

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:

GMH Mortgage Services LLC
NMLS-134407,

Respondent.

M-13-0177

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

The Director of the Department of Consumer and Business Services for the State of Oregon (Director) conducted an investigation of GMH Mortgage Services (GMH) and determined that GMH 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

GMH wishes to resolve and settle this matter with the Director. GMH consents to the entry of this order upon the Director’s Findings of Fact and Conclusions of Law as evidenced by the authorized signature subscribed on this order.

The Director FINDS that:

1. GMH is a foreign limited liability company that was first organized on September 3, 2008, in Delaware.

2. GMH first obtained an Oregon mortgage lender license from the Division of Finance and Corporate Securities (Division) on January 31, 2013, and was issued license No. ML-5161.

3. GMH’s principal place of business is located at 10 Campus Boulevard, Newton Square, Pennsylvania 19073.

//





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

6 5. The MCR functionality was developed to provide entities licensed as mortgage
7 lenders the ability to submit quarterly activity reports. Licensed mortgage lenders must submit
8 MCR and RMLA reports through the NMLS system within 45 days of the end of the quarter.

9 6. The NMLS online resource center provides the following MCR/RMLA
10 submission deadlines: (1) Quarter one (Q1) - January 1 through March 31 - due May 15; (2)
11 Quarter two (Q2) April 1 through June 30, due August 14; (3) Quarter three (Q3) July 1 through
12 September 30, due November 14; and (4) Quarter four (Q4) October 1 through December 31,
13 due February 14.

14 7. Since these reports were first required for the first quarter of 2011, the Division has
15 undertaken an extensive campaign to notify licensed mortgage companies of the new MCR
16 reporting requirement. In 2012 the Division began a more routine method of notifying
17 companies about this recurring requirement by sending them an e-mail.

18 8. During the time period relevant to this order, GMH e-mail address of record was
19 lblunt@gmh-inc.com.

20 9. On August 1, 2013, the Division sent an email message to GMH indicating that its
21 Q2 2013 MCR report must be filed through NMLS by August 14, 2013.

22 10. After verifying that GMH employed at least one loan originator during the second
23 quarter of 2013, the Division sent a second email message to GMH on August 14, 2013,
24 indicating that its Q2 2013 RMLA report was due on August 15, 2013 and that it must be filed
25 through NMLS by September 15, 2013 or the Division would commence enforcement action.

26 //



1 11. On August 15, 2013, the Division sent GMH a warning letter to the
2 address of record in NMLS notifying them that if GMH did not file the Q2 2013 Oregon
3 RMLA report by September 15, 2013, the matter would be referred for enforcement action and
4 a civil penalty assessed.

5 12. Since GMH did not file its Q2 2013 Oregon RMLA report by September
6 15, 2013, the matter was referred for enforcement on September 17, 2013.

7 13. GMH filed its Q2 2013 Oregon RMLA report on October 24, 2013.

8 **CONCLUSIONS OF LAW**

9 The Director concludes that:

10 14. GMH violated ORS 86A.239(2) and OAR 441-865-0025 by failing to
11 file the Q2 2013 Oregon RMLA report for Oregon in NMLS by August 14, 2013.

12 ORDER

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

14 The Director, pursuant to ORS 86A.127, hereby orders GMH to Cease and Desist from
15 violating Oregon's Mortgage Lender Law.

16 The Director, pursuant to ORS 86A.992(3), may assess civil penalties of up to
17 \$5,000 per violation for each separate instance of violation, up to a maximum of \$20,000 for a
18 continuing violation.

19 The Director, pursuant to ORS 86A.992(2), hereby orders GMH to pay a civil penalty of
20 \$1,000 for the violation of ORS 86A.239(2) and OAR 441-865-0025.

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

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

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

