

**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**

**In the Matter of:**

**Mortgatopia LLC,  
NMLS# 31380**

**Respondent.**

**M-12-0023  
Order to Cease and Desist, Order  
Assessing Exam Expenses, Order  
Assessing Civil Penalties and Consent to  
Entry of Order**

**WHEREAS** the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”) conducted an investigation of Mortgatopia LLC and determined that Mortgatopia LLC engaged in activities constituting a violation of ORS 86A.100 et seq., previously ORS 59.840 et seq., and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the “Oregon Mortgage Lender Law”); and

**WHEREAS** Mortgatopia LLC wishes to resolve and settle this matter with the Director,  
**NOW THEREFORE**, as evidenced by the authorized signature subscribed on this order, Mortgatopia LLC hereby **CONSENTS** to entry of this order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter:

**FINDINGS OF FACT**

The Director FINDS that:

1. Mortgatopia LLC (hereinafter “Mortgatopia”) is a Delaware limited liability company formed on May 13, 2000 with a principal place of business located at 576 Charring Cross Drive Suite A, Westerville, Ohio 43081 and a mailing address of 2404 Fourth Street, Cuyahoga Falls, Ohio 4421.
2. Mortgatopia received a mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter the “Division”) on July 7, 2006 and has been

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 continuously licensed since then.

2 **I. 2011 Examination**

3 3. On December 6, 2011, an examiner employed by the Division completed an  
4 examination of the books and records of Mortgatopia, and the company received a marginal  
5 score of 4 out of a possible 5, with 5 being the worst.

6 4. The examination revealed, among other things, that Mortgatopia failed to complete a  
7 state criminal records check before the hire of all loan originators, accepted clients' trust funds  
8 after it reported to the Division that it would not accept clients' trust funds, and allowed loan  
9 processors to sign the 1003 loan application in the space reserved for the loan originator of the  
10 transaction.

11 5. On or about December 13, 2011, the Division mailed a report detailing the  
12 examination findings (hereinafter "examination report") with a cover letter to the company's  
13 mailing address requiring a response within two weeks. No response was received.

14 6. On January 3, 2012, the Division sent an e-mail to the company's e-mail address of  
15 record, [tsummers@aflend.com](mailto:tsummers@aflend.com), notifying that the response was overdue, attaching an electronic  
16 copy of the examination report, and giving the company an additional two weeks to respond.

17 7. Since the Division had not received a response, on January 23, 2011, the Division  
18 sent a second e-mail notifying that the response was overdue, reattaching a copy of the  
19 examination report, and giving the company another two weeks to respond.

20 8. On February 13, 2012, the Division sent a letter to Mortgatopia's mailing address  
21 warning that the response to the examination report was due and giving the company another 30  
22 days to file a response, or the matter would be referred to enforcement.

23 9. Mortgatopia submitted a response to the examination report on April 17, 2012,  
24 supplementary documents on May 7, 2012, and the Division approved the response on June 5,  
25 2012.

26 10. Division employees spent six hours of enforcement time following the issuance of the



1 examination report working to complete the examination.

2 **II. 2010 Investigation**

3 11. On or about April 20, 2010, an examiner employed with the Division received a  
4 telephone call from an individual identifying himself as an Oregon loan originator reporting that  
5 he was switching employment from Mortgatopia to work as a loan originator for another  
6 Oregon mortgage broker.

7 12. This loan originator had never been listed as a loan originator for Mortgatopia with  
8 the Division.

9 13. The Division then requested that Mortgatopia provide a list of all Oregon loans  
10 originated by this loan originator.

11 14. Mortgatopia reported that the loan originator completed all of the requirements for  
12 registration as an Oregon loan originator, but the company made a clerical error and failed to  
13 notify the Division of the loan originator's employment.

14 15. Mortgatopia reported that this loan originator successfully originated one Oregon  
15 loan, sent five additional loans to a lender for approval, and spoke to six other borrowers about  
16 applying for a loan with Mortgatopia.

17 **CONCLUSIONS OF LAW**

18 The Director **CONCLUDES** that:

19 1. By failing to submit a timely response to the Division's examination report, Mortgatopia  
20 violated ORS 86A.115(11).

21 2. Six hours of Division examiner and enforcement time spent preparing this case  
22 following the issuance of the examination report subjects Mortgatopia to \$75 an hour  
23 examination expenses under ORS 86A.124 and OAR 441-860-0110(2).

24 3. By failing to notify the Division of the employment of a loan originator, Mortgatopia  
25 violated ORS 59.969(1), which was renumbered to ORS 86A.179(1).

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**ORDER**

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

The Director, pursuant to ORS 86A.127, hereby orders Mortgatopia to Cease and Desist from violating the Oregon Mortgage Lender Law.

Pursuant to OAR 441-860-0110(2), Mortgatopia must pay \$450 in additional examination expenses (\$75.00 x 6) for the 6 hours of Division time spent preparing this case. The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

The Director, pursuant to ORS 86A.992, previously ORS 59.996, may assess civil penalties of up to \$5,000 per violation against violators of the Oregon Mortgage Lender Law. Pursuant to these provisions, the Director hereby ORDERS Mortgatopia to pay a civil penalty of \$1,000 for the violation of ORS 59.969(1), renumbered to ORS 86A.179(1) (failure to notify of the employment of a loan originator).

The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law, including for the violations noted in the Conclusions of Law section above.

Dated this 19<sup>th</sup> day of June, 2012.

Patrick M. Allen, Director  
Department of Consumer and Business Services

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

1 **ENTITY CONSENT TO ENTRY OF ORDER**

2 I, Craig Alan Wise, state that I am an officer of Mortgatopia and I am authorized to act  
3 on its behalf. I have read the foregoing order and that I know and fully understand the contents  
4 hereof. I have been advised of the right to a hearing and of the right to be represented by  
5 counsel in this matter. Mortgatopia voluntarily and without any force or duress consents to the  
6 entry of this order expressly waiving any right to a hearing in this matter. Mortgatopia  
7 understands that the Director reserves the right to take further actions to enforce this order or to  
8 take appropriate action upon discovery of other violations of the Oregon Mortgage Lender  
9 Law. Mortgatopia will fully comply with the terms and conditions stated herein.

10 Mortgatopia further assures the Director that neither Mortgatopia nor its officers,  
11 directors, employees, or agents will effect mortgage transactions in Oregon unless such  
12 activities are in full compliance with the Oregon Mortgage Lender Law. Mortgatopia  
13 understands that this Consent Order is a public document.

14 Dated this 11<sup>th</sup> day of June, 2012.

15  
16 By /s/ Craig Wise

17 Owner  
18 Office Held

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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 **ENTITY ACKNOWLEDGMENT**

2 There appeared before me this 11<sup>th</sup> day of June, 2012 who was first duly sworn on  
3 oath, and stated that (s)he was and is an officer of Mortgatopia and that (s)he is authorized and  
4 empowered to sign this Consent to Entry of Order on behalf of Mortgatopia and to bind  
5 Mortgatopia to the terms hereof.

6  
7 /s/ Roberta L Buehl  
8 Notary Public for the State of: Ohio  
9 My commission expires: 3/25/2012  
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