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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>1st Rate Home Mortgage, Inc. NMLS -37411,</p> <p style="text-align: center;">Respondent.</p>	<p style="text-align: center;">M-13-0093</p> <p style="text-align: center;">Order to Cease and Desist, Order Assessing Civil Penalties and Consent to Entry of Order</p>
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WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”) conducted an investigation of 1st Rate Home Mortgage, Inc., (1st Rate) and determined that 1st Rate engaged in activities constituting a violation of 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the “Oregon Mortgage Lender Law”); and

WHEREAS 1st Rate wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, 1st Rate 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. 1st Rate Home Mortgage, Inc. (1st Rate) is a foreign corporation first incorporated in Arizona on March 14, 2007.

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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 2. 1st Rate first obtained an Oregon mortgage broker license from the Division of
2 Finance and Corporate Securities (Division) on September 9, 2008, ML-4837.

3 3. 1st Rate's principal place of business is located at 401W Baseline Rd,
4 #102, Tempe, AZ 85283.

5 4. The Oregon Mortgage Lender Law requires licensed mortgage bankers and
6 mortgage brokers to file an annual report with the Division concerning their 1st Rate
7 mortgage lending activity.

8 5. The deadline for filing the annual report for 2012 mortgage lending activity was
9 March 31, 2013.

10 6. By January 11, 2013, the Division made public a website
11 <https://www4.cbs.state.or.us/exs/dfcs/mlrpt/index.cfm> that licensees were to use to file their
12 annual reports. The Division posted a link to that website from the Division's mortgage lending
13 home page along with information on the annual report requirements.

14 7. The Division's mortgage lending home page also included a prominent notice about
15 the requirement.

16 8. On January 11, 2013, the Division sent an e-mail to the e-mail address of record for
17 1st Rate, sapna@1rhm.com, notifying 1st Rate that they had not filed the annual report and the
18 deadline was March 31, 2013.

19 9. After sending the e-mail to 1st Rate on January 11, 2013, a problem was discovered
20 with the Division's website and the Division notified 1st Rate of the problem.

21 10. On January 14, 2013, the Division sent an e-mail to 1st Rate alerting them that the
22 website was again working correctly and that they must file the report by March 31, 2013.

23 11. On March 18, 2013, the Division sent 1st Rate a reminder e-mail to the company's
24 e-mail address of record noting that the company had not yet filed the annual report and that the
25 deadline to do so was March 31, 2013.

26 12. On April 3, 2013, 1st Rate had not filed an annual report for 2012.



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b. If 1st Rate does not timely pay the \$1,000 civil penalty, then the full amount of the \$4,000 shall become due and owing immediately.

Dated this 22nd day of July, 2013 at Salem, Oregon.

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

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

ENTITY CONSENT TO ENTRY OF ORDER

I, Sapna Kochuparambil, state that I am an officer of 1st Rate Home Mortgage, Inc., and I am authorized to act on its behalf. I have read the foregoing order and that I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. 1st Rate voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. 1st Rate understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law. 1st Rate will fully comply with the terms and conditions stated herein.

1st Rate further assures the Director that neither 1st Rate, nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. 1st Rate understands that this Consent Order is a public document.

Dated this 10th day of July 2013, at Tempe, Arizona.

By Sapna Kochuparambil
Vice President
Office Held

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ENTITY ACKNOWLEDGMENT

State of Arizona)
)ss.
County of Maricopa)

There appeared before me this 12th day of July, 2013.

Sapna Kochuparambil who was first duly sworn on oath, and stated that (s)he was and is an officer of 1st Rate and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of 1st Rate and to bind 1st Rate to the terms hereof.

Indira Smailagic
Notary Public for the State of: Arizona
My commission expires: 1/13/2015

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350 Winter Street NE, Suite 410
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