

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 JUSTUS HOMES INC DBA HIGH
8 DESERT HOMES

9 ORDER NO. O-02-0073

10 CEASE AND DESIST ORDER AND
11 CONSENT TO IMPOSITION OF CIVIL
12 PENALTIES

13 To: Justus Homes Inc. dba High Desert Homes
14 6707 S 6th Street
15 Klamath Falls, Oregon 97603

16 WHEREAS the Director of the Department of Consumer and Business Services
17 for the State of Oregon (hereinafter "the Director") conducted an investigation of Justus
18 Homes Inc. dba High Desert Homes, and determined that Justus Homes Inc. dba High
19 Desert Homes engaged in activities constituting violations of ORS 59.840 through
20 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

21 WHEREAS Justus Homes Inc. dba High Desert Homes wishes to resolve and
22 settle this matter with the Director;

23 NOW THEREFORE, as evidenced by the authorized signatures subscribed on
24 this order Justus Homes Inc. dba High Desert Homes hereby **CONSENTS** to entry of
25 this order upon the Director's Findings of Fact and Conclusions of Law as stated
26 hereinafter:

FINDINGS OF FACT

The Director **FINDS** that:

1. Justus Homes Inc. dba High Desert Homes (hereinafter "Respondent"),
incorporated in Oregon on September 15, 1998 engages in residential mortgage

1 transactions in Oregon or on Oregon real property in expectation of compensation.

2 2. The Director has licensed Respondent to engage in Oregon residential
3 mortgage lending since March 30, 1999.

4 3. Joanna Justus is the sole owner of Respondent.

5 4. On October 12, 2001, the Director sent notice to all licensees that there had
6 been changes in the Oregon Mortgage Lender Law and proposed changes in the
7 administrative rules.

8 5. In January 2002, the Director published a new issue of the Mortgage Lender
9 News on the web site which included an explanation of the new notification
10 requirements.

11 6. On February 14, 2002, the Director sent a notice to all licensees that the final
12 rules had been approved and were available on the web site along with the January
13 2002 issue of the Mortgage Lender News which explained the new requirements.

14 7. On August 5, 2002, the Director sent a letter to Respondent informing
15 Respondent that the Director had not received notification of Respondent's loan
16 originators and requesting that Respondent provide the required information by
17 September 1, 2002 to avoid civil penalties.

18 8. On September 1, 2002, the Director had not received notification of
19 Respondent's loan originators.

20 9. As of December 11, 2002, Respondent still had not contacted the Director or
21 produced the loan originator information as requested.

22 **CONCLUSIONS OF LAW**

23 The Director **CONCLUDES** that:

24 1. Respondent violated OAR 441-880-0030(1) by failing to produce the required
25 information about Respondent's loan originators by January 30, 2002.

26 2. Respondent violated ORS 59.969(1) by failing to provide to the Director information

1 about Respondent's loan originators.

2 **ORDER**

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

7 The Director, pursuant to ORS 59.996 hereby **ORDERS** Justus Homes Inc. dba
8 High Desert Homes to pay the State of Oregon a civil penalty of \$5,000.

9 The Director suspends payment of \$2,500 of the assessed civil penalty for a
10 three year period. If in the period between the date of the Order to three years from the
11 date of the Order or until the non-suspended portion of the civil penalty has been paid,
12 whichever occurs later, Justus Homes Inc. dba High Desert Homes violates any
13 provision of the Oregon Mortgage Lender Law. OAR 441-850-0005 through 441-885-
14 0010 or any rule, order, or policy issued by the Division, the suspended portion of the
15 assessed civil penalty will become immediately due and payable. If Justus Homes Inc.
16 dba High Desert Homes does not violate the Oregon Mortgage Lender Law, OAR 441-
17 850-0005 through 441-885-0010 or any rule, order, or policy issued by the Division in
18 three years from the date of the Order or until the non-suspended portion of the civil
19 penalty has been paid, whichever occurs later, the suspended portion of the civil penalty
20 is waived.

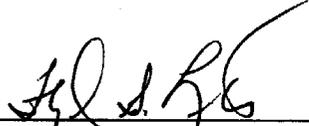
21 The \$2,500 non-suspended portion of the civil penalty may be paid in minimum
22 monthly installments of \$100. The first payment is due no later than July 1, 2003 and
23 payment shall be due thereafter on the first day of each month until the \$2,500 non-
24 suspended portion of the civil penalty is paid in full.

25 The date of this order is the day the Director signs the order. The entry of this
26 Order in no way limits further remedies which may be available to the Director under

1 Oregon law.

2
3 Dated this 30th day of JUNE, 2003.

4 **CORY STREISINGER, DIRECTOR**
5 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

6
7 by 
8 **FLOYD G. LANTER, ADMINISTRATOR**
9 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

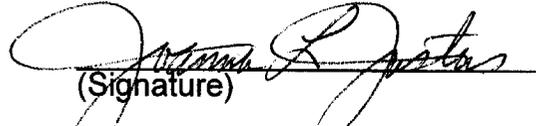
10 **CONSENT TO ENTRY OF ORDER**

11 I, JOANNA L. JUSTUS, state that I am the
12 PRESIDENT of Justus Homes Inc. dba High Desert Homes, 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 Justus Homes Inc. dba High Desert Homes
15 admits the findings of fact herein, voluntarily consents to the entry of this Order without
16 further hearing, expressly waiving any right to a hearing in this matter; that Justus
17 Homes Inc. dba High Desert Homes understands that the Director reserves the right to
18 take further actions to enforce this order or to take appropriate action upon discovery
19 of other violations of Oregon Mortgage Lender Law; and that Justus Homes Inc. dba
20 High Desert Homes will fully comply with Oregon Mortgage Lender Law.

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

22 Dated this 22 day of JUNE, 2003.

23
24 By JOANNA L. JUSTUS 
25 (Office Held)

26 
(Signature)

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CORPORATE ACKNOWLEDGMENT

There appeared before me this 22 day of June, 2003,
Joanna L. Hustus, who was first duly sworn on oath, and stated that s/he was
and is the President of Justus Homes Inc. dba High Desert Homes and
such is authorized and empowered to sign this Consent to Entry of
Order on behalf of Justus Homes Inc. dba High Desert Homes and to bind Justus
Homes Inc. dba High Desert Homes to the terms hereof.

Leota Westlund
Signature of Notary Public
Notary Public for the State of: Oregon
My Commission expires: 2-14-2004

