

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION
BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES

In the Matter of:

M-15-0141

Mortgage Funding, LLC
NMLS# 243035

Order to Cease and Desist, Order Assessing
Civil Penalties and Consent to Entry of
Order

Respondent.

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”) conducted an investigation of Mortgage Funding, Inc. (hereinafter “Mortgage Funding”) and determined that Mortgage Funding engaged in an activity that constitutes 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 Mortgage Funding wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Mortgage Funding 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. Mortgage Funding is an Oregon corporation formed on January 7, 2009.
2. Mortgage Funding, NMLS #243035, obtained an Oregon mortgage broker/banker license from the Division of Financial Regulation (hereinafter the “Division”) on October 29, 1997.
3. Mortgage Funding’s principal place of business is located at 11150 SW Riverwood Road, Portland, OR 97219.





1 4. In 2011 the Nationwide Mortgage Licensing System (hereinafter “NMLS”) released
2 the mortgage call report (hereinafter “MCR”) functionality. The MCR includes a licensed
3 mortgage broker or banker’s Residential Mortgage Loan Activity (hereinafter “RMLA”) that is
4 compiled and submitted by the company to NMLS on a quarterly basis, and for standard filers
5 like Mortgage Funding, a financial condition report must be filed annually 90 days after the end
6 of the company’s fiscal year.

7 5. The quarterly reports are due 45 days following the end of each quarter such that the
8 2015 third quarter (hereinafter “Q3”) MCR was due on November 14, 2015.

9 6. Mortgage Funding employed at least one licensed loan originator during the 2015
10 Q3.

11 7. Since Mortgage Funding had not filed the 2015 Q3 MCR with Oregon RMLA, on
12 November 3, 2015, the Division sent an e-mail to Mortgage Funding’s e-mail address of record
13 notifying of the filing deadline.

14 8. The email was sent to sureshpar@gmail.com which has been the e-mail address of
15 record for Mortgage Funding at all times relevant to this order.

16 9. Since Mortgage Funding had not filed the 2015 Q3 MCR by the deadline, on
17 November 15, 2015, NMLS automatically placed a deficiency on Mortgage Funding’s license
18 notifying of the obligation to file the 2015 Q3 MCR. The deficiency sends an email to the
19 licensee.

20 10. On November 17, the Division sent an e-mail to Mortgage Funding’s address of
21 record notifying that it must file the 2015 Q3 MCR, and if it did not do so by December 17,
22 2015, the company would be fined.

23 11. Also on November 17, 2015, the Division sent a letter to Mortgage Funding’s
24 principal place of business notifying that the report had to be filed on December 17, 2015 or a
25 fine would be assessed.

26 12. Mortgage Funding filed the 2015 Q3 MCR on January 19, 2016.

1 CONCLUSIONS OF LAW

2 The Director CONCLUDES that:

3 1. By failing to file the 2015 Q3 MCR including RMLA for Oregon in NMLS by
4 November 14, 2015, Mortgage Funding violated ORS 86A.239(2) and OAR 441-865-0025.

5 ORDERS

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

7 The Director, pursuant to ORS 86A.127, hereby ORDERS Mortgage Funding to Cease
8 and Desist from violating Oregon’s Mortgage Lender Law.

9 ORDERS

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

11 The Director, pursuant to ORS 86A.127, hereby ORDERS Mortgage Funding to Cease
12 and Desist from violating Oregon’s Mortgage Lender Law.

13 The Director, pursuant to ORS 86A.992, may assess civil penalties of up to \$5,000 per
14 violation of the Oregon Mortgage Lender Law. Pursuant to this provision, the Director hereby
15 orders that:

- 16 a. Mortgage Funding to pay a \$1,000 civil penalty to the State of Oregon for the
- 17 violations of ORS 86A.239(2) and OAR 441-865-0025; and
- 18 b. The Director suspends payment of \$250 of the civil penalty for a period of three
- 19 years, so long as Mortgage Funding does not violate the Oregon Mortgage Lender
- 20 Law.
- 21 c. If Mortgage Funding does not violate the Oregon Mortgage Lender Law, in three
- 22 years from the date of the order, the suspended portion of the civil penalty is
- 23 waived.

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



1 Dated this 18th day of April, 2016.

2
3 PATRICK M. ALLEN, Director
4 Department of Consumer and Business Services

5
6 /s/ David Tatman
7 David C. Tatman, Chief of Enforcement
8 Division of Financial Regulation

9 ENTITY CONSENT TO ENTRY OF ORDER

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

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

23 Dated this 7th day of April, 2016.

24
25 By /s/ Suresh Paranjpe

26 Broker
Office Held



1 ENTITY ACKNOWLEDGMENT

2 There appeared before me this 7 day of April 2016,
3 Suresh Paranjpe, who was first duly sworn on oath, and stated that (s)he was and is an officer
4 of Mortgage Funding and that (s)he is authorized and empowered to sign this Consent to Entry
5 of Order on behalf of Mortgage Funding and to bind Mortgage Funding to the terms hereof.

6
7 /s/ Velva H. Tapp

8 Notary Public for the State of: Oregon
9 My commission expires: 5-21-2017
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