

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 MS Mortgage Corp.)
8 dba Lighthouse Lending) O-98-0034
9) ORDER TO CEASE AND DESIST
10) ORDER TO ASSESS CIVIL PENALTY
11) CONSENT TO ENTRY OF ORDER
12)

13 WHEREAS the Director of the Department of Consumer and Business Services has
14 conducted an investigation of MS MORTGAGE CORP. dba LIGHTHOUSE LENDING, and has
15 determined that MS MORTGAGE CORP. dba LIGHTHOUSE LENDING engaged in activities
16 constituting violations of ORS 59.840 through 59.965 (hereinafter "the Oregon Mortgage
17 Lender Law"); and

18 WHEREAS MS MORTGAGE CORP. dba LIGHTHOUSE LENDING wishes to resolve
19 and settle this matter with the Director;

20 NOW THEREFORE, as evidenced by the authorized signature(s) subscribed on this
21 Order, MS MORTGAGE CORP. dba LIGHTHOUSE LENDING hereby **CONSENTS** to entry
22 of this order upon the Director's Findings of Fact and Conclusions of Law as stated
23 hereinafter:

24 **FINDINGS OF FACT**

25 The Director **FINDS** that:

- 26 1. MS MORTGAGE CORP. DBA LIGHTHOUSE LENDING (herein "Respondent"), can be
27 located at 9221 SW Barbur Blvd., Suite 105, Portland, OR 97219 and is engaged in the
28 business of a mortgage broker.
- 29 2. Respondent has been licensed by the Division of Finance and Corporate Securities
30 (herein "Division") since July 16, 1996 and is still actively licensed.
- 31 3. In August of 1998, Respondent verbally notified the Division that Respondent had
32 purchased a branch office and name of another licensee in Stayton Oregon.
- 33 4. In August of 1998, Respondent was notified verbally and in writing of the procedures

1 necessary to effectuate the transfer of the name and branch office to the license of
2 Respondent. Respondent was also notified that no business could originate under the
3 name or at the branch office until the required procedures were completed.

4 5. Respondent did not complete the required procedures to license the name and branch
5 until October 28, 1998.

6 6. Respondent conducted at least one transaction under the unlicensed name at the
7 unlicensed Stayton location between August and October 1998.

8 **CONCLUSIONS OF LAW**

9 The Director **CONCLUDES** that:

10 1. Respondent conducted unlicensed activity at the Stayton location in violation of ORS
11 59.845 AND OAR 441-860-0030.

12 2. Respondent has remedied the violation through submission of a branch application for
13 the Stayton location.

14 **ORDER**

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

17 1. Violating any provisions of ORS 59.840 through 59.960; and

18 2. Operating any unlicensed branch locations in the future.

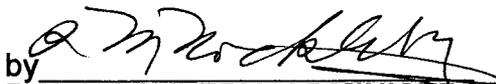
19 The Director, pursuant to ORS 59.996, hereby **ORDERS** Respondent to pay the
20 State of Oregon a civil penalty of \$5,100.00, \$5,000.00 for knowingly conducting a
21 mortgage broker business without a license, and \$100.00 for the one closed loan.

22 The Director suspends payment of \$4,590.00 of the assessed civil penalty for a
23 three year period. If in the period from the date of the Order to three years from the date of
24 this Order, Respondent violates any provision of Oregon's Mortgage Lender Law, the
25 suspended portion of the assessed civil penalty will become immediately due and payable.
26 If no violation of Oregon's Mortgage Lender Law by Respondent occurs, in the three year
27 period, the suspended portion of the civil penalty is waived. The date of the Order is the
28 date the Director signs the Order.

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

3 Dated this 18th day of January, 1999^{HAL} at Salem, Oregon.

4
5 **MICHAEL GREENFIELD, DIRECTOR**
6 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

7 by 
8 **R.M. NOCKLEBY, ADMINISTRATOR**
9 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

10 **CONSENT TO ENTRY OF ORDER**

11 I, Rodney L. Smith, state that I am the President of MS MORTGAGE CORP. dba
12 LIGHTHOUSE LENDING, and I am authorized to act on its behalf; that I have read the
13 foregoing Order and that I know and fully understand the contents hereof; that MS
14 MORTGAGE CORP. dba LIGHTHOUSE LENDING has been advised of its right to a
15 hearing; that MS MORTGAGE CORP. dba LIGHTHOUSE LENDING admits the findings of
16 fact herein, voluntarily consenting to the entry of this Order without further hearing,
17 expressly waiving any right to a hearing in this matter; that MS MORTGAGE CORP. dba
18 LIGHTHOUSE LENDING understands that the Director reserves the right to take further
19 actions to enforce this Order or to take appropriate action upon discovery of other
20 violations of Oregon's Mortgage Lender Law; and that MS MORTGAGE CORP. dba
21 LIGHTHOUSE LENDING will fully comply with Chapter 59 of Oregon's Mortgage Lender
22 Law.

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I understand that this Consent Order is a public document.

Dated this 18 day of Dec, 1998.

By Rodney L. Smith President
(Printed Name) (Office Held)

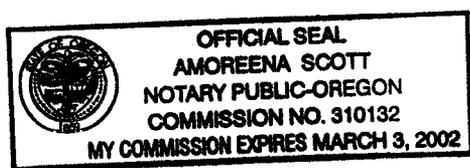
[Signature] 1/14/99
(Signature)

CORPORATE ACKNOWLEDGMENT

There appeared before me this 14th day of Jan^o, 1998, Rodney Smith who was first duly sworn on oath, and stated that he was and is the President of MS MORTGAGE CORP. dba LIGHTHOUSE LENDING and he is authorized and empowered to sign this Consent to Entry of Order on behalf of MS MORTGAGE CORP. dba LIGHTHOUSE LENDING and to bind MS MORTGAGE CORP. dba LIGHTHOUSE LENDING to the terms hereof.

Notary Public in and for the State of: Oregon

[Signature]
Signature of Notary Public



My Commission expires: 3/3/02