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

8 In the Matter of:

**M-12-0089**

9 BM Real Estate Services, Inc.  
10 NMLS #103098

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

Respondent.

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

16 WHEREAS BM Real Estate wishes to resolve this matter with the Director;

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

20 **FINDINGS OF FACT**

21 The Director finds that:

22 1. BM Real Estate is an California domestic corporation first registered with the  
23 California Secretary of State on January 1, 2000.

24 2. BM Real Estate is an Oregon foreign corporation first registered with the Oregon  
25 Secretary of State on February 14, 2006.

26 3. BM Real Estate first obtained an Oregon mortgage broker license from the Oregon





1 Division of Finance and Corporate Securities (“Division”) on April 24, 2006 and has been  
2 continuously licensed with the Division through the date of execution of this Consent Order.

3 4. As listed in the Nationwide Mortgage Licensing System (“NMLS”), BM Real  
4 Estate’s principal place of business is 5016 N. Parkway Calabasas, Suite 200, Calabasas, CA  
5 91302.

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

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

15 7. The NMLS online resource center provided the following MCR submission  
16 deadlines: (1) Quarter one - January 1 through March 31 - due May 15, 2012; (2) Quarter two  
17 (“Q2”) April 1 through June 30, due August 14, 2012; and (3) Quarter three (“Q3”) July 1  
18 through September 30, due November 14, 2012.

19 8. Since this report was first required for first quarter of 2011, the Division has  
20 undertaken an extensive campaign to notify licensed mortgage brokers of the new MCR  
21 reporting requirement.

22 9. At all times relevant to this order, email correspondence sent to BM Real Estate has  
23 been sent to marc@priorityfinancial.net, BM Real Estate’s email address on record in NMLS.

24 10. On August 1, 2012, the Division sent an email message to BM Real Estate,  
25 indicating that its 2012 Q2 report was now due and that it must be filed through NMLS by  
26 August 14, 2012.



1 11. On August 20, 2012, the Division sent a second email message to BM Real Estate,  
2 indicating that its 2012 Q2 report was now due and that it must be filed through NMLS by  
3 September 20, 2012.

4 12. On August 20, 2012, the Division sent a letter to BM Real Estate's address of  
5 record as listed in NMLS, indicating that BM Real Estate had not filed its 2012 Q2 MCR as  
6 required and that if the 2012 Q2 report was not filed by September 20, 2012 that the matter  
7 would be referred for enforcement action.

8 13. On September 26, 2012, the Division reviewed NMLS and confirmed that BM  
9 Real Estate had not filed its 2012 Q2 MCR and the matter was then referred to enforcement.

10 14. On October 5, 2012, BM Real Estate submitted its 2012 Q2 MCR through the  
11 NMLS system.

#### 12 CONCLUSIONS OF LAW

13 15. The Director concludes that BM Real Estate violated ORS 86A.239(2) by failing  
14 to file the 2012 Q2 MCR including RMLA for Oregon in NMLS by September 20, 2012.

#### 15 ORDERS

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

17 16. Pursuant to ORS 86A.127, the Director hereby orders BM Real Estate to cease and  
18 desist from violating Oregon's Mortgage Lender Law.

19 17. Pursuant to ORS 86A.992(1), the Director hereby orders BM Real Estate to pay a  
20 civil penalty of \$1,000.00 for the violation of ORS 86A.239(2) described herein.

21 Dated this 23rd day of October, 2012.

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

24  
25 /S/ David Tatman  
26 David C. Tatman, Administrator  
Division of Finance and Corporate Securities

1 **CORPORATE CONSENT TO ENTRY OF ORDER**

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

11 I further assure the Director that none of BM Real Estate, its officers, directors,  
12 employees or agents, will effect mortgage transactions in Oregon unless such activities are in  
13 full compliance with Oregon Revised Statutes Chapter 86A.

14 BM Real Estate understands that this Consent Order is a public document.

15 Dated this 15th day of October, 2012.

16 **BM REAL ESTATE SERVICES, INC.**  
17 **A California Corporation**

18 By: /s/ Marc Shenkman

19 Name: Marc Shenkman

20 Its: President

21 **NOTARY ACKNOWLEDGEMENT**

22 State of California \_\_\_\_\_ )  
23 )ss.  
24 County of Los Angeles \_\_\_\_\_ )

25 This instrument was acknowledged before me on October 15, 2012 by  
26 Mark Shenkman as President \_\_\_\_\_ of BM Real Estate Services, Inc.

/S/  
Notary Public – State of \_\_\_\_\_

Division of Finance and Corporate Securities  
Labor and Industries Building  
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