

1 Respondent has not made a written request for a contested case hearing in this
2 matter and the time to do so has expired.

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

6 **FINDINGS OF FACT**

7 The Director **FINDS** that:

8 1. Respondent is or was engaged in Oregon residential mortgage lending, operating
9 from a principal place of business located at **1851 E FIRST ST., 9th FLOOR, SANTA**
10 **ANA, CA 92705**. Respondent obtained a license **ML-4085** to engage in Oregon
11 residential mortgage transactions that was effective in 2008.

12 2. ORS 86A.112(3)[formerly numbered ORS 59.860(3)] requires that the
13 Department's Division of Finance and Corporate Securities (the "Division") obtain from
14 licensed Oregon mortgage bankers and brokers annual reports concerning their
15 residential mortgage lending activities. Oregon Administrative Rule ("OAR") 441-865-
16 0025 defines the data required to be included in those reports and sets the deadline for
17 filing them. The deadline for filing mortgage lending annual reports was March 31,
18 2009.

19 3. On or about February 5, 2009, the Division activated a website
20 (<https://www4.cbs.state.or.us/exs/dfcs/mlrpt/>) for licensees to use to file their annual
21 reports. The Division posted a link to that website from the Division home page along
22 with information on the annual report requirement. In addition, on February 6, 2009,
23 the Division also posted a prominent notice on its Mortgage Lending Section website
24 (http://www.dfcs.oregon.gov/mortgage_lending.html).

25 4. On or about February 6, 2009, an e-mail was sent to all the valid e-mail addresses
26 the Mortgage Lending Section had for entities with a license at any time in 2008

1 reminding them of the requirement to file the report and providing information on how
2 to do so. The list of e-mail addresses was tracked on a spreadsheet (the “Annual Report
3 Spreadsheet”) and saved on the Division’s hard drive. Each “undeliverable” e-mail
4 address notice received was tracked on the Annual Report Spreadsheet. When the
5 Division received notice that the e-mail should be forwarded to a different address, a
6 Division employee forwarded the e-mail to the new address provided. This information
7 was also tracked on the Annual Report Spreadsheet.

8 5. On or about February 6, 2009, a letter was sent to all active licensees that had a
9 license any time in 2008 informing them of the requirement to file an annual report.

10 6. On March 9, 2009, another e-mail was sent to those entities for which the Division
11 had a valid e-mail address, with a license at any time in 2008, but that had not yet filed
12 an annual report. Again, the Division tracked those e-mails that were returned as
13 “undeliverable” and a Division employee forwarded e-mails as directed. This
14 information was tracked on the Annual Report Spreadsheet.

15 7. On March 25, 2009, a final e-mail was sent to those entities the Division had a
16 valid e-mail address for that had not yet filed an annual report. The Division tracked
17 those e-mails that were returned as “undeliverable” and forwarded e-mails as directed.
18 This information was tracked on the Annual Report Spreadsheet.

19 8. On April 1, 2009, a final letter was sent to all active licensees that currently hold a
20 mortgage banker / broker license in Oregon and had a license at some point in 2008,
21 but had not yet filed an annual report. The letter reminded the licensees of the
22 obligation to file an annual report and of the \$100 per day penalty for failure to file the
23 report.

24 9. Respondent has now filed an annual report for mortgage lending business
25 conducted in 2008 and has written the Division to explain why it did not do so in a
26 timely manner.

1 10. Respondent also failed to timely file an annual report for mortgage lending
2 business conducted in 2007.

3 **CONCLUSION OF LAW**

4 1. By failing to file an annual report with the Director by March 31, 2009,
5 Respondent violated ORS 86A.112(3)[formerly numbered ORS 59.860(3)] and OAR
6 441-865-0025(3).

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8 **ORDER**

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

10 The Director, pursuant to its authority under ORS 86A.127 (4) [formerly
11 numbered ORS 59.885 (4)], hereby **ORDERS** that Respondent shall **CEASE AND**
12 **DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR 441-850-
13 0005 through 441-885-0010 and any rule, order or policy issued by the Division.

14 The Director, pursuant to ORS 86A.992 [formerly numbered ORS 59.996],
15 hereby **ORDERS** Respondent to pay the State of Oregon a civil penalty of **\$3,800**
16 based on Respondent's violations of ORS 86A.112(3) [formerly numbered ORS
17 59.860(3)] and OAR 441-865-0025(3).

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1 The date of this Order is the day the Director or Director's nominee signs the Order.
2 The entry of this Order does not affect or limit in any manner the Director's ability to
3 invoke further remedies, specifically including but not limited to assessing civil penalties
4 or denying, suspending, conditioning or revoking a license, which may be available to
5 the Director under Oregon law based upon the violation(s) noted in this Order or any
6 other violation.

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8 Dated this 2nd day of March, 2010, at Salem, Oregon.

9 NUNC PRO TUNC May 11, 2009.

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11 CORY STREISINGER, Director
12 Department of Consumer and Business Services

13 /s/ David Tatman
14 David Tatman, Administrator
15 Division of Finance and Corporate Securities

16 **NOTICE OF APPEAL RIGHTS**

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

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