

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 In the Matter of:
6 Prestige Mortgage Services, Inc.,
7 Respondent.

O-02-0086-B
ORDER OF ISSUANCE OF CONDITIONAL
MORTGAGE BANKER/BROKER LICENSE
And
CONSENT TO ENTRY OF ORDER

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10 The Director of the Department of Consumer and Business Services
11 for the State of Oregon (hereinafter "the Director") acting by the authority of
12 the Oregon Mortgage Lender Law, Chapter 59 of the Oregon Revised
13 Statutes (hereinafter cited as "the Oregon Mortgage Lender Law"), hereby
14 issues the following Findings of Fact, Conclusions of Law, and Order:

15 FINDINGS OF FACT

16 The Director FINDS that:

17 1. The Director alleges as part of In the Matter of Discover Mortgage Company,
18 Ivan E. Jensen and Rod Mastrud, case number O-02-0086-A, that Discover Mortgage
19 Company violated ORS 59.945(2) (advertising using a name other than that licensed by
20 the Director), OAR 441-860-0025(1)(a) (failing to register a DBA), OAR 441-860-
21 0025(1)(b) (failing to add a DBA to the surety bond), OAR 441-860-0040 (failing to
22 supervise its branch offices to insure compliance with all provisions of ORS 59.840
23 through 59.960 and OAR 441-850-0005 through 441-885-0010), OAR 441-860-
24 0070(1)(i) (failing to report a branch location change within 30 days), ORS 59.950(2)
25 (failing to provide the Director notification in writing of its intent to transact business in a
26 place other than the principal place of business not later than 30 days prior to opening

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1 another office), OAR 441-860-0030(1) (failing to provide the address of a branch office,
2 the telephone number, e-mail address and facsimile number at least 30 days before the
3 branch commences operation), OAR 441-860-0030(2) (failing to provide the information
4 required pursuant to OAR 441-860-0020(7) regarding the branch supervisor who would
5 supervise the branch activities at least 30 days before the branch commenced
6 operation), ORS 59.969(1) (failing to keep current Licensee's list of loan originators as
7 reported to the Director), OAR 441-880-0030(2) (failing to notify the Director of the hire
8 or termination of a loan originator within 30 days of the event), OAR 441-880-0030(3)
9 (failing to provide notice to the Director of the hire of a loan originator that included the
10 loan originator's name, the start date as a loan originator, the current home address,
11 telephone and e-mail address of the loan originator, a social security number of detailed
12 physical description of the loan originator, the loan originator's date of birth and a
13 certification of compliance of the loan originator with ORS 59.967(2), 59.969(4)(a) and
14 (b) and 59.971) and OAR 441-880-0030(4) (failing to provide notice to the Director of
15 the termination of a loan originator that included the loan originator's name, ending date
16 as a loan originator and last known contact information)

17 2. Ivan E. Jensen was one-half owner of Discover Mortgage Company and the
18 Experience Person for Discover Mortgage Company at the time the Director alleges that
19 Discover Mortgage Company violated the described statutes and administrative rules.

20 3. As experience person, Ivan E. Jensen was responsible for ensuring that
21 Discover Mortgage Company complied with the requirements of the Oregon Mortgage
22 Lender Law and its accompanying administrative rules.

23 4. On November 20, 2001, Lori Asa and Kirsten Jepsen, employees of the
24 Director, explained the requirements for adding a DBA to the licensee's license or to a
25 branch license to Ivan E. Jensen and explained that a mortgage lender licensee was not
26 permitted to use any name in connection with engaging in Oregon residential mortgage

1 loans other than the name(s) listed on the license.

2 5. On December 10, 2002, Ivan E. Jensen and Lori Asa discussed the use of the
3 DBAs "Featherstone Mortgage" and "Bachelor Mortgage Group" by Discover Mortgage
4 Company branches. Ivan E. Jensen admitted that he was aware that the Portland
5 branch was using the DBA "Featherstone Mortgage" and that the Bend branch was
6 using the DBA "Bachelor Mortgage Group." Ivan E. Jensen told Lori Asa that he had
7 instructed the branches to register the names with the Corporation Division then notify
8 the Director. Ivan E. Jensen did not ensure that the DBAs were properly licensed.

9 6. Prestige Mortgage Services, Inc. has applied for an Oregon mortgage lender
10 license.

11 7. Ivan E. Jensen is the sole owner of Prestige Mortgage Services, Inc.

12 8. Prestige Mortgage Services, Inc.'s application lists Ivan E. Jensen as the
13 Experience Person and President.

14 9. Ivan E. Jensen and Prestige Mortgage Services, Inc. agree that they will abide
15 by the following requirements:

16 a) The licensee is responsible for all solicitation and transaction of Oregon
17 residential mortgage transactions undertaken on behalf of the licensee.

18 b) The licensee may only solicit and transact Oregon residential mortgage loans
19 using a name or DBA licensed to the licensee by the Director.

20 b) The licensee may only originate Oregon residential mortgage loans from a
21 location licensed to the licensee by the Director.

22 c) The licensee is responsible for ensuring that all locations are properly
23 licensed by the Director.

24 d) The licensee is responsible for supervising all locations of the licensee,
25 whether properly licensed or not.

26 e) The licensee is responsible for providing the branch locations with notification





1 of any changes in the Oregon Mortgage Lender Law that affect branch
2 operations in any manner.

3 f) The licensee is responsible for ensuring that all locations are using only the
4 licensee name or a DBA that is listed on the location's license in connection with
5 advertising, soliciting or engaging in Oregon residential mortgage transactions.

6 g) The licensee must be listed as the registrant of the DBA with the Corporation
7 Division of the Secretary of State for all DBAs the licensee wishes to use in
8 connection with soliciting or engaging in Oregon residential mortgage loans. The
9 licensee also acknowledges that the DBA must be listed on the licensee's surety
10 bond and, if the licensee will accept client funds under the DBA, that the DBA
11 must be listed on the clients' trust account as well as the clients' trust account
12 documentation filed with the Director.

13 h) The licensee understands that it may only originate Oregon residential
14 mortgage loans using those loan originators who have been reported to the
15 Director as loan originators for the licensee.

16 i) The licensee is responsible for reporting to the Director the names of all loan
17 originators originating Oregon residential mortgage loans for the licensee. The
18 licensee shall ensure that the notification to the Director of new loan originators
19 or the termination of loan originators occurs within 30 days of hire or termination.

20 j) The licensee is responsible for ensuring that all loan originators have received
21 the proper entry level and continuing education in the time frames required by the
22 Oregon Mortgage Lender Law.

23 k) The licensee understands that a loan originator may not originate Oregon
24 loans for more than one licensee at a time and will not condone or ratify a
25 violation of this limitation.

26 l) The licensee understands that a loan originator employed by the licensee may

1 not also have his or her own mortgage lender license.

2 10. Prestige Mortgage Services, Inc. agrees to hire a Compliance Officer
3 acceptable to the Director who will be responsible for ensuring that Prestige Mortgage
4 Services, Inc. is properly licensed and that Prestige Mortgage Services, Inc. is operating
5 as required by the Oregon Mortgage Lender Law and federal laws applicable to the
6 origination of a mortgage loan, including but not limited to the Truth in Lending Act and
7 the Real Estate Settlement Procedures Act.

8 11. Prestige Mortgage Services, Inc. agrees that there shall be no set amount of
9 hours that the Compliance Officer must work each week but that the hours shall be
10 flexible to meet the needs of Prestige Mortgage Services, Inc. to ensure proper
11 licensing and quality control. However, the Director shall have the right to dictate hourly
12 and position requirements if Prestige Mortgage Services, Inc. violates any provision of
13 the Oregon Mortgage Lender Law subsequent to this Order.

14 **CONCLUSIONS OF LAW**

15 The Director **CONCLUDES** that:

16 1. Through Discover Mortgage Company, Ivan E. Jensen violated OAR 441-860-
17 0025(1)(a) by failing to register the DBA "Featherstone Mortgage," the DBA "Island
18 Financial Group," and the DBA "Bachelor Mortgage Group" in conjunction with Discover
19 Mortgage Company's principal place of business and any branch office with the
20 Secretary of State.

21 2. Through Discover Mortgage Company, Ivan E. Jensen violated OAR 441-860-
22 0025(1)(b) by failing to add the DBA "Featherstone Mortgage," the DBA "Island
23 Financial Group," and the DBA "Bachelor Mortgage Group" to the surety bond.

24 3. Through Discover Mortgage Company, Ivan E. Jensen violated OAR 441-860-
25 0040 by failing to supervise its branch offices to insure compliance with all provisions of
26 ORS 59.840 through 59.960 and OAR 441-850-0005 through 441-885-0010 when Ivan



1 E. Jensen allowed the Portland branch to use the DBA "Featherstone Mortgage," the
2 Hayden Island branch to use the DBA "Island Financial Group" and the Bend branch to
3 use the DBA "Bachelor Mortgage Group" when the DBAs were not properly licensed to
4 be used by Discover Mortgage Company or the branch locations.

5 4. The violations of OAR 441-860-0025(1)(a), 441-860-0025(1)(b) and 441-860-
6 0040 constitute repeated or willful violations of any rule.

7 5. Repeated or willful violations of any rule constitute grounds to condition a
8 licensee issued to an applicant pursuant to ORS 59.865(3).

9 6. Ivan E. Jensen is an officer of Prestige Mortgage Services, Inc.

10 7. Since Ivan E. Jensen is an officer of Prestige Mortgage Services, Inc. and Ivan E.
11 Jensen engaged in repeated or willful violations of any rule, pursuant to ORS 59.870,
12 the Director has the authority to enter an order conditioning any license issued to
13 Prestige Mortgage Services, Inc.

14 **ORDER**

15 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

16 The Director, pursuant to ORS 59.865, hereby will **ISSUE A CONDITIONAL**
17 **MORTGAGE LENDER LICENSE** to Prestige Mortgage Services, Inc. when Prestige
18 Mortgage Services, Inc. files a complete application with the Director. The conditional
19 license shall require Prestige Mortgage Services, Inc. to abide the following conditions:

20 a) The licensee shall hire a Compliance Officer acceptable to the Director who
21 will be responsible for ensuring that licensee is properly licensed and that
22 licensee is operating as required by the Oregon Mortgage Lender Law and
23 federal laws applicable to the origination of a mortgage loan, including but not
24 limited to the Truth in Lending Act and the Real Estate Settlement Procedures
25 Act. There shall be no set amount of hours that the Compliance Officer must
26 work each week but that the hours shall be flexible to meet the needs of licensee

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1 to ensure proper licensing and quality control. However, the Director shall have
2 the right to dictate hourly and position requirements if licensee violates any
3 provision of the Oregon Mortgage Lender Law subsequent to this Order.

4 b) The licensee is responsible for all solicitation and transaction of Oregon
5 residential mortgage transactions undertaken on behalf of the licensee.

6 c) The licensee may only solicit and transact Oregon residential mortgage loans
7 using a name or DBA licensed to the licensee by the Director.

8 d) The licensee may only originate Oregon residential mortgage loans from a
9 location licensed to the licensee by the Director.

10 e) The licensee is responsible for ensuring that all locations are properly
11 licensed by the Director.

12 f) The licensee is responsible for supervising all locations of the licensee,
13 whether properly licensed or not.

14 g) The licensee is responsible for providing the branch locations with notification
15 of any changes in the Oregon Mortgage Lender Law that affect branch
16 operations in any manner.

17 h) The licensee is responsible for ensuring that all locations are using only the
18 licensed name or a DBA that is listed on the location's license in connection with
19 advertising, soliciting or engaging in Oregon residential mortgage transactions.

20 i) The licensee must be listed as the registrant of the DBA with the Corporation
21 Division of the Secretary of State for all DBAs the licensee wishes to use in
22 connection with soliciting or engaging in Oregon residential mortgage loans. The
23 DBA must be listed on the licensee's surety bond and, if the licensee will accept
24 client funds under the DBA, that the DBA must be listed on the clients' trust
25 account as well as the clients' trust account documentation filed with the Director.

26 j) The licensee may only originate Oregon residential mortgage loans using

1 those loan originators who have been reported to the Director as loan originators
2 for the licensee.

3 k) The licensee is responsible for reporting to the Director the names of all loan
4 originators originating Oregon residential mortgage loans for the licensee. The
5 licensee shall ensure that the notification of new loan originators or the
6 termination of loan originators occurs within 30 days of hire or termination.

7 L) The licensee is responsible for ensuring that all loan originators have received
8 the proper entry level and continuing education in the time frames required by the
9 Oregon Mortgage Lender Law.

10 m) A loan originator may not originate Oregon loans for more than one licensee
11 at a time and the licensee will not condone or ratify a violation of this limitation.

12 n) A loan originator employed by the licensee may not also have his or her own
13 mortgage lender license.

14 o) The licensee and its loan originators shall read and abide by all requirements
15 of the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010
16 or any rule, order, or policy issued by the Division.

17 The date of this order is the day the Director signs the order. The entry of this
18 Order in no way limits further remedies which may be available to the Director under
19 Oregon law.

20 Dated this 1st day of December, 2003, at Salem, Oregon.

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24 **CORY STREISINGER, DIRECTOR**
25 **DEPARTMENT OF CONSUMER & BUSINESS SERVICES**
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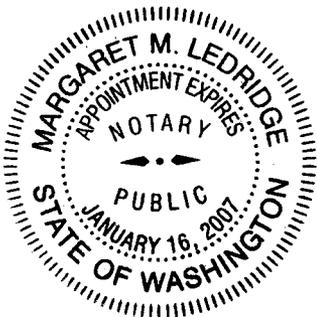
CORPORATE CONSENT TO ENTRY OF ORDER

I, Ivan Jensen, state that I am an officer of Prestige Mortgage Services Inc., and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that I and this entity have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that Prestige Mortgage Services Inc. voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Prestige Mortgage Services Inc. understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law; and that Prestige Mortgage Services Inc. will fully comply with the terms and conditions stated herein.

Prestige Mortgage Services Inc. further assures the Director that neither Prestige Mortgage Services Inc. nor its officers, directors, employees or agents will effect Oregon residential mortgage transactions unless such activities are in full compliance with Chapter 59 of the Oregon Revised Statutes.

Prestige Mortgage Services Inc. understands that this Consent Order is a public document.

Dated this 25 day of November, 2003.



By [Signature]
(Signature of officer)
President
(Office Held)

CORPORATE ACKNOWLEDGMENT

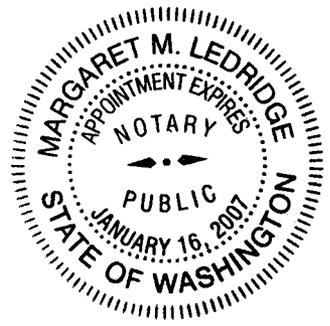
There appeared before me this 25 day of November, 2003, Ivan E. Jensen, who was first duly sworn on oath, and stated that

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1 (s)he was and is President of Prestige Mortgage Services Inc. and that he is
2 authorized and empowered to sign this Consent to Entry of Order on behalf of Prestige
3 Mortgage Services Inc., and to bind Prestige Mortgage Services Inc. to the terms
4 hereof.

5
6 
7 _____
(Individual)



8 Margaret M. Ledridge
9 (Printed Name of Notary Public)
10 Notary Public
11 for the State of: WA
12 My commission expires: 1-16-07

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