

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES

In the matter of:)
Fairbanks Neighborhood Housing Services)
NMLS #266203)
Respondent.)
ORDER NO: 21-64-C
ORDER IMPOSING CIVIL PENALTIES
AND
CONSENT TO ORDER

The Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Department”) has conducted an examination of the business activities of Fairbanks Neighborhood Housing Services (“Respondent”) and has determined that Respondent violated certain provisions of AS 06.60 et seq (“the Alaska Secure and Fair Enforcement for Mortgage Licensing Act of 2010 – the “Alaska SAFE Act”).

Respondent agrees that the Department has jurisdiction over Respondent and this matter pursuant to the Alaska SAFE Act.

Respondent wishes to resolve and settle this matter with the Department. As evidenced by the authorized signature on this Order, Respondent consents to the entry of this Order imposing civil penalties based on the Conclusions of Law and Order. Respondent waives its right to a hearing under AS 44.62 et seq (the Alaska Administrative Procedure Act) and the Alaska SAFE Act.

I. FINDINGS OF FACT

1. Respondent is a nonprofit corporation, entity number 45428D, organized under the laws of the State of Alaska, with its principal place of business located at 1427 Gilliam Way,

1 Fairbanks, Alaska 99701. On September 2, 2010, the Department issued an Alaska Mortgage
2 Broker/Lender license to Respondent in the Nationwide Multi-State Licensing System
3 (“Registry or NMLS”). Respondent’s unique identifier is AK266203.

4 2. In October 2020, the Department conducted an examination of Respondent’s mortgage
5 origination activities from January 1, 2019 to June 30, 2020, and noted mortgage loan
6 originator (“MLO”) Nadine Winters completed transactions during a period from January 1,
7 2019 to March 4, 2019, (63 days) when her Alaska Mortgage Loan Originator’s License was
8 classified as “Terminated – Failed to Renew”. Ms. Winters is also a control person for the
9 Respondent and the Executive Director. Ms. Winters was originally issued a mortgage loan
10 originator license on August 15, 2018, with unique identifier AK1486674.

11 3. During the period of January 1, 2019 to March 4, 2019, (63 days), the
12 Respondent originated two mortgage transactions for Alaska consumers, in the form of second
13 liens, which totaled \$57,950.00.

14 4. A valid license is required for the MLO per AS 06.60.012, and the Respondent has a
15 duty to ensure the MLO is licensed. The duration of the license is defined per AS 06.60.080
16 and “remains in effect until December 31 of the year in which the license is issued”.

17 5. Respondent is required to sponsor the MLO in the registry prior to origination activity
18 taking place per AS 06.60.012(b)(3). Ms. Winters did not have approved sponsorship from
19 January 1, 2019 to March 4, 2019.

20 6. Respondent acknowledged the error and took corrective action, ensuring the MLO’s
21 license application was submitted in the registry per AS 06.60.085(a).

22 7. Respondent is liable for the mortgage loan originator’s conduct per AS 06.60.159 and
23 sponsoring the MLO per 3 AAC 14.062.

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1 8. Respondent shall supervise all operations and personnel to ensure compliance with AS
2 06.60 per 3 AAC 14.415(a) and (b).

3 9. Respondent engaged in prohibited activity by completing transactions when the MLO
4 did not hold a valid license as noted under AS 06.60.340(8).

5 10. During the October 2020 examination, the Department found that Respondent failed to
6 provide accurate information in six quarterly Mortgage Call Report (MCR) filings in NMLS
7 during the examination period. In 2019, 1st, 3rd, and 4th quarters of MCR filings reported the
8 incorrect total number and dollar amount of mortgage loans closed. In 2019, 2nd quarter MCR
9 filings reported the incorrect total number and dollar amount of mortgage applications
10 originated. In 2020, 1st and 2nd quarter MCR filings reported the incorrect total number and
11 dollar amount of mortgage loans closed. Management has corrected the MCR filings.

12 11. Respondent has cooperated with the Department in its investigation into this matter.

13 **II. CONCLUSIONS OF LAW**

14 1. Respondent is liable for the mortgage loan originator's conduct per AS 06.60.159(b).

15 2. Respondent is required to sponsor the MLO under AS 06.60.012(b)(3) and 3 AAC
16 14.062.

17 3. Respondent is required to supervise the activities of the MLO per 3 AAC 14.415(a)
18 and (b).

19 4. Respondent engaged in prohibited activity under AS 06.60.340(8).

20 5. Respondent violated 3 AAC 14.410(1) and (2) by failing to have accurate information
21 in MCRs.

22 6. Under AS 06.60.420, a person who violates a provision of AS 06.60, or a regulation
23 adopted under this chapter, is liable for a civil penalty not to exceed \$10,000 for each
24 violation.

III. ORDER

Pursuant to the Alaska SAFE Act and based on the Findings of Fact, Conclusions of Law, and Respondents' consent to the entry of this Order, the Department ORDERS

Respondent to:

1. Pay a civil penalty in the amount of five thousand dollars (\$5,000). This amount was calculated at \$1,000 for each loan (2) originated without a licensed, sponsored, MLO and \$500 for each MCR (6) that was filed with inaccurate information. This amount is immediately due to the Department.

2. Comply with all provisions of the Alaska SAFE Act and associated regulations.

This Order shall be publicly disclosed and is reportable to the NMLS.

IT IS SO ORDERED.

Julie Sande, Commissioner
Department of Commerce, Community
and Economic Development

10/05/22

Date

/s/ Robert H. Schmidt

Robert H. Schmidt, Director
Division of Banking and Securities

1 **Consent to Entry of Order**

2 **Fairbanks Neighborhood Housing Services**

3 I, Nadine Winters, state that I am the Executive Director of
4 Fairbanks Neighborhood Housing Services (“Respondent”); that I am authorized to act on its
5 behalf; that I have read the foregoing Order; and that I am aware of the right to a hearing and
6 appeal in this matter, and have waived the same.

7 Respondent admits to the jurisdiction of the Department of Commerce, Community
8 and Economic Development, Division of Banking and Securities (“Department”) and further
9 consents to entry of this Order by the Department as settlement of the issues contained in this
10 Order. Respondent admits violation of the Alaska SAFE Act.

11 Respondent understands that the Department reserves the right to take further actions
12 to enforce this Order or to take appropriate action upon discovery of other violations of the
13 Alaska SAFE Act, and that Respondent will fully comply with the terms and conditions of
14 this Order, the Alaska SAFE Act and associated regulations.

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1 Respondent enters into this Order voluntarily and understands that this Order is a
2 public document and is reportable to the NMLS.

3
4 09/22/22
Date

/s/ Nadine Winters
Fairbanks Neighborhood Housing Services

5
6 By: Nadine Winters
Title: Executive Director

7 SUBSCRIBED AND SWORN TO before me this 22nd day of September, 2022 at
8 Fairbanks, Alaska.

9 /s/ Sydney Seay
Notary Public in and for Alaska

10 Sydney Seay
11 Notary Printed Name
12 My commission expires: 12/16/2024

13 Contact Person:
14 Tracy Reno
15 Chief of Examinations
16 (907) 269-8112

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