

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
MORTGAGE LENDING SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES

In the Matter of:

Essential Mortgage Loan Services, Inc.
NMLS# 42224

Respondent.

M-14-0012

ORDER TO CEASE AND DESIST,
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 Essential Mortgage Loan Services, Inc. (hereinafter “Essential”) and determined that Essential engaged in activities constituting a violation of ORS 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the “Oregon Mortgage Lender Law”); and

WHEREAS Essential wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Essential 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. Essential is an Oregon corporation with a principal place of business located at 1442 Commercial Street, Astoria, Oregon 97103.
2. Essential received a mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter “Division”) on January 1, 1994, NMLS# 42224.
3. In 2011 the Nationwide Mortgage Licensing System (hereinafter “NMLS”) released

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 the mortgage call report (hereinafter "MCR") functionality. The MCR includes a licensed
2 mortgage broker's Residential Mortgage Loan Activity (hereinafter "RMLA") that is compiled
3 and submitted by the company to NMLS on a quarterly basis.

4 4. The quarterly reports are due 45 days following the end of each quarter such that the
5 2013 fourth quarter (hereinafter "Q4") MCR was due February 14, 2014.

6 5. Essential employed at least one licensed loan originator during the 2013 Q4.

7 6. Since Essential had not filed the 2013 Q4 MCR with Oregon RMLA, on February 3,
8 2014, the Division sent an e-mail to Essential's e-mail address of record notifying of the 2013
9 Q4 MCR requirement and informing that if the company did not file by February 14, 2014, the
10 matter would be referred for enforcement action and a civil penalty assessed.

11 7. The email was sent to alyooops@yahoo.com which has been the e-mail address of
12 record for Essential at all times relevant to this order.

13 8. On February 15, 2014, NMLS automatically placed a deficiency on Essential's license
14 notifying of the obligation to file the MCR.

15 9. On February 18, 2014, the Division sent Essential an e-mail notifying that if the 2013 Q4
16 MCR including Oregon RMLA was not filed by March 18, 2014, the matter would be referred
17 for enforcement action and a civil penalty assessed.

18 10. On February 18, 2014, the Division mailed a letter to Essential's address of record
19 indicating that the 2013 Q4 MCR had to be filed by March 18, 2014, or the matter would be
20 referred for enforcement action.

21 11. On February 26, 2014, a Division Examiner placed a custom deficiency on Essential's
22 license notifying that the company must file the 2013 Q4 MCR, and the deadline is March 18,
23 2014.

24 12. On May 20, 2014, Essential successfully filed the 2013 Q4 MCR.

25 CONCLUSIONS OF LAW

26 The Director CONCLUDES that:



1 1. By filing the 2013 Q4 MCR including RMLA for Oregon in NMLS after the February
2 14, 2014 deadline, Essential violated ORS 86A.239(2).

3 ORDER

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

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

7 The Director, pursuant to ORS 86A.992, may assess civil penalties of up to \$5,000 per
8 violation of the Oregon Mortgage Lender Law. Pursuant to these provisions, the Director orders
9 Essential to pay a civil penalty of \$1,000 for the violation of ORS 86A.239(2).

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

13 Dated this 9th day of September, 2014.

14
15 PATRICK M. ALLEN, Director
16 Department of Consumer and Business Services

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

20 ENTITY CONSENT TO ENTRY OF ORDER

21 I, Alyce Burgess, state that I am an officer of Essential, and I am authorized to act on its
22 behalf. I have read the foregoing order and that I know and fully understand the contents
23 hereof. I have been advised of the right to a hearing and of the right to be represented by
24 counsel in this matter. Essential voluntarily and without any force or duress consents to the
25 entry of this order expressly waiving any right to a hearing in this matter. Essential understands
26 that the Director reserves the right to take further actions to enforce this order or to take

1 appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law.

2 Essential will fully comply with the terms and conditions stated herein.

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

7 Dated this 29th day of August , 2014.

8

By /s/ Alyce Burgess

9

President
Office Held

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11

ENTITY ACKNOWLEDGMENT

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There appeared before me this 29th day of August 2014,

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Alyce A. Burgess, who was first duly sworn on oath, and stated that (s)he was and is an officer
14 of Essential and that (s)he is authorized and empowered to sign this Consent to Entry of Order
15 on behalf of Essential and to bind Essential to the terms hereof.

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/s/ Cheryl A. Long

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Notary Public for the State of: Oregon
My commission expires: 10/12/2015

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