

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:

Interstate Mortgage Services, Inc.
NMLS -37053,

Respondent.

M-13-0097

Order to Cease and Desist,
Order Assessing Civil Penalty, 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 Interstate Mortgage Service Inc. (Interstate) and determined that Interstate 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 Interstate wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Interstate 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. Interstate Mortgage Services, Inc. (Interstate) is a foreign corporation first incorporated in Arizona on June 25, 1999.
2. Interstate obtained an Oregon mortgage broker license from the Division of Finance and Corporate Securities (Division) on September 4, 2008, ML-4838.
3. Interstate’s principal place of business is located at 25062 South 190th, Queen Creek, AZ, 85412.

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1 4. The Oregon Mortgage Lender Law requires licensed mortgage bankers and
2 mortgage brokers to file an annual report with the Division concerning their residential
3 mortgage lending activity.

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

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

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

12 8. On January 11, 2013, the Division sent an e-mail to the e-mail address of record for
13 Interstate, ryan@interstatemortgage.net notifying Interstate that they had not filed the annual
14 report and the deadline was March 31, 2013.

15 9. After sending the e-mail to Interstate on January 11, 2013, a problem was
16 discovered with the Division's website and the Division notified Interstate of the problem.

17 10. On January 14, 2013, the Division sent an e-mail to Interstate alerting them that the
18 website was again working correctly and that they must file the report by March 31, 2013.

19 11. On March 18, 2013, the Division sent Interstate a reminder e-mail to the company's
20 e-mail address of record noting that the company had not yet filed an annual report and that the
21 deadline to do so was March 31, 2013.

22 12. On April 3, 2013, Interstate had not filed an annual report for 2012.

23 13. On April 3, 2013, the Division sent Interstate a warning letter to the address of
24 record in NMLS notifying them that they are required to file the 2012 annual report for Oregon.
25 The letter warned that if Interstate did not file by May 3, 2013, the matter would be referred for
26 enforcement action and a civil penalty assessed.



1 14. On April 3, 2013, the Division also sent an email to Interstate notifying them of
2 the missed deadline and warning them of the enforcement action and civil penalty for failure to
3 file by May 3, 2013.

4 15. Since Interstate did not file its annual report by May 3, 2013, the matter was
5 referred for enforcement on May 7, 2013.

6 16. Interstate filed its annual report on June 18, 2013.

7 **CONCLUSIONS OF LAW**

8 The Director concludes that:

9 1. By failing to file the annual report for 2012 mortgage lending activity by March 31,
10 2013, Interstate violated ORS 86A.112(3) and OAR 441-865-0025.

11 **ORDERS**

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

13 The Director, pursuant to ORS 86A.127, hereby ORDERS Interstate to Cease and
14 Desist from violating Oregon's Mortgage Lender Law.

15 The Director, pursuant to ORS 86A.992(2), may assess civil penalties of up to \$100 per
16 day each day the report is not filed. The Director, pursuant to ORS 86A.992(2), hereby orders:

17 a. Interstate to pay a civil penalty of \$1,000 for the violation of ORS 86A.112(3) and
18 OAR 441-865-0025.

19 b. Interstate shall enclose a check with the signed Consent Order and return both
20 documents to the Division in a timely manner

21 Dated this 17th day of July, 2013 at Salem, Oregon.

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

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

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