

1 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
2 **DIVISION OF FINANCE AND CORPORATE SECURITIES**
3 **FINANCE SECTION**
4 **BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS**
5 **SERVICES**
6 **STATE OF OREGON**

6 **In the matter of:**)
7 **FIRST FINANCIAL & MORTGAGE INC.**)
8 **Respondent.**)

O-95-0028
FINAL ORDER
TO CEASE AND DESIST
AND
ORDER REVOKING LICENSE

9
10 On August 9, 1995 the Director of Consumer and Business Services for the State of
11 Oregon, acting by authority of the Oregon Mortgage Lender Law, ORS 59.840 through
12 59.960, issued Administrative Order No. O-95-0028 which consisted of an Order to Cease
13 and Desist, Order Revoking License and Notice of Right to Hearing against First Financial &
14 Mortgage Inc. (Hereinafter RESPONDENT).

15 RESPONDENT was duly served with a certified copy of Administrative Order No. O-95-
16 0028 and Notice of Right to Hearing. Service was effected by mailing the Order and Notice
17 by certified mail to the last known address of the RESPONDENT.

18 A request for hearing was received via the mail by President B.J. Kim on behalf of
19 RESPONDENT on August 18, 1995. On September 14, 1995 Jim Hanson, the Attorney
20 appointed to represent the Department in this matter, contacted RESPONDENT'S president
21 B.J. Kim (Kim) by letter requesting an interview to discuss the contents of the Order. On the
22 behalf of Respondent, Kim agreed to meet with Jim Hanson on September 25, 1995. At this
23 meeting Kim agreed to withdraw Respondent's request for hearing, and to allow the Order to
24 become Final. Kim also agreed that Respondent would submit a new mortgage broker
25 application and fees and a request that Respondent be issued an Order of reinstatement.

26 NOW THEREFORE, the Director hereby issues the following Findings of Fact,
27 Conclusions of Law and Final Order:
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2 **FINDINGS OF FACT**

3 FIRST FINANCIAL & MORTGAGE, INC. (hereinafter RESPONDENT) is an Oregon
4 corporation filed on August 6, 1993. Byung J. Kim is listed as President and Herbert Kim is
5 listed as the Registered agent. RESPONDENT may receive service of process at 9955 SW
6 Beaverton Hillsdale Highway #123A, Beaverton, Oregon 97005.

7 RESPONDENT was licensed as an Oregon mortgage broker on February 16, 1994 and
8 renewed the license on February 16, 1995. Daniel A. Ivancie was listed as the experienced
9 person who would supervise the activities of RESPONDENT.

10 On May 3, 1995 our office received by fax a copy of Claim and Notice of Claim filed in
11 the Washington County District Court by Richard Herman (Herman) in the amount of
12 \$1,217.07. The Claim alleged that RESPONDENT owed Herman for six completed
13 appraisals.

14 A meeting was set up to discuss this matter with RESPONDENT through Bung J. Kim,
15 President on June 5, 1995. However, this meeting was canceled by Kim who claimed he had
16 to be out of town for two weeks.

17 On June 28, 1995 contact was made by telephone with Daniel Ivancie (Ivancie). Ivancie
18 stated that he had discontinued working for RESPONDENT sometime in December. Ivancie
19 stated that he had been working for another mortgage broker since May of 1995.

20 On June 26, 1995 documents consisting of R.P. Herman & Assoc.'s appraisal invoices
21 addressed to the attention of RESPONDENT totaling \$1,100 and covering a period of
22 December 19, 1994 through March 7, 1995 were sent to the Division of Finance and Corporate
23 Securities from Herman.

24 On June 27, 1995 Compliance Officer, James Krueger and Examiner, Patricia Russell,
25 went to the offices of RESPONDENT. It was discovered that the office had moved from suite
26 123A to suite 120. The office was identified as Realty Resources NW. The only individual in
27 the office stated that Kim was out of town .

28 On July 10, 1995 Kim came to the office of the Division of Finance and Corporate

1 Securities. Kim stated that RESPONDENT had transacted five loans secured by a lien
2 interest in real estate in 1995. Kim stated that he was unaware the Ivancie had left his
3 company permanently.

4 On July 17, 1995 a letter was sent to Kim stating that RESPONDENT would be granted
5 two weeks to recruit and employ a person who satisfied the experience requirements under
6 ORS 59.850(2). The letter also stated that if RESPONDENT was unable to employ such a
7 person his license would be revoked.

8 On July 26, 1995 a letter was received from Kim requesting an extension to the time
9 granted for employing an experienced person or to let Kim act as the experienced person.
10 Enclosed with the letter was Kim's resume. According to the information on his resume, Kim
11 would not qualify as an experienced person until August 6, 1995. Kim was contacted by
12 telephone and told his request was denied.

13 CONCLUSIONS OF LAW

14 1. RESPONDENT conducted business as a mortgage broker in the state of Oregon
15 between January 1, 1995 in violation of ORS 59.850(2) by failing to have an experienced
16 person to supervise RESPONDENT'S activities.

17 2. RESPONDENT filed with the Director of the Department of Consumer and Business
18 Services in violation of ORS 59.930, a renewal notice that falsely represented that
19 RESPONDENT'S experienced person was Daniel Ivancie.

20 FINAL ORDER

21 The Director, pursuant to ORS 59.960 ORDERS that Respondent First Financial &
22 Mortgage company **CEASE AND DESIST** from:

- 23 1. Transacting business in the state of Oregon in violation of ORS 59.845.
- 24 2. Violating any provisions of ORS 59.840 through 59.960.

25 The Director, pursuant to ORS 59.865, **REVOKES** the license of RESPONDENT
26 **FIRST FINANCIAL & MORTGAGE, INC.** effective August 29, 1995.

27 The entry of this Order in no way limits further remedies which may be available to the
28 Director under Oregon law.

1 Dated this 30th day of Oct, 1995 at Salem, Oregon.

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KERRY BARNETT, DIRECTOR
7 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
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