

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

STOHR CAPITAL GROUP INC. DBA  
SOURCE FINANCIAL

ORDER NO. O-03-0004

CEASE AND DESIST ORDER AND  
CONSENT TO IMPOSITION OF CIVIL  
PENALTIES

To: Stohr Capital Group Inc. dba Source Financial  
12515 Bel-Red Rd Ste 103  
Bellevue, WA 98005

**WHEREAS** the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Stohr Capital Group, Inc. dba Source Financial, and determined that Stohr Capital Group, Inc. dba Source Financial engaged in activities constituting violations of ORS 59.840 through 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

**WHEREAS** Stohr Capital Group, Inc. dba Source Financial wishes to resolve and settle this matter with the Director;

**NOW THEREFORE**, as evidenced by the authorized signatures subscribed on this order Stohr Capital Group, Inc. dba Source Financial hereby **CONSENTS** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

051303-045-002-001-0500-0000500000

**FINDINGS OF FACT**

The Director **FINDS** that:

1. Stohr Capital Group, Inc. dba Source Financial (hereinafter "Respondent"), incorporated in Delaware on May 30, 1996 engages in residential mortgage transactions in Oregon or on Oregon real property in expectation of compensation.

1           2. The Director has licensed Respondent to engage in Oregon residential  
2 mortgage lending since August 5, 1998.

3           3. Brandt Stohr is the owner of Respondent.

4           4. The Director received notice that Respondent may have been attempting to  
5 influence an appraiser's independent determination of value that listed Laurie Sunby as  
6 a loan originator on an Oregon residential mortgage transaction.

7           5. The Director's search of the records for Respondent revealed that Laurie  
8 Sunby was not listed as an Oregon loan originator for Respondent or any other  
9 mortgage lender licensee.

10          6. On December 26, 2002, the Director sent a letter to Respondent asking  
11 Respondent to comment on information that indicated that Laurie Sunby was acting as  
12 an Oregon loan originator for Respondent but Respondent had not notified the Director  
13 that Laurie Sunby would be originating Oregon loans for Respondent.

14          7. On January 27, 2003, the Director received a response from Respondent  
15 regarding the loan originator Laurie Sunby stating "she was already listed as an LO for  
16 her previous company. She did not realize we needed to send you current info so she  
17 didn't tell me she was originating loans in Oregon."

18          8. Respondent provided notice on January 27, 2003 that Laurie Sunby had been  
19 hired as a loan originator for Respondent in April 2002.

20          9. Respondent did not provide notice to the Director within 30 days following the  
21 hire of Laurie Sunby to act as a loan originator.

22          10. Respondent did not amend the application to provide notice to the Director  
23 of the hire of Lori Sunby to act as a loan originator for Respondent.

24          11. Respondent did not provide notice to the Director containing the name of the  
25 loan originator, the start date of the loan originator, the current business and home  
26 address, date of birth, telephone number and e-mail address of the loan originator, the

1 social security number or a physical description of the loan originator and a certification  
2 of compliance by the loan originator with the provisions of ORS 59.937(2), 59.969(4)(a)  
3 and (b) and 59.971 within 30 days following the loan originator's date of hire.

#### 4 **CONCLUSIONS OF LAW**

5 The Director **CONCLUDES** that:

6 1. Respondent violated ORS 59.865(15) by failing to supervise diligently and control  
7 the mortgage-related activities of a loan originator employed by the licensee when  
8 Respondent relied upon the loan originator to report to Respondent that Respondent  
9 needed to notify the Director of the hire of the loan originator and when the Respondent  
10 relied upon the loan originator to notify Respondent that the loan originator would be  
11 originating Oregon loans.

12 2. Respondent violated ORS 59.969(1) by failing to provide to the Director notice  
13 of the hire of a loan originator within 30 days following the date of hire of the loan  
14 originator.

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

18 4. Respondent violated OAR 441-880-0030(3) by failing to provide notice to the  
19 Director the name of the loan originator, the start date of the loan originator, the current  
20 business and home address, date of birth, telephone number and e-mail address of the  
21 loan originator, the social security number or a physical description of the loan originator  
22 and a certification of compliance by the loan originator with the provisions of ORS  
23 59.937(2), 59.969(4)(a) and (b) and 59.971 within 30 days following the loan originator's  
24 date of hire.

#### 25 **ORDER**

26 The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that Stohr Capital

1 Group, Inc. dba Source Financial will **CEASE AND DESIST** from violating any provision  
2 of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any  
3 rule, order, or policy issued by the Division.

4 The Director, pursuant to ORS 59.996 hereby **ORDERS** Stohr Capital Group, Inc.  
5 dba Source Financial to pay the State of Oregon a civil penalty of \$10,000 based upon  
6 \$5,000 for the violation of ORS 59.865(15) and \$5,000 for the violation of ORS  
7 59.969(1), OAR 441-880-0030(2) and OAR 441-880-0030(3).

8 The Director suspends payment of \$5,000 of the assessed civil penalty for a  
9 three-year period. If in the period between the date of the Order to three years from the  
10 date of the Order, Stohr Capital Group, Inc. dba Source Financial violates any provision  
11 of the Oregon Mortgage Lender Law. OAR 441-850-0005 through 441-885-0010 or any  
12 rule, order, or policy issued by the Division, the suspended portion of the assessed civil  
13 penalty will become immediately due and payable. If Stohr Capital Group, Inc. dba  
14 Source Financial does not violate the Oregon Mortgage Lender Law, OAR 441-850-  
15 0005 through 441-885-0010 or any rule, order, or policy issued by the Division in three  
16 years from the date of the Order, the suspended portion of the civil penalty is waived.

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 21ST day of MAY, 2003.

21  
22 **CORY STREISINGER, DIRECTOR**  
23 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

24  
25 by   
26 **FLOYD G. LANTER, ADMINISTRATOR**  
**DIVISION OF FINANCE AND CORPORATE SECURITIES**

1 **CONSENT TO ENTRY OF ORDER**

2 I, BRANDT STOHR, state that I am the  
3 PRESIDENT of Stohr Capital Group, Inc. dba Source Financial, and I am  
4 authorized to act on its behalf; that I have read the foregoing Order and that I know and  
5 fully understand the contents hereof; that Stohr Capital Group, Inc. dba Source Financial  
6 admits the findings of fact herein, voluntarily consents to the entry of this Order without  
7 further hearing, expressly waiving any right to a hearing in this matter; that Stohr Capital  
8 Group, Inc. dba Source Financial understands that the Director reserves the right to take  
9 further actions to enforce this order or to take appropriate action upon discovery of other  
10 violations of Oregon Mortgage Lender Law; and that Stohr Capital Group, Inc. dba  
11 Source Financial will fully comply with Oregon Mortgage Lender Law.

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

13 Dated this 9<sup>TH</sup> day of MAY, 2008.

14 By ~~CEO~~ BRANDT STOHR PRESIDENT  
15 (Office Held)

16 Brandt Stohr  
17 (Signature)

18 **CORPORATE ACKNOWLEDGMENT**

19 There appeared before me this 9<sup>TH</sup> day of MAY, 2008,  
20 BRANDT STOHR, who was first duly sworn on oath, and stated that s/he was  
21 and is the PRESIDENT of Stohr Capital Group, Inc. dba Source Financial  
22 and HE is authorized and empowered to sign this Consent to Entry  
23 of Order on behalf of Stohr Capital Group, Inc. dba Source Financial and to bind Stohr  
24 Capital Group, Inc. dba Source Financial to the terms hereof.

25 [Signature]  
26 Signature of Notary Public  
Notary Public for the State of: WASHINGTON  
My Commission expires: 8/19/06