

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Unlicensed Activity of:

No. 06F-BD048-BNK

3 **TEAM LENDING CONCEPTS, L.L.C. AND**
4 **JEFFREY R. LOWREY, MANAGER**
7430 East Caley Avenue, Suite 120
Greenwood Village, CO 80111

CONSENT ORDER

5
6 Petitioners.

7 On May 23, 2006, the Arizona Department of Financial Institutions ("Department") issued a
8 Notice of Hearing alleging that Petitioners had violated Arizona law. Wishing to resolve this matter
9 in lieu of an administrative hearing, Petitioners do not contest the following Findings of Fact and
10 Conclusions of Law, and consent to the entry of the following Order.

11 **FINDINGS OF FACT**

12 1. Petitioner Team Lending Concepts, L.L.C. ("TLC") is an Arizona limited liability
13 company that is not authorized to transact business in Arizona as a mortgage broker within the
14 meaning of A.R.S. §§ 6-901, *et seq.*

15 2. Petitioner Jeffrey R. Lowrey ("Mr. Lowrey") is the Manager of TLC. Mr. Lowrey is
16 not authorized to transact business in Arizona as a mortgage broker within the meaning of
17 A.R.S. § 6-902.

18 3. TLC and Mr. Lowrey are not exempt from licensure as a mortgage broker within the
19 meaning of A.R.S. § 6-902.

20 4. On July 24, 2001, the Department approved TLC's mortgage banker license.

21 5. On April 12, 2005, TLC notified the Department that its Responsible Individual
22 vacated his position and that Rick Heidenreich would apply to replace the Responsible Individual.

23 6. On June 4, 2005, the Department notified TLC, by mail, that Mr. Heidenreich could
24 not be approved as the Responsible Individual until the Department received the following
25 documents: (1) his completed personal history statement, (2) a copy of his current Arizona Driver's
26 License, (3) a completed fingerprint card, (4) previous employment verifications, (5) a written

1 explanation of past and current credit issues, and (5) a check for \$50.00 to update the Arizona
2 principal address.

3 7. To date, TLC has not responded to the Department's requests set forth above.

4 8. On July 19, 2005, the Department notified TLC that TLC's mortgage banker license
5 number BK 0904302 expired effective July 13, 2005, for failure to replace the Responsible
6 Individual pursuant to A.R.S. § 6-943(F). The Department also notified TLC that they cannot accept
7 any new mortgage banker business until a new mortgage banker license application is received and
8 approved by the Department.

9 9. On November 29, 2005, the Department received a consumer complaint from an
10 Arizona resident alleging that TLC charged him excessive fees and out-of-pocket expenses when
11 TLC refinanced his home mortgage loan in 2005.

12 10. On December 16, 2005 the Department sent a letter to TLC stating that the
13 Department had reason to believe that TLC was operating in Arizona without the benefit of a
14 mortgage broker license, and gave TLC an opportunity to respond by December 27, 2005. The
15 Department also mailed TLC a copy of the consumer complaint and requested that TLC respond to
16 the allegations from the borrower.

17 11. On December 20, 2005, TLC replied to the Department by denying that TLC acted
18 inappropriately during the processing and closing of the borrower's home mortgage loan. However,
19 TLC's response letter to the Department failed to address the Department's concern that TLC may
20 be engaging in unlicensed mortgage loan activity.

21 12. Subsequently, an investigation by the Department discovered the following
22 violations:

23 a. TLC maintains a Phoenix branch office and answers the telephone in the
24 following manner—"Team Lending Concepts";

25 b. TLC's web site, www.teamlending.com, remains active for loan solicitations and
26 application purposes. The web site also discloses the Phoenix branch office

1 location and includes contact information for five (5) loan representatives along
2 with their office numbers, cellular telephone numbers, and each representatives'
3 email addresses;

4 c. TLC's loan logs from approximately July 19, 2005, through September 16, 2005
5 show that TLC originated eight (8) loans with Arizona residents whereby Arizona
6 real estate was the intended collateral for these loans; and

7 d. The loan logs are not in full compliance with the Recordkeeping Requirements of
8 A.A.C. §§ R20-4-917(B)(d) and (e) because they do not disclose the final
9 disposition of each application taken by TLC and because they do not contain a
10 statement noting the disposition of the application.

11 13. The Department's records reflect that TLC submitted an application for a mortgage
12 broker license to the Department on or around September 2, 2005, but the application has not been
13 approved to date.

14 14. Based upon the above findings, the Department issued and served upon TLC and Mr.
15 Lowrey an Order to Cease and Desist; Notice of Opportunity For Hearing; Consent to Entry of Order
16 ("Cease and Desist Order") on April 18, 2006.

17 15. On May 3, 2006, Petitioners filed a Request For Hearing to appeal the Cease and
18 Desist Order.

19 CONCLUSIONS OF LAW

20 1. Pursuant to A.R.S §§ 6-901, *et seq.*, the Superintendent has the authority and duty to
21 regulate all persons engaged in the mortgage broker business and with the enforcement of statutes,
22 rules and regulations relating to mortgage brokers.

23 2. TLC's and Mr. Lowrey's conduct, set forth above, constitutes the conduct of a
24 mortgage broker in Arizona without having first applied for and obtained a mortgage broker license,
25 which violates A.R.S. § 6-903(A).

26 ...

1 CONSENT TO ENTRY OF ORDER

2 1. Petitioners acknowledge that they have been served with a copy of the foregoing
3 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the
4 same, are aware of their right to an administrative hearing in this matter, and have waived the same.

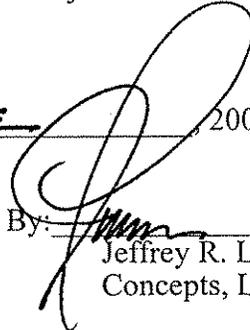
5 2. Petitioners admit the jurisdiction of the Superintendent and consent to the entry of the
6 foregoing Findings of Fact, Conclusions of Law, and Order.

7 3. Petitioners acknowledges that the acceptance of this Agreement by the
8 Superintendent is solely to settle this matter and does not preclude this Department, any other agency
9 or officer of this state or subdivision thereof from instituting other proceedings as may be
10 appropriate now or in the future.

11 4. Jeffrey R. Lowrey on behalf of Team Lending Concepts, L.L.C. and himself,
12 represents that he is the Manager, and that, as such, has been authorized by Team Lending Concepts,
13 L.L.C. to consent to the entry of this Order on its behalf.

14 5. Petitioners waive all rights to seek judicial review or otherwise to challenge or contest
15 the validity of this Order.

16 DATED this 24 day of JUNE, 2006.

17
18 By: 

Jeffrey R. Lowrey, Manager of Team Lending
Concepts, L.L.C.

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21 ORIGINAL of the foregoing filed this 29th
22 day of JUNE, 2006, in the office of:

23 Felecia A. Rotellini, Superintendent of Financial Institutions
24 Arizona Department of Financial Institutions
25 ATTN: June Beckwith
26 2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

1 COPY mailed same date to:

2 Allen Reed, Administrative Law Judge
3 Office of the Administrative Hearings
4 1400 West Washington, Suite 101
Phoenix, AZ 85007

5 Craig A. Raby, Assistant Attorney General
6 Office of the Attorney General
7 1275 West Washington
Phoenix, AZ 85007

8 Richard Fergus, Licensing Manager
9 Richard Traveler, Senior Examiner
10 Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

11 AND COPY MAILED SAME DATE by
12 Certified Mail, Return Receipt Requested, to:

13 Jeffrey R. Lowrey, Manager
14 Team Lending Concepts, L.L.C.
7430 East Caley Avenue, Suite 120
Greenwood Village, CO 80111
Petitioners

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16 964581; CPA06-172

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