

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
2 DIVISION OF FINANCE AND CORPORATE SECURITIES
3 ENFORCEMENT SECTION
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

5 In the Matter of:

M-06-0042-7

6 Jill Gastel,

FINAL ORDER TO CEASE AND DESIST
ORDER IMPOSING CIVIL PENALTIES
ENTERED BY DEFAULT

7 Respondent.

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11 On or about March 3, 2008, the Director of the Department of Consumer and
12 Business Services for the State of Oregon (hereinafter "the Director") acting by the
13 authority of the Oregon Mortgage Lender Law, Chapter 59.840 et seq. of the Oregon
14 Revised Statutes (hereinafter cited as "the Oregon Mortgage Lender Law), and other
15 applicable authority, issued Administrative Order No. M-08-0042-7, Order to Cease and
16 Desist, Order Imposing Civil Penalties and Notice of Right to Hearing (hereinafter "the
17 Proposed Order") against Jill Gastel. On or about March 6, 2008, Respondent was duly
18 served with true copies of the Proposed Order by regular, first-class mail and by
19 certified mail, postage prepaid, and addressed to: Jill Gastel 5398 Bergamo Avenue
20 Sarasota, FL 34238. The Proposed Order sent by certified mail was returned as not
21 deliverable, but the Proposed Order sent regular, first-class mail was not returned. The
22 Respondent has not made a written request for a contested case hearing in this matter
23 and time to do so has expired.

24 NOW THEREFORE, after consideration of the Division's investigative file and
25 related documents, the Director hereby issues the following Findings of Fact,
26 Conclusions of Law, and Final Order.

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Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4140



1 **FINDINGS OF FACT**

2 The Director **FINDS** that:

3 1. At all times relevant herein, Gibraltar Funding Corp. (hereinafter "Gibraltar") was
4 a corporation located at 5011 Ocean Boulevard, Suite 305 in Sarasota, Florida
5 (hereinafter "the Florida location"). As part of the application to obtain an Oregon
6 residential mortgage license submitted to the Division of Finance and Corporate
7 Securities (hereinafter "The Division"), Gibraltar reported that Eric Christopherson
8 owned 10% of the company and Zuzana Paduano owned the remaining 90% of the
9 company. Robert Paduano reported to the California Department of Corporations that
10 he was the Managing Director of Operations for Gibraltar. Granville Duke Budlong
11 operated as the Operations Manager for Gibraltar. Andra Griffin acted as the Office
12 Manager and Paralegal. Jodi Gastel and Jill Gastel were employees of Gibraltar.

13 2. On May 10, 2006, Anthony Miller signed a contract to purchase all the assets of
14 Gibraltar from Eric Christopherson and Zuzana Paduano. The sale was to be handled
15 through Superior Escrow and the contract provided for the release of all funds to the
16 sellers by June 21, 2006. By separate agreement, Miller agreed to continue to employ
17 the managers and staff at the Florida location on a trial period of three months. Anthony
18 Miller moved the headquarters of Gibraltar to 175 Fulton Avenue, Suite 305 in
19 Hempstead, New York 11550 (hereinafter "the New York location") effective June 30,
20 2006.

21 3. Gibraltar was licensed to engage in Oregon residential mortgage transactions
22 from October 11, 2005 through October 12, 2006 at the Florida location. Although
23 Gibraltar provided notice on July 3, 2006, that the company had moved its corporate
24 headquarters to the New York location, the Division never issued an amended license
25 to cover the New York location before Gibraltar's license to engage in Oregon
26 residential mortgage transactions was cancelled for failure to renew on October 12,

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1 2006. Therefore the only location ever licensed to engage in Oregon residential
2 mortgage loans was the Florida location.

3 4. On or about June 30, 2006, Anthony Miller was told that there were irregularities
4 occurring at the Florida location, including allegations that people at the Florida location
5 were creating false W-2s and pay stubs. The Florida location was also not responding
6 to requests from the New York location to provide information about the pipeline of
7 loans and deposits from closed loans. In response to this information, Anthony Miller
8 sent employees from the New York location to the Florida location to investigate the
9 allegations (hereinafter "the Investigation").

10 5. As part of the Investigation, Miller's employees found email dated June 28, 2006
11 sent between Andra Griffin and Robert Paduano. In the e-mail, Andra Griffin wrote that
12 she does not want to do any more W-2s or pay stubs for Paul Mayer, noting that since
13 she made them for Robert Paduano, Jill Gastel, Jodi Lee Gastel and Granville D.
14 "Duke" Budlong have all asked her to do the same thing. In response, Robert Paduano
15 instructed Andra Griffin to show Eric Christopherson how to make the documents.
16 When Andra Griffin objected that she could lose her job and her Certified Paralegal
17 "license," Robert Paduano responded that they can't submit the loan without the false
18 documents and that she can't get into trouble for "[p]rinting up paystubs [sic] at the
19 request of your employer..." and "it's who uses the paperwork not who does it" that gets
20 into trouble.

21 6. As part of the Investigation, Miller's employees found a Verification of
22 Employment signed by Amy Miller and dated November 3, 2005 verifying that Jodi
23 Gastel is employed by Gibraltar as a Senior Processor who made \$49,156 through
24 November 1, 2005 (hereinafter "the Jodi Gastel November VOE").

25 7. As part of the Investigation, Miller's employees found a Verification of
26 Employment signed by Amy Miller and dated November 3, 2005 verifying that Jill Gastel



1 is employed by Gibraltar as an Office Manager who made \$51,667 through November
2 1, 2005 (hereinafter "the Jill Gastel November VOE").

3 8. As part of the Investigation, Miller's employees found a residential mortgage
4 loan application signed by Jill Gastel on October 27, 2005 stating that Jill Gastel was
5 employed as the Office Manager for Gibraltar earning \$4,924 per month (hereinafter
6 "the Jill Gastel application"). Eric Christopherson signed the application as the loan
7 originator for Gibraltar on October 27, 2005.

8 9. The Jodi Gastel November VOE, the Jill Gastel November VOE and the Jill
9 Gastel application were submitted to WinStar Mortgage Partners, Inc. dba Partner Loan
10 Services (hereinafter "WinStar"). On November 15, 2005, WinStar provided a loan of
11 \$352,000 to Jill and Jodi Gastel secured by residential real property.

12 10. The New York Location reported that the income information contained in the
13 Jodi Gastel November VOE, the Jill Gastel November VOE, and the Jill Gastel
14 application was false.

15 11. As part of the Investigation, Miller's employees found a Verification of
16 Employment signed by "Duke Budlong" and dated March 16, 2006 verifying that Jodi
17 Gastel is employed by Gibraltar as a Senior Processor who made \$59,000 in 2005 and
18 \$12,917 through March 15, 2006 (hereinafter "the Jodi Gastel March VOE").

19 12. As part of the Investigation, Miller's employees found a Verification of
20 Employment signed by "Duke Budlong" and dated March 16, 2006 verifying that Jill
21 Gastel is employed by Gibraltar as an Office Manager who made \$5,417 per month
22 (hereinafter "the Jill Gastel March VOE").

23 13. The New York Location reported that the income information contained in the
24 Jodi Gastel March VOE and the Jill Gastel March VOE was false.

25 14. The Jodi Gastel March VOE and the Jill Gastel March VOE were submitted to
26 Flagstar Bank, FSB (hereinafter "Flagstar"). On April 14, 2006, Flagstar provided a loan



1 of \$370,500 to Jill and Jodi Gastel secured by residential real property.

2 15. As part of the Investigation, Miller's employees found a pay stub for Jodi
3 Gastel dated May 31, 2006 from Gibraltar showing bi-monthly earnings of \$2,785.29
4 (hereinafter "the Jodi Gastel pay stub").

5 16. As part of the Investigation, Miller's employees found a pay stub for Jill Gastel
6 dated May 15, 2006 from Gibraltar showing bi-monthly earnings of \$2,926.92
7 (hereinafter "the first Jill Gastel pay stub").

8 17. As part of the Investigation, Miller's employees found a pay stub for Jill Gastel
9 dated May 31, 2006 from Gibraltar showing bi-monthly earnings of \$2,926.92
10 (hereinafter "the second Jill Gastel pay stub").

11 18. The New York Location reported that the income information contained in the
12 Jodi Gastel pay stub, the first Jill Gastel pay stub and the second Jill Gastel pay stub
13 was false.

14 CONCLUSIONS OF LAW

15 The Director **CONCLUDES** that:

16 1. Jill Gastel violated ORS 59.930(3) when Andra Griffin created documents
17 known to be false or deceptive at Jill Gastel's request to assist her to obtain a
18 residential mortgage loan.

19 2. Jill Gastel violated ORS 59.930(2) when she signed the Jill Gastel application
20 containing information about her income that she knew to be false.

21 ORDER

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

23 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Jill Gastel will
24 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law,
25 OAR 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the
26 Division.

1 The Director, pursuant to ORS 59.996, hereby **ORDERS** Jill Gastel to pay the
2 State of Oregon a civil penalty of \$10,000 based upon \$5,000 for the one violation of
3 ORS 59.930(2) and \$5,000 for the one violation of ORS 59.930(3).

4 The date of this order is the day the Director or Director's nominee signs the
5 order. The entry of this Order in no way limits further remedies which may be available
6 to the Director under Oregon law.

7 Dated this 26th day of June, 2008 at Salem, Oregon.

8 NUNC PRO TUNC February 26, 2008.

9 CORY STREISINGER, Director
10 Department of Consumer and Business Services

11 
12 David C. Tatman, Administrator
13 Division of Finance and Corporate Securities

14 NOTICE OF APPEAL RIGHTS

15 You are entitled to seek judicial review of this final order. Judicial review may be
16 obtained by filing a petition for review with the Oregon Court of Appeals in Salem,
17 Oregon within sixty (60) days from the date of service of this final order. Judicial
18 review is pursuant to the provisions of **ORS 183.482**.

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