

STATE OF CALIFORNIA  
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY  
DEPARTMENT OF BUSINESS OVERSIGHT

TO: Gateway Capital Partners, LLC  
Shawn Michael Hammond  
331 South Rio Grande, Suite 202  
Salt Lake City, Utah 84101

**DESIST AND REFRAIN ORDER**

**(For violations of section 22100 of the California Financial Code)**

The Commissioner of Business Oversight (Commissioner) finds that:

1. At all relevant times herein, Gateway Capital Partners, LLC (Gateway Capital) was a limited liability company registered to do business in the State of Utah. The registered agent of Gateway Capital is Shawn Michael Hammond (Hammond), located at 331 South Rio Grande, Suite 202, Salt Lake City, Utah 84101.

2. At all relevant times, Gateway Capital maintained a website at [www.gatewaycp.com](http://www.gatewaycp.com). The Gateway Capital website states that it is a private finance firm that provides real estate loans, short term bridge loans, private equity, and construction loans for up to \$25 million dollars.

3. At all relevant times, Hammond represented himself to be the “Manager” of Gateway Capital.

4. Beginning in May 2016, a California resident contacted [bestcommercialrates.com](http://bestcommercialrates.com) to secure a hard money loan, which put him in contact with Hammond at Gateway.

5. Hammond told the California resident that Gateway Capital had secured funding for the loan but requested as a condition of the loan that the California resident pay a “Due Diligence fee” in the amount of \$15,000.00 to permit the lender to “use this fee to pay the costs of Lender’s due diligence including travel, legal, underwriting, title review third party reports, etc.” Payment of this “due diligence” fee was referenced in the “Letter of Intent” that was executed by Hammond and the California resident.

1           6.       In or about May 2016, Gateway Capital offered to make a loan to a company owned  
2 and managed by the California resident for the principal amount of \$2,560,000.00 at a 10% interest  
3 rate. The loan note was to be personally guaranteed by the California resident.

4           7.       Despite Hammond’s representations that the loan was ready to fund, the loan never  
5 funded.

6           8.       The Commissioner has jurisdiction over and regulates finance lenders and brokers  
7 under the California Finance Lenders Law (Fin. Code, § 22000 et seq.). Financial Code section  
8 22100 states: “No person shall engage in the business of a finance lender or broker without obtaining  
9 a license from the commissioner.”

10          9.       Financial Code section 22009 defines a “finance lender,” in part, as “any person who  
11 is engaged in the business of making consumer loans or making commercial loans.”

12          10.      Neither Gateway Capital nor Hammond is licensed by the Commissioner to engage in  
13 the business of a finance lender or broker as required by Financial Code section 22100.

14           Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion  
15 that Gateway Capital Partners, LLC and Shawn Michael Hammond have engaged in the business of a  
16 finance lender or broker in violation of Financial Code section 22100. Pursuant to Financial Code  
17 section 22712, Gateway Capital Partners, LLC, and Shawn Michael Hammond are hereby ordered to  
18 desist and refrain from engaging in the business of a finance lender or broker in the State of  
19 California without first obtaining a license from the Commissioner, or otherwise being exempt.  
20

21           This Order is necessary, in the public interest, for the protection of consumers and is  
22 consistent with the purposes, policies and provisions of the California Finance Lenders Law.

23           Dated: December 1, 2016  
24           Sacramento, California

JAN LYNN OWEN  
Commissioner of Business Oversight

25  
26           By: \_\_\_\_\_  
27           MARY ANN SMITH  
28           Deputy Commissioner