

1
2
3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

6
7 **BEFORE THE DIRECTOR OF THE DEPARTMENT**
8 **OF CONSUMER AND BUSINESS SERVICES**

9 In the Matter of:

M-11-0128

10 Loanleaders of America, Inc.

**Order to Cease and Desist, Order
Assessing Civil Penalty and Consent to
Entry of Order**

11 Respondent.

12 **RECITALS**

13 **WHEREAS** the Director (“Director”) of the Department of Consumer & Business
14 Services for the State of Oregon (“Department”) conducted an investigation into the activities of
15 Loanleaders of America, Inc. and has determined that Loanleaders engaged in activities
16 constituting violations of ORS 86A.095 et seq. (“Oregon Mortgage Lender Law”); and

17 **WHEREAS** Loanleaders wishes to resolve this matter with the Director;

18 **NOW THEREFORE**, as evidenced by the authorized signature subscribed on this order,
19 Loanleaders hereby **CONSENTS** to the entry of this order (“Consent Order”) upon the Director’s
20 Findings of Fact and Conclusions of Law as stated hereinafter:

21 **FINDINGS OF FACT**

22 The Director FINDS that:

23 1. Loanleaders of America, Inc. (“Loanleaders”) is an Oregon corporation first
24 registered with the Oregon Secretary of State on January 11, 1999.

25 2. Loanleaders has continuously maintained an Oregon mortgage broker license from
26 the Oregon Division of Finance and Corporate Securities (“Division”) from May 18, 2002
through the date of execution of this Consent Order.

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 3. As listed in the Nationwide Mortgage Licensing System (“NMLS”), Loanleaders’s
2 principal place of business is 3 MacArthur Place, Suite 650, Santa Ana, CA 92707.

3 4. In 2011, NMLS released its mortgage call report (“MCR”) functionality. The
4 MCR is comprised of individual reports of activity by state, called Residential Mortgage Loan
5 Activity reports (“RMLA”) that are compiled and submitted by the company to NMLS on a
6 quarterly basis for each state in which the company does business or sponsors a mortgage loan
7 originator license.

8 5. The MCR functionality was developed to provide entities licensed as mortgage
9 brokers the ability to submit quarterly activity reports. Beginning with the first quarter (“Q1”) of
10 2011, licensed mortgage brokers must now submit MCR reports through the NMLS system
11 within 45 days of the end of the quarter.

12 6. The NMLS online resource center provided the following MCR submission
13 deadlines: (1) Quarter one - January 1 through March 31 - due May 15, 2011; (2) Quarter two
14 (“Q2”) April 1 through June 30, due August 14, 2011; and (3) Quarter three (“Q3”) July 1
15 through September 30, due November 14, 2011.

16 7. Since this report was first required for first quarter of 2011, the Division has
17 undertaken an extensive campaign to notify licensed mortgage brokers of the new MCR reporting
18 requirement.

19 8. At all times relevant to this order, email correspondence sent to Loanleaders has
20 been sent to damon@loanleaders.com, Loanleaders’s email address on record in NMLS.

21 9. On October 31, 2011, the Division sent an email message to Loanleaders,
22 indicating that its Q3 report was now due and that it must be filed through NMLS by November
23 14, 2011.

24 10. On November 7, 2011, the Division sent a second email message to Loanleaders,
25 indicating that its Q3 report was now due and that it must be filed through NMLS by November
26 14, 2011.



1 terms, the entire remaining balance shall become immediately due and payable without notice to
2 Loanleaders.

3 Dated this 11th day of April, 2012.

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

6
7 /s/ David Tatman
8 David C. Tatman, Administrator
9 Division of Finance and Corporate Securities

10 **CORPORATE CONSENT TO ENTRY OF ORDER**

11 I, Damon Davey, state that I am an officer of Loanleaders of America, Inc. and I am
12 authorized to act on its behalf; that I have read the foregoing Order and that I know and fully
13 understand the contents hereof; that I and this entity have been advised of the right to a hearing
14 and of the right to be represented by counsel in this matter; that Loanleaders voluntarily and
15 without any force or duress, consents to the entry of this Order, expressly waiving any right to a
16 hearing in this matter; that Loanleaders understands that the Director reserves the right to take
17 further actions to enforce this Order or to take appropriate action upon discovery of other
18 violations of the Oregon Mortgage Lender Law; and that Loanleaders will fully comply with the
19 terms and conditions stated herein.

20 I further assure the Director that neither Loanleaders nor its officers, directors, employees
21 or agents, will effect mortgage transactions in Oregon unless such activities are in full
22 compliance

23 ///

24 ///

25 ///

26 ///

1 with Chapter 86A of the Oregon Revised Statutes.

2 Loanleaders understands that this Consent Order is a public document.

3 Dated this 1st day of February, 2012.

4 **LOANLEADERS OF AMERICA, INC.**
5 **A California Corporation**

6
7 /s/ Damon Davey
8 Damon Davey, Secretary

9 **ENTITY ACKNOWLEDGMENT**

10 There appeared before me this ___ day of March 2012, Damon Davey, who was first duly sworn
11 on oath, and stated that he was and is an officer of Loanleaders of America, Inc. and that he is
12 authorized and empowered to sign this Consent to Entry of Order on behalf of Loanleaders of
13 America, Inc. and to bind Loanleaders of America, Inc. to the terms hereof.

14
15
16 /s/ Jackie-Foigelman-Karam
17 Notary Public for the State of California
18 My commission expires: September 13, 2013

19
20
21 Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

