



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

In the Matter of
FIRST NLC FINANCIAL SERVICES
LLC

ORDER NO. O-01-0045
CEASE AND DESIST ORDER AND
CONSENT TO IMPOSITION OF CIVIL
PENALTIES

To: First NLC Financial Services LLC
700 West Hillsboro Blvd
Building 1 Suite 204
Deerfield Beach FL 33441

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of First NLC Financial Services LLC, and determined that First NLC Financial Services LLC engaged in activities constituting violations of ORS 59.840 through 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

WHEREAS First NLC Financial Services LLC wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this order First NLC Financial Services LLC 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. First NLC Financial Services LLC (hereinafter "Respondent"), a Florida corporation formed on November 12, 1999, engages in residential mortgage

1 transactions in Oregon or on Oregon real property in expectation of compensation.
2 Respondent has been continuously licensed as a mortgage lender by the Director since
3 February 29, 2000.

4 2. On August 6, 2001, First NLC Financial Services LLC issued a loan approval
5 for Oregon consumers, William and Laurie Radford. The approval was subject to certain
6 conditions, including an appraisal.

7 3. The appraisal along with the other loan conditions were picked up from the
8 broker's office by Respondent on or around August 7, 2001.

9 4. On or around August 15, 2001, Respondent gave approval to prepare final
10 loan documents for the consumers' signatures.

11 5. On August 22, 2001, William and Laurie Radford signed the final loan
12 documents sent to the title company by Respondent for the refinance of the Oregon real
13 property.

14 6. The rescission period ended no later than midnight on August 28, 2001.

15 7. The Director contacted the Respondent on August 31, 2001 because the
16 Respondent still had not funded the consumer's refinance loan.

17 8. Respondent indicated that the loan had not funded because all loan conditions
18 had not been satisfied since an appraisal review had not yet been completed.
19 Respondent had concerns about the appraisal's sufficiency to support the required loan
20 program.

21 9. Sometime after September 5, 2001, Respondent declined to fund the
22 Radford's loan application.

23 CONCLUSIONS OF LAW

24 The Director **CONCLUDES** that:

25 1. Respondent violated ORS 59.865(2) by engaging in unfair or unethical practices of
26 conduct in connect with the mortgage business by allowing the consumers to sign final

1 loan documents prior to Respondent having given final loan approval.

2 **ORDER**

3 The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that First NLC
4 Financial Services LLC will **CEASE AND DESIST** from violating any provision of Oregon
5 Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order,
6 or policy issued by the Division.

7 The Director, pursuant to ORS 59.996 hereby **ORDERS** First NLC Financial
8 Services LLC to pay the State of Oregon a civil penalty of \$500.00 for the one violation.

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

11 Dated this 6th day of November, 2001.

12
13 **MARY C. NEIDIG, DIRECTOR**
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

14
15 by 
16 **GREGORY A. MALKASIAN, ACTING ADMINISTRATOR**
DIVISION OF FINANCE AND CORPORATE SECURITIES

17
18 **CONSENT TO ENTRY OF ORDER**

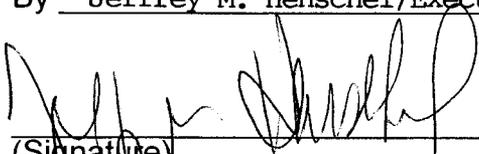
19 I, Jeffrey M. Henschel, state that I am the
20 Executive Vice President of First NLC Financial Services LLC, and I am authorized to
21 act on its behalf; that I have read the foregoing Order and that I know and fully
22 understand the contents hereof; that First NLC Financial Services LLC admits the
23 findings of fact herein, voluntarily consents to the entry of this Order without further
24 hearing, expressly waiving any right to a hearing in this matter; that First NLC Financial
25 Services LLC understands that the Director reserves the right to take further actions to
26 enforce this order or to take appropriate action upon discovery of other violations of

1 Oregon Mortgage Lender Law; and that First NLC Financial Services LLC will fully
2 comply with Oregon Mortgage Lender Law.

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

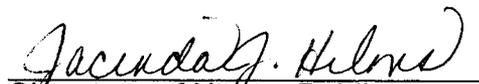
4 Dated this 2nd day of November, 2001.

5
6 By Jeffrey M. Henschel/Executive Vice President
(Office Held)

7
8 
(Signature)

9 **CORPORATE ACKNOWLEDGMENT**

10 There appeared before me this 2nd day of November, 2001,
11 Jeffrey M. Henschel, who was first duly sworn on oath, and stated that s/he was
12 and is the Executive V.P. of First NLC Financial Services LLC and
13 Jeffrey M. Henschel is authorized and empowered to sign this Consent to Entry of
14 Order on behalf of First NLC Financial Services LLC and to bind First NLC Financial
15 Services LLC to the terms hereof.

16
17 
Signature of Notary Public
18 Notary Public for the State of: Florida
19 My Commission expires: _____

