

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 SERVICES
5 STATE OF OREGON

6 In the Matter of:
7 Lincoln Loan Company

8)
9) O-98-0027
10) ORDER TO CEASE AND DESIST
11) ORDER TO ASSESS CIVIL PENALTY
12) CONSENT TO ENTRY OF ORDER
13)

14 WHEREAS the Director of the Department of Consumer and Business Services has
15 conducted an investigation of LINCOLN LOAN COMPANY, and has determined that LINCOLN
16 LOAN COMPANY engaged in activities constituting violations of ORS 59.840 through 59.965
17 (hereinafter "the Oregon Mortgage Lender Law"); and

18 WHEREAS LINCOLN LOAN COMPANY wishes to resolve and settle this matter with
19 the Director;

20 NOW THEREFORE, as evidenced by the authorized signature(s) subscribed on this
21 Order, LINCOLN LOAN COMPANY hereby **CONSENTS** to entry of this order upon the
22 Director's Findings of Fact and Conclusions of Law as stated hereinafter:

23 **FINDINGS OF FACT**

24 The Director **FINDS** that:

- 25 1. LINCOLN LOAN COMPANY (Hereinafter "Respondent") can be located at PO Box
26 14652, Portland, OR 97293-0652.
- 27 2. Respondent has been incorporated since 1965, and has engaged in the business of
28 holding and selling real property on contract, making mortgage loans, and servicing
mortgage loans.
3. Respondent lends money in the name of "Lincoln Loan Company," and advertises in
the Portland, Oregon Yellow Pages under Real Estate Contracts/Loans.
4. Respondent is run by Steven E. Benson and Melinda B. Wilde, attorneys at law.
Respondent contends that they do not actively seek out new business, but rather rely on
word of mouth and repeat borrowers.

1 5. Respondent maintains that they believed they were exempt from the licensing
2 requirements because of their status as attorneys.

3 6. Respondent also maintains that the volume of respondent's business is selling on
4 contract homes owned by the company. Respondent has provided the Division with a
5 listing of 120 loans made from 1/1/94 to the present which were not loans related to the
6 sale of property owned by the company.

7 7. Respondent has been informed that the attorney exemption is available to those
8 individuals who lend money in their own name, or in their law firm's name, and only when
9 the loan is incident to the practice of law.

10 **CONCLUSIONS OF LAW**

11 The Director **CONCLUDES** that:

12 1. Respondent conducted business as a mortgage banker without proper licensing from
13 the Division in violation of ORS 59.845.

14 2. Respondent has not attempted to license Lincoln Loan Company, but may do so in the
15 future.

16 **ORDER**

17 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Respondent will
18 **CEASE AND DESIST** from:

19 1. Violating any provisions of ORS 59.840 through 59.960.

20 The Director, pursuant to ORS 59.996, hereby **ORDERS** Respondent to pay the
21 State of Oregon a civil penalty of \$13,000, \$1,000.00 for unknowingly conducting a
22 mortgage banker business without a license, and \$100.00 for each of the 120 closed
23 loans.

24 The Director suspends payment of \$11,700.00 of the assessed civil penalty for a
25 three year period. If in the period from the date of the Order to three years from the date of
26 this Order, Respondent violates any provision of Oregon's Mortgage Lender Law, the
27 suspended portion of the assessed civil penalty will become immediately due and payable.

28 If no violation of Oregon's Mortgage Lender Law by Respondent occurs, in the three year

1 period, the suspended portion of the civil penalty is waived. The date of the Order is the
2 date the Director signs the Order.

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

5 Dated this 15th day of April, 1998^{9 off} at Salem, Oregon.

6 **MICHAEL GREENFIELD, DIRECTOR**
7 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

8 by 

9 **R.M. NOCKLEBY, ADMINISTRATOR**
10 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

11 **CONSENT TO ENTRY OF ORDER**

12 I, Melinda B. Wilde, state that I am an owner of LINCOLN LOAN COMPANY, and I am
13 authorized to act on its behalf; that I have read the foregoing Order and that I know and
14 fully understand the contents hereof; that LINCOLN LOAN COMPANY has been
15 represented by counsel Melinda B. Wilde, in this matter; that LINCOLN LOAN COMPANY
16 has been advised of its right to a hearing; that LINCOLN LOAN COMPANY, without
17 admitting or denying the Findings of Fact contained herein, voluntarily consents to the
18 entry of this Order without further hearing, expressly waiving any right to a hearing in this
19 matter; that LINCOLN LOAN COMPANY understands that the Director reserves the right to
20 take further actions to enforce this Order or to take appropriate action upon discovery of
21 other violations of Oregon's Mortgage Lender Law; and that LINCOLN LOAN COMPANY
22 will fully comply with Chapter 59 of Oregon's Mortgage Lender Law.

23 I understand that this Consent Order is a public document.

24
25 Dated this 14th day of April, 1998⁹.

26

27

28

1 By Melinda B. Wilde
(Printed Name)

president
(Office Held)

2
3 Melinda B. Wilde
(Signature)

4
5 **CORPORATE ACKNOWLEDGMENT**

6
7 There appeared before me this 14th day of April, 1998, Melinda B. Wilde who
8 was first duly sworn on oath, and stated that she was and is the president of
9 LINCOLN LOAN COMPANY and she is authorized and empowered to sign this Consent to
10 Entry of Order on behalf of LINCOLN LOAN COMPANY and to bind LINCOLN LOAN
11 COMPANY to the terms hereof.

12
13 Notary Public in and for the State of: OREGON

14
15 [Signature]
Signature of Notary Public

16
17 My Commission expires: 5-9-99

