

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

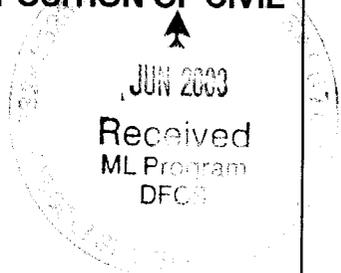
In the Matter of

CITY LENDING GROUP LLC

ORDER NO. O-03-0003

CEASE AND DESIST ORDER AND
CONSENT TO IMPOSITION OF CIVIL
PENALTIES

To: City Lending Group LLC
33919 9th Ave S #202
Federal Way, WA 98003



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

WHEREAS City Lending Group LLC wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this order City Lending Group 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. City Lending Group LLC (hereinafter "Respondent"), a limited liability company formed in Washington on March 1, 2000, engages in residential mortgage transactions in Oregon or on Oregon real property in expectation of compensation.

2. The Director has licensed Respondent to engage in Oregon residential

1 mortgage lending since August 24, 2001.

2 3. Michelle Dexter is the owner of Respondent.

3 4. On January 22, 2003, the Director received a complaint filed by Jesus
4 Manaligod.

5 5. The complaint indicated that Jesus Manaligod had been hired by Respondent
6 as a loan originator on July 29, 2002.

7 6. The complaint contained a copy of a "New Hire Information" completed for
8 Jesus Manaligod listing a hire date of July 30, 2002, a "Branch Office Independent
9 Contractor Written Agreement" for Respondent for the purpose of brokering mortgage
10 loans signed by Jesus Manaligod and dated July 29, 2002 and a "Code of Ethics" for
11 Respondent signed and dated by Jesus Manaligod on July 29, 2002.

12 7. This was the first notice that the Director received that Jesus Manaligod had
13 been employed by Respondent as a loan originator.

14 8. Respondent did not provide notice to the Director within 30 days following the
15 hire of Jesus Manaligod to act as a loan originator.

16 9. Respondent did not amend the application to provide notice to the Director of
17 the hire of Jesus Manaligod to act as a loan originator for Respondent.

18 10. Respondent did not provide notice to the Director containing the name of the
19 loan originator, the start date of the loan originator, the current business and home
20 address, date of birth, telephone number and e-mail address of the loan originator, the
21 social security number or a physical description of the loan originator and a certification
22 of compliance by the loan originator with the provisions of ORS 59.937(2), 59.969(4)(a)
23 and (b) and 59.971 within 30 days following Jesus Manaligod's date of hire.

24 11. Respondent indicates that it was uncertain about the exact procedural
25 requirements of ORS 59.969(1) and OAR 441-880-0030(2) and (3) but has since
26 reviewed the Oregon requirements and will submit the requisite information on any loan

1 originator.

2 **CONCLUSIONS OF LAW**

3 The Director **CONCLUDES** that:

4 1. Respondent violated ORS 59.969(1) by failing to provide to the Director notice
5 of the hire of a loan originator within 30 days following the date of hire of the loan
6 originator.

7 2. Respondent violated OAR 441-880-0030(2) by failing to amend the application
8 for the hire of a loan originator within 30 days following the date of hire of the loan
9 originator.

10 3. Respondent violated OAR 441-880-0030(3) by failing to provide notice to the
11 Director the name of the loan originator, the start date of the loan originator, the current
12 business and home address, date of birth, telephone number and e-mail address of the
13 loan originator, the social security number or a physical description of the loan originator
14 and a certification of compliance by the loan originator with the provisions of ORS
15 59.937(2), 59.969(4)(a) and (b) and 59.971 within 30 days following the loan originator's
16 date of hire.

17 **ORDER**

18 The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that City Lending
19 Group LLC will **CEASE AND DESIST** from violating any provision of Oregon Mortgage
20 Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order, or policy
21 issued by the Division.

22 The Director, pursuant to ORS 59.996 hereby **ORDERS** City Lending Group LLC
23 to pay the State of Oregon a civil penalty of \$5,000. The Director suspends payment of
24 \$2,500 of the assessed civil penalty for a three-year period. If in the period between the
25 date of the Order to three years from the date of the Order or until the non-suspended
26 portion of the civil penalty has been paid, whichever occurs later, City Lending Group

1 LLC violates any provision of the Oregon Mortgage Lender Law. OAR 441-850-0005
2 through 441-885-0010 or any rule, order, or policy issued by the Division, the suspended
3 portion of the assessed civil penalty will become immediately due and payable. If City
4 Lending Group LLC does not violate the Oregon Mortgage Lender Law, OAR 441-850-
5 0005 through 441-885-0010 or any rule, order, or policy issued by the Division in three
6 years from the date of the Order or until the non-suspended portion of the civil penalty
7 has been paid, whichever occurs later, the suspended portion of the civil penalty is
8 waived.

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

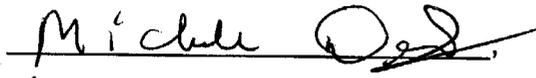
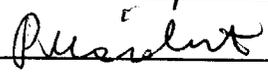
13 The date of this order is the day the Director signs the order. The entry of this
14 Order in no way limits further remedies which may be available to the Director under
15 Oregon law.

16 Dated this 25 day of June, 2003.

17
18 **CORY STREISINGER, DIRECTOR**
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

19
20 by 
21 **FLOYD G. LANTER, ADMINISTRATOR**
DIVISION OF FINANCE AND CORPORATE SECURITIES

22 **CONSENT TO ENTRY OF ORDER**

23 I,  state that I am the
24  of City Lending Group LLC, and I am authorized to act on its
25 behalf; that I have read the foregoing Order and that I know and fully understand the
26 contents hereof; that City Lending Group LLC admits the findings of fact herein,

1 voluntarily consents to the entry of this Order without further hearing, expressly waiving
2 any right to a hearing in this matter; that City Lending Group LLC understands that the
3 Director reserves the right to take further actions to enforce this order or to take
4 appropriate action upon discovery of other violations of Oregon Mortgage Lender Law;
5 and that City Lending Group LLC will fully comply with Oregon Mortgage Lender Law.

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

7 Dated this 25 day of June, 2003.

8 By Michelle Dexter
9 (Office Held)

10 Michelle Dexter
11 (Signature)

12 **CORPORATE ACKNOWLEDGMENT**

13 There appeared before me this 25 day of June, 2003,
14 Michelle Dexter, who was first duly sworn on oath, and stated that s/he was
15 and is the president of City Lending Group LLC and
16 she is authorized and empowered to sign this Consent to Entry of
17 Order on behalf of City Lending Group LLC and to bind City Lending Group LLC to the
18 terms hereof.

19 Famui Knuth
20

21 Signature of Notary Public
22 Notary Public for the State of: WA
My Commission expires: March 13, 2005

