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**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES**

**BEFORE THE DIRECTOR OF THE DEPARTMENT  
OF CONSUMER AND BUSINESS SERVICES**

<p>In the Matter of:</p> <p>AmericaHomeKey, Inc., NMLS #2156,</p> <p style="text-align: center;">Respondent.</p>	<p><b>M-11-0017-1</b></p> <p><b>Final Order to Cease and Desist and Final Order Assessing Civil Penalty Entered by Default</b></p>
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On April 23, 2012, the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”) acting pursuant to the authority contained in Oregon Revised Statutes (“ORS”) 86A.100 et. seq. and Oregon Administrative Rules (“OAR”) 441-850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Laws and Rules”), issued Administrative Order No. M-11-0017-1 Order to Cease and Desist, Proposed Order Assessing Civil Penalties and Notice of Opportunity for a Hearing (“Notice Order”) against AmericaHomeKey, Inc.

On April 23, 2012, AmericaHomeKey, Inc. was properly served the Notice Order by certified U.S. mail at 3838 Oak Lawn Avenue, #1050, Dallas, TX 75219. AmericaHomeKey, Inc. has not made a written demand for a contested case hearing in this matter and the time to do so has expired.

NOW THEREFORE, after consideration of the file in this matter maintained by the Oregon Department of Consumer and Business Services, the Director hereby issues the following Findings of Fact, Conclusions of Law, and Final Orders.

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 **FINDINGS OF FACT**

2 The Director FINDS that:

3 1. AmericaHomeKey, Inc. (“Respondent”) is a domestic Texas corporation, first filed  
4 with the Texas Office of the Secretary of State Corporations Section on July 14, 2000 (filing  
5 number: 159038700) and continuously active through the date of Respondent’s execution of this  
6 order.

7 2. Respondent is registered as a foreign Oregon corporation, first registered with the  
8 Oregon Secretary of State Corporations Division on January 18, 2005 (Registry Nbr. 263196-  
9 99) and continuously active through the date of the execution of this order.

10 3. Respondent first obtained a mortgage lending license with the Oregon Division of  
11 Finance and Corporate Securities (“Division”) on March 4, 2005 and has been continuously  
12 licensed through the date of the execution of this order.

13 4. On May 11, 2009, the Division initiated an examination of Respondent’s books and  
14 records (“2009 Examination”).

15 5. Upon completion of the 2009 Examination and in a letter to Respondent dated April  
16 29, 2010 (“2009 Examination Report”), the Division noted the following deficiencies:

17 a. John Lehman, as loan originator for Respondent, did not complete his education as  
18 required by OAR 441-880-0020(3) [renumbered to OAR 441-880-0215(3)]; and

19 b. Respondent did not complete criminal background checks of John Lehman and  
20 Lisa Kaulen prior to their hire as loan originators as required by OAR 441-860-0045(1).

21 6. In a letter to the Division dated June 11, 2010, Respondent replied to the criminal  
22 records deficiency noted in the 2009 Examination Report, by indicating that that it conducted  
23 the 10-year criminal record check of Lisa Kaulen through LexisNexis and that no history was  
24 found.

25 7. In a letter dated August 25, 2010, the Division informed Respondent that the criminal  
26 records check of Lisa Kaulen through LexisNexis reports that was provided to the Division did

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1 not meet the requirement of OAR 441-860-0045(1) and that Respondent will be scheduled for  
2 another examination in approximately six months to confirm that Respondent has addressed  
3 these deficiencies.

4 8. The August 25, 2010 letter also specifically indicated that Respondent may not allow  
5 John Lehman, or anyone else, to originate an Oregon residential mortgage loan for Respondent  
6 unless that person is licensed as a loan originator in Oregon.

7 9. On February 18, 2011, the Division initiated a follow-up examination of  
8 Respondent's books and records ("2011 Examination").

9 10. Upon completion of the 2011 Examination and in a letter to Respondent dated  
10 March 4, 2011("2011 Examination Report"), the Division noted the following deficiencies:

11 a. Respondent failed to produce a personnel file for Sullivan during the examination  
12 as requested by the Division and as required by OAR 441-865-0050 and ORS 86A.112;

13 b. Sullivan did not complete her continuing education as required by OAR 441-88-  
14 0022(1)(a) and (b);

15 c. Respondent failed to obtain a criminal background check of Sullivan as required  
16 by OAR 441-860-0045(1); and

17 d. Respondent failed to maintain a rate lock or float agreement in the only borrower  
18 file reviewed as required by OAR 441-865-0060(1)(c).

19 11. During the 2011 Examination, the Division also determined that on September 13,  
20 2010, Sullivan accepted a loan application from Oregon residents TD and AD for a purchase  
21 money loan to be secured by Oregon real property that ultimately closed on October 13, 2010.

22 12. In a letter dated April 6, 2011, Respondent admitted that it failed to provide the  
23 Sullivan personnel file, indicating that its failure to produce the Sullivan personnel file was an  
24 oversight.

25 13. In the April 6, 2011 letter, Respondent admitted that Sullivan's continuing education  
26 requirements had lapsed. The education certificates for Sullivan that were provided by

1 Respondent along with the April 6, 2011 letter indicate that Sullivan had not completed the  
2 required education for the periods between January 31, 2002, through January 31, 2008.

3 14. In the April 6, 2011 letter, Respondent provided the Division a criminal record check  
4 conducted by the Washington Access to Criminal History for Sullivan that was dated April 6,  
5 2011. The report was generated by searching only by name and date of birth, but not the social  
6 security and place of birth.

7 15. In the April 6, 2011 letter, Respondent acknowledged that Sullivan originated a loan  
8 for Oregon consumers prior to her re-licensing as an Oregon loan originator that became  
9 effective January 31, 2011.

10 16. Respondent's April 6, 2011 letter to the Division did not address the missing lock or  
11 float agreement.

## 12 CONCLUSIONS OF LAW

13 The Director CONCLUDES that:

14 1. Respondent committed three violations of OAR 441-860-0045(1) by failing to obtain  
15 criminal records checks prior to the hire of John Lehman and Lisa Kaulen and by failing to  
16 conduct a criminal records search for Sullivan using her social security number and place of  
17 birth.

18 2. Respondent committed two violations of OAR 441-880-0030(6) by employing John  
19 Lehman and Sullivan as loan originators when they had not met the educational requirements of  
20 ORS 86A.095 through 86A.189, ORS 86A.179, ORS 86A.188 or OAR 441-880-0020.

21 3. Respondent violated OAR 441-865-0060(1)(c) by failing to maintain a copy of the  
22 lock or float agreement for the only borrower file reviewed in the 2011 Examination.

23 4. Pursuant to ORS 86A.124 [previously ORS 59.880] and OAR 441-860-0110(2),  
24 Respondent is subject to pay \$600.00 at the rate of \$75.00 per hour for eight hours of time spent  
25 examining this case.

26 ///





**ORDERS**

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

1. Pursuant to ORS 86A.127(4), the Director hereby ORDERS that Respondent CEASE AND DESIST from violating any provision of the Oregon Mortgage Lender Laws and Rules, or other orders issued by the Division.

2. Pursuant to ORS 86A.992, The Director may assess a CIVIL PENALTY of up to \$5,000 for each violation of the Oregon Mortgage Lender Laws and Rules. Pursuant to this provision, the Director hereby ORDERS Respondent to pay a CIVIL PENALTY totaling \$30,000 to the State of Oregon. This civil penalty is based on:

- a. \$15,000 for three violations of OAR 441-860-0045(1);
- b. \$10,000 for two violations of OAR 441-880-0030(6);
- c. \$5,000 for one violation of OAR 441-865-0060(1)(c); and

3. Pursuant to OAR 441-860-0110(2), The Director ORDERS Respondent to pay the State of Oregon \$600 in examination expenses for the time spent examining this case.

4. The entry into this Consent Order in no way limits any other remedies which may be available to the Director under Oregon law.

Dated this 17<sup>th</sup> day of May, 2012.

PATRICK M. ALLEN, Director  
Department of Consumer and Business Services

/s/ David Tatman  
David C. Tatman, Administrator  
Division of Finance and Corporate Securities

**NOTICE:** You are entitled to judicial review of this Order. Judicial review may be obtained by filing a petition with the Court of Appeals in Salem, Oregon 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.