

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

In the matter of:)	Case No. M2009-418
)	
NATIONWIDE MORTGAGE)	Notice of Intent to Refuse Issuance of a
FUNDING, INC.)	Mortgage Broker Certificate of Registration
4242 Airport Road, Suite 300)	&
Cincinnati, Ohio 45226)	Notice of Opportunity for a Hearing
)	

JURISDICTION

The Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322. In accordance therewith, the Division is accountable for the registration of mortgage brokers.

RESPONDENT

NATIONWIDE MORTGAGE FUNDING, INC. ("Respondent") is a corporation that has applied to the Division for a mortgage broker certificate of registration pursuant to R.C. Chapter 1322. Respondent's principal business address is 4242 Airport Road, Suite 300, Cincinnati, Ohio 45226.

NOTICE OF PROPOSED ACTION

In accordance with R.C. 1322.10 and R.C. Chapter 119, the Division intends to REFUSE to issue Respondent an Ohio mortgage broker certificate of registration.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.03(A) and has found the following:

1. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse issuance of a mortgage broker certificate of registration if the Division finds that the applicant has violated "or fail[ed] to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted[.]"
2. R.C. 1322.07(A) prohibits an applicant from obtaining a "certificate of registration or license through any false or fraudulent representation of a material fact or any omission of a material fact required by state law, or make any substantial misrepresentation in any registration or license application."
3. On or about March 19, 2009, Respondent submitted a mortgage broker main office application.
4. Question Number 7 of the mortgage broker certificate of registration application required Respondent to provide an address for its main office and Respondent answered "4242 Airport Road, STE 300, Cincinnati, Ohio 45226."

5. Question Number 9 of the mortgage broker certificate of registration application required Respondent to include an exterior street view photograph of the main office location and a copy of the lease agreement or evidence of ownership. Respondent provided a photograph of the exterior of 4242 Airport Road (Lunken Executive Building) and a lease agreement dated July 1, 2008 for 4242 Airport Road, Lunken Executive Building Cincinnati, Ohio 45226.
6. The July 1, 2008 lease agreement included with Respondent's mortgage broker application bore the signatures of James Les Wagner for the lessee and Jeff Horton for the lessor.
7. Under the penalties of perjury, James Les Wagner attested that Respondent's application and all attachments constituted a "complete, truthful, and correct statement of all information requested" by the Division and that he understood that "any false or fraudulent representation or substantial misrepresentation will be grounds for denial of [the] application . . . and could result in other legal action initiated against me(us), including, but not limited to, criminal prosecution."
8. Jeff Horton informed the Division that that he did not know anyone named James Les Wagner and was not familiar with the Respondent.
9. After reviewing the lease agreement submitted by Respondent, Jeff Horton informed the Division that the lease submitted by Respondent was a forgery. Mr. Horton further informed the Division that the only mortgage broker he had leased space to was Maryann Orse and he believed Respondent's lease was a cut and paste of the Orse lease. The Division permanently revoked Ms. Orse's mortgage broker certificate of registration in 2008.

As a result, the Division has determined that:

- A. Respondent provided a false or fraudulent representation of material fact or omitted a material fact required by state law, or made a substantial misrepresentation in a registration or license application in violation of R.C. 1322.07(A).
- B. Because Respondent violated R.C. 1322.07(A), the Division is authorized to refuse Respondent's application for mortgage broker certificate of registration pursuant to R.C. 1322.10(A)(1)(a).

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an order refusing to issue Respondent a mortgage broker certificate of registration.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed: Ohio Division of Financial Institutions, Attn: Lori A. Massey, Consumer Finance Attorney, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

At the hearing, Respondent may appear in person, by Respondent's attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses appearing for and against Respondent. Note: At the hearing, corporations must have a representative that is permitted to practice before the Agency, such as an attorney.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an order refusing to issue Respondent a mortgage broker certificate of registration.

Signed and sealed this 8th day of March, 2010.

LEIGH A. WILLIS

Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce