

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

4 In the Matter of:

No. O-03-0026

5 SANTIAM MORTGAGE
6 CORPORATION DBA OREGON
7 HOMES,

FINAL ORDER OF DENIAL OF
MORTGAGE BANKER/BROKER
LICENSE BY DEFAULT

8 Respondent.

9 On July 17, 2003 the Director of the Department of Consumer and Business Services for
10 the State of Oregon (hereafter the "Director"), acting by and pursuant to the authority of Oregon
11 Securities Law, Chapter 59 of the Oregon Revised Statutes, and other applicable authority,
12 issued Administrative Order No. O-03-0026, ORDER OF DENIAL OF MORTGAGE
13 BANKER/BROKER LICENSE AND NOTICE OF RIGHT TO HEARING (hereafter "the
14 Order") against Respondent Santiam Mortgage Corporation dba Oregon Homes.

15 On August 5, 2003 Respondent Santiam Mortgage Corporation dba Oregon Homes was
16 duly served with a true copy of the Order and Notice by United States Mail, postage prepaid, and
17 addressed to Frank Ball, as the Oregon Agent for Service of Process, at the following last known
18 address which was also the business location of Santiam Mortgage Corporation dba Oregon
19 Homes: 223 3rd Ave. SW, Albany, Oregon 97321. The copy mailed by certified mail was
20 returned by the United States Post Office on August 6, 2003 marked "Undeliverable as
21 Addressed, Unable to Forward." The copy sent by regular mail was also returned by the United
22 States Post Office marked "Attempted Not Known."

23 On August 5, 2003, the Order and Notice were also mailed by United States Mail,
24 postage prepaid, and addressed to David Willcox, as the contact person of Santiam Mortgage
25 Corporation dba Oregon Homes, at the following last known address which is also the current
26 business location of David Willcox: 29250 Speasl Road, Lebanon, Oregon 97355. The copy

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 mailed by certified mail was returned by the United States Post Office on August 23, 2003
2 marked "Unclaimed." The copy sent by regular mail was not returned.

3 Respondent Santiam Mortgage Corporation dba Oregon Homes has not made a written
4 request for a contested case hearing in this matter and the time to do so has expired.

5 **NOW THEREFORE**, after consideration of the Investigation Report and accompanying
6 exhibits submitted in this matter by Kirsten Jepsen, Enforcement Officer, the Director hereby
7 issues the following Findings of Fact, Conclusions of Law, and Final Order:

8
9 **FINDINGS OF FACT**

10 The Director **FINDS** that:

- 11 1. The Director received an application for an Oregon mortgage lender license from
12 Santiam Mortgage Corporation dba Oregon Homes on February 7, 2003.
- 13 2. The Oregon mortgage lender license application submitted by Santiam Mortgage
14 Corporation dba Oregon Homes contained a balance sheet as of February 5, 2003. The balance
15 sheet indicated that the company had current assets of \$1,556,849.56 for total assets of
16 \$1,679,243.11. The company had current liabilities of \$1,648,657.65 for total liabilities of
17 \$2,317,125.16.
- 18 3. On March 6, 2003, Santiam Mortgage Corporation dba Oregon Homes provided an
19 "updated" balance sheet for the period ending December 31, 2002. That balance sheet indicated
20 that the company had current assets of \$1,558,428.25 for total assets of \$1,680,821.80. The
21 company had current liabilities of \$1,650,960.93 for total liabilities of \$2,309,981.11.
- 22 4. In April 2001, the Director entered a cease and desist order against Santiam Mortgage
23 Corporation dba Oregon Homes in case number O-01-0010. Santiam Mortgage Corporation dba
24 Oregon Homes had notice of the order and opportunity to request a hearing however elected to
25 waive both rights and consent to the entry of the order.

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1 CONCLUSIONS OF LAW

2 The Director **CONCLUDES** that:

- 3 1. Based upon the February 5, 2003 and March 6, 2003 balance sheets, Santiam Mortgage
 4 Corporation dba Oregon Homes is insolvent which constitutes grounds to deny the license under
 5 ORS 59.865(1).
- 6 2. The cease and desist order in case number O-01-0010 was entered against Santaim Mortgage
 7 Corporation dba Oregon Homes within the past five years after notice and opportunity to be
 8 heard which constitutes grounds to deny an Oregon mortgage lender license pursuant to ORS
 9 59.865(13).

10 ORDER

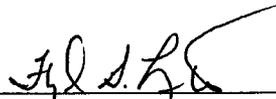
11 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

12 The Director, pursuant to ORS 59.865, hereby **DENIES** a mortgage banker/broker license to
 13 Santiam Mortgage Corporation dba Oregon Homes based upon the application filed by the
 14 company.
 15

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

18 **IT IS SO ORDERED.**

19 Dated this 6th day of OCTOBER, 2003, at Salem, Oregon.

20 

21 _____
 22 Floyd G. Lanter, Administrator
 23 Division of Finance and Corporate Securities
 24 Department of Consumer and Business Services

25 NOTICE: You are entitled to judicial review of this Order. Judicial review may be
 26 obtained by filing a petition for review within 60 days from the service of this Order. Judicial
 review is pursuant to the provisions of ORS 183.482 to the Oregon Court of Appeals.

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