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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**

In the Matter of:

**Green Street Mortgage Services, Inc.
NMLS 1100621**

Respondent.

M-15-0092

**Order to Cease and Desist 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 Green Street Mortgage Services, Inc. (Green Street) and determined that Green Street 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 Green Street wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Green Street 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. Green Street is a foreign corporation first incorporated in Utah on May 16, 2012 and first registered with the Oregon Secretary of State on February 26, 2014.
2. Green Street first obtained an Oregon mortgage broker license from the Division of Finance and Corporate Securities (Division) on April 23, 2014, ML-5291.
3. Green Street’s principal place of business is located at 5300 South 360 West Suite 350, Murray, UT 84123.





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

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

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

17 8. The Q1 report for 2015 was due by May 15, 2015.

18 9. The compliance campaign for 2015 MCRs began on May 1, 2015. As Green Street
19 had not filed the 2015 Q1 MCR by May 1, 2015, the Division sent an e-mail to Green Street's
20 e-mail address of record notifying Green Street of the up-coming deadline.

21 10. The e-mail was sent to jp@greenstreetbanker.com which is listed as the e-mail
22 address of record.

23 11. Because the company missed the May 15, 2015 deadline, NMLS automatically
24 placed a deficiency on Green Street's license on May 16, 2015 notifying Green Street of the
25 obligation to file the 2015 Q1 MCR.

26 //



1 12. On May, 18 2015, the Division reviewed the company's records and found that the
2 company still had not filed the Q1 2015 report. The Division then verified that the company
3 had a license during the first quarter of 2015 and that the company had employed at least one
4 licensed loan originator during the same time period.

5 13. The Division sent a letter to Green Street on May 18, 2015 notifying Green Street of
6 the filing requirement and informing the company that if it did not file the report by June 18,
7 2015, the matter would be referred for enforcement action and a civil penalty assessed. In
8 addition, the letter explained that the report needed to be filed even if the company did no
9 Oregon loans for the first quarter 2015.

10 14. Green Street filed its Q1 report on July 21, 2015 and its Q2 report on July 16, 2015.

11 15. On April 2, 2015, the Division placed a deficiency on Green Street's license because
12 the qualifying individual who was satisfying the experience person requirement for the Oregon
13 mortgage lender license had left the company.

14 16. The company was directed to address the lack of a qualifying individual by April 10,
15 2015.

16 17. The Division sends emails and warning letters to companies who have deficiencies
17 older than 30 days.

18 18. On June 1, 2015, Green Street was emailed a warning regarding the deficiency
19 placed on April 2, 2015, concerning the lack of a qualifying individual. On the same day, a
20 warning letter was also mailed to Green Street. The email was not deliverable but the warning
21 letter was not returned by the United States Post Office.

22 19. The company failed to respond to the deficiency within 30 days and did not name a
23 replacement person until September 1, 2015.

24 20. The company explained that the company's oversights were the result of the
25 departure of its Oregon qualifying individual on March 31, 2015, winding down of company
26

1 operations in Oregon, and cessation of lending activities after March 2015. However, the
2 company has since decided to remain in business in Oregon.

3 **CONCLUSIONS OF LAW**

4 The Director concludes that:

- 5 1. Green Street violated ORS 86A.239(2) and OAR 441-865-0025 by failing to file the
6 Q1 2015 MCR report for Oregon, including the RMLA for Oregon, in NMLS by May 15, 2015.
7 2. Green Street violated OAR 441-860-0024(1) by failing to respond to the deficiency
8 placed on April 2, 2015 within 30 days.
9 3. Green Street violated OAR 441-860-0080 by failing to satisfy the experience person
10 requirement for a period of nearly 5 months.

11
12 **ORDERS**

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

- 14 1. The Director, pursuant to ORS 86A.127, hereby orders Green Street to cease
15 and desist from violating Oregon's Mortgage Lender Law.
16 2. The Director, pursuant to ORS 86A.224(3) and ORS 86A.992 may assess civil
17 penalties of up to \$5,000 per violation for each separate instance of violation, up to a maximum
18 of \$20,000 for a continuing violation.
19 3. The Director, pursuant to ORS 86A.224 and ORS 86A.992(2), hereby orders Green
20 Street to pay civil penalties of \$10,000 as follows:
21 a. A civil penalty of \$5,000 for violating ORS 86A.239 and OAR 441-865-0025.
22 b. A civil penalty of \$5,000 for violating OAR 441-860-0024 and OAR 441-860-
23 0080.
24 4. However, the Division will suspend \$7,500 of the civil penalty (Respondent shall
25 pay \$1,250 civil penalty for each of the above mentioned violations for a total civil penalty of
26 \$2,500) so long as Respondent does not violate any provision of the Oregon Mortgage Lender



1 Law, or any rule, order, or policy issued by the Division. If Respondent is found to have
2 committed any such violation, then the suspended portion of the assessed civil penalty will
3 become immediately due and payable. If Respondent does not violate the Oregon Mortgage
4 Lender Law, or any rule, order, or policy issued by the Division in three years from the date of
5 the Order, the suspended portion of the civil penalty is waived.

6 Dated this 16th day of November, 2015 at Salem, Oregon.

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

9
10 /s/ David Tatman

11 David C. Tatman, Administrator
12 Division of Finance and Corporate Securities

13 **ENTITY CONSENT TO ENTRY OF ORDER**

14 I, /s/ S. Andrew Quist, state that I am an officer of Green Street and I am authorized to
15 act on its behalf. I have read the foregoing order and that I know and fully understand the
16 contents hereof. I have been advised of the right to a hearing and of the right to be represented
17 by counsel in this matter. Green Street voluntarily and without any force or duress consents to
18 the entry of this order expressly waiving any right to a hearing in this matter. Green Street
19 understands that the Director reserves the right to take further actions to enforce this order or to
20 take appropriate action upon discovery of other violations of the Oregon Mortgage Lender
21 Law. Green Street will fully comply with the terms and conditions stated herein.

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

26 Dated this 12th day of Nov. 2015, at Salt Lake City, Utah.



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By /s/ S. Andrew Quist
President Office Held

ENTITY ACKNOWLEDGMENT

State of Utah)
)ss.
County of Salt Lake)

There appeared before me this 12th day of November, 2015,
/s/ S. Andrew Quist who was first duly sworn on oath, and stated that (s)he was and
is an officer of Green Street and that (s)he is authorized and empowered to sign this Consent to
Entry of Order on behalf of Green Street and to bind Green Street to the terms hereof.

/s/ Jeanine Larson
Notary Public for the State of: Utah
My commission expires: 01/06/2019

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

