $21,165.00 for investigation fees. The Respondent agreed to make arrangements with the Nevada Office of Controller within 20 days of the date the Agreement was signed by the Division for repayment of such sum.

6. The Agreement also provided, in part, that if the Respondent failed to carry out its obligations under the Agreement such failure could result in the imposition of additional administrative action by the Division and that the Division retained any and all remedies available to it in accordance with NRS Chapter 645B.

7. On May 26, 2009 Assembly Bill 486 of the 75th Nevada Legislative Session became law pursuant to Nevada Constitution Article 4, Section 35. Assembly Bill 486 became effective October 1, 2009.

8. Sections 8 and 9 of Assembly Bill 486 [codified as NRS 645B.042 through NRS 645B.048] require a mortgage broker, *as a condition to doing business in Nevada*, to deposit with the Commissioner of the Division a corporate surety bond or other security in the amount

of $50,000 for the principal office and $25,000 for each branch office, not to exceed an aggregate amount of $75,000. [emphasis added]

9. Respondent has failed to deposit with the Commissioner of the Division the required bond or other security.

10. Pursuant to NRS 645B.670, "[f]or each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than $25,000.00, may suspend, revoke or place conditions upon his license, or may do both, if the mortgage broker, whether or not acting as such...[d]oes not conduct his business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner....or has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter..." *See*, NRS 645B.670(2)(c) and (2)(k).

11. Pursuant to NRS 645B.740, "[t]he expiration or revocation of a license of a mortgage broker or mortgage agent by operation of law or by order or decision of the Commissioner or a court of competent jurisdiction, or the voluntary surrender of a license, does not:

1. Prohibit the Commissioner from initiating or continuing an investigation of, or action or disciplinary proceeding against, the mortgage broker or mortgage agent as authorized pursuant to the provisions of this chapter or the regulations adopted pursuant thereto; or

2. Prevent the imposition or collection of any fine or penalty authorized pursuant to the provisions of this chapter or the regulations adopted pursuant thereto against the mortgage broker or mortgage agent."

VIOLATIONS OF LAW

Respondent's conduct is in breach of the terms of the Agreement in that:

1. Respondent has failed to pay to the Division the sums of $35,000.00 and $27,595.00, respectively, within 30 days of the date that the Agreement was signed by the Division, or at any other time; and

2. Respondent has failed to make arrangements to pay the Nevada Office of Controller the sum of $21,165.00 within 20 days of the date that the Agreement was signed by the Division, or at any other time, and has failed to pay any sums to the Nevada Office of Controller.

Respondent has failed to post a surety bond or other security and is unable to operate as a mortgage broker within the State of Nevada.

ORDER

NOW, THEREFORE, pursuant to NRS 645B.670 and NRS 645B.750, the Commissioner of the Division hereby orders that Respondent's mortgage broker license be revoked.

IT IS FURTHER ORDERED that, pursuant to NRS 645B.750, upon application to the Division, Respondent shall be entitled to a hearing with regard to the contents of the instant Order. Should Respondent not request a hearing within **twenty (20) days** of the receipt of the instant Order, the Division will enter a Final Order as to Respondent, as required by NRS 645B.750(2).

NOTICE TO RESPONDENT: If you request a hearing, you are specifically informed that you have the right to appear and be heard in your defense, either personally or through your counsel of choice at your own expense. At the hearing, if one is timely requested, the Division will call witnesses and present evidence against you. You have the right to respond and to present relevant evidence and argument on all issues involved. You

have the right to call and examine witnesses, introduce exhibits and cross-examine opposing witnesses on any matter relevant to the issues involved. If the Division prevails at any hearing, it may request that attorney's fees and costs be awarded pursuant to NRS 622.400. Should Respondent not request a hearing within **thirty (30) days** of the receipt of the instant Order, the Division will enter a Final Order in this matter.

Dated this 5th day of April, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: Joseph L. Waltuch
Joseph L. Waltuch, Commissioner

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , April 16, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, NOTICE OF INTENT TO REVOKE MORTGAGE BROKER LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING for ONECAP MORTGAGE CORPORATION, addressed as follows:

Heidi Williams
OneCap Mortgage Corporation
5440 W. Sahara Avenue, Ste. 205
Las Vegas, NV 89146

Certified Receipt Number: 7006 2760 0000 0876 5925

DATED this 15th day of April, 2010

By: _____
Employee of the Division

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , April 16, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, NOTICE OF INTENT TO REVOKE MORTGAGE BROKER LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING for ONECAP MORTGAGE CORPORATION, addressed as follows:

OneCap Mortgage Corporation
c/o Harold P. Gewerter, Esq.
2705 Airport Drive
North Las Vegas, NV 89032

Certified Receipt Number: 7006 2760 0000 0876 5918

DATED this 15th day of April, 2010.

By: _____
Employee of the Division