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MAY 10 1999

DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES  
FINANCE SECTION  
BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
STATE OF OREGON

FISCAL SECTION

In the Matter of:  
US Financial Mortgage Corp.

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#O-99-0009  
ORDER TO CEASE AND DESIST  
ORDER TO ASSESS CIVIL PENALTY  
CONSENT TO ENTRY OF ORDER

**WHEREAS** the director of the Department of Consumer and Business Services has conducted an investigation of US FINANCIAL MORTGAGE CORP., and has determined that US FINANCIAL MORTGAGE CORP. engaged in activities constituting violations of ORS 59.840 through 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

**WHEREAS** US FINANCIAL MORTGAGE CORP. wishes to resolve and settle this matter with the Director;

**NOW THEREFORE**, as evidenced by the authorized signature(s) subscribed on this Order, US FINANCIAL MORTGAGE CORP. hereby **CONSENTS** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

**FINDINGS OF FACT**

The Director **FINDS** that:

1. US FINANCIAL MORTGAGE CORP. (herein "Respondent"), is located at 735 Sunrise Ave., Roseville, CA 95661 and is engaged in the business of a mortgage banker. Michele Potts, Controller, is authorized to act on behalf of Respondent.
2. Respondent was licensed as a mortgage banker on December 19, 1994, and is still actively licensed.
3. On February 26, 1999, the Division of Finance and Corporate Securities (herein "Division") received a call from Respondent inquiring about branch licensing.
4. During the conversation with Respondent, it was revealed that a branch of Respondent had opened at 2175 NE Francis Ct. Gresham, OR 97030 as of July 1, 1998.
5. Respondent was notified that the Gresham location was not licensed to do business as

1 a mortgage banker.

2 6. Respondent supplied the Division with a listing of all loan applications taken and closed  
3 at the Gresham branch.

4 7. Since opening, the Gresham branch has taken and closed 4 loans.

5 8. Respondent maintains that the non-licensure of the Gresham branch was inadvertent.

6 9. Respondent has promptly taken steps to license the Gresham branch with the Division.

7 **CONCLUSIONS OF LAW**

8 The Director **CONCLUDES** that:

9 1. Respondent was conducting unlicensed activity at the Gresham branch in violation of  
10 ORS 59.845.

11 2. Respondent has remedied the violation through submission of a branch application for  
12 the Gresham branch.

13 **ORDER**

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

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

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

18 The Director, pursuant to ORS 59.996, hereby **ORDERS** Respondent to pay the  
19 State of Oregon a civil penalty of \$5,400.00, \$5,000.00 for conducting a mortgage broker  
20 business without a license, and \$100.00 for each closed loan application taken at the  
21 unlicensed location.

22 The Director suspends payment of \$4,860.00 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 12<sup>th</sup> day of May, 1999 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**

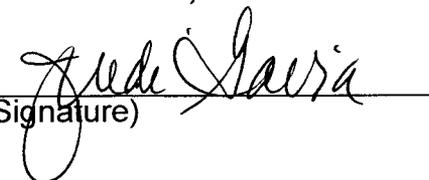
11 I, Judi Gavia, state that I am the Executive V.P. of US FINANCIAL  
12 MORTGAGE CORP., and I am authorized to act on its behalf; that I have read the  
13 foregoing Order and that I know and fully understand the contents hereof; that US  
14 FINANCIAL MORTGAGE CORP. has been advised of its right to a hearing; that US  
15 FINANCIAL MORTGAGE CORP. admits to all the Findings of Fact contained herein; that  
16 US FINANCIAL MORTGAGE CORP. voluntarily consents to the entry of this Order without  
17 further hearing, expressly waiving any right to a hearing in this matter; that US FINANCIAL  
18 MORTGAGE CORP. 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 US FINANCIAL MORTGAGE  
21 CORP. will fully comply with Chapter 59 of Oregon's Mortgage Lender Law.

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

23 Dated this 26th day of April, 1999.

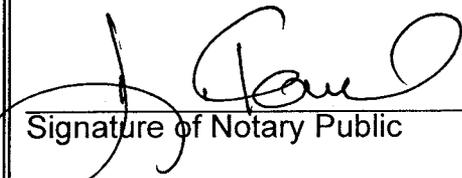
24  
25 By Judi Gavia  
26 (Printed Name)

Executive Vice President  
(Office Held)

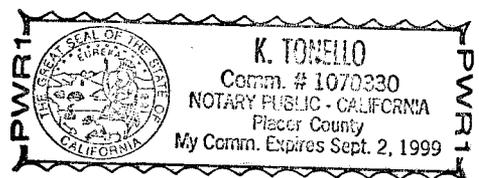
27   
28 (Signature)

1 There appeared before me this 26 day of April, 1999, Judi Gavia  
2 who was first duly sworn on oath, and stated that he/she was and is the Exec. Vice President  
3 of US FINANCIAL MORTGAGE CORP. and he/she is authorized and empowered to sign  
4 this Consent to Entry of Order on behalf of US FINANCIAL MORTGAGE CORP. and to  
5 bind US FINANCIAL MORTGAGE CORP. to the terms hereof.

6  
7 Notary Public in and for the State of: California

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10 Signature of Notary Public

11 My Commission expires: 9-2-99



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