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2
3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCIAL REGULATION

6 In the Matter of:

Case No. M-16-0168

7 Kora, LLC
8 NMLS# 119113

ORDER TO CEASE AND DESIST,
PROPOSED ORDER ASSESSING CIVIL
PENALTIES AND CONSENT TO
ENTRY OF ORDER

Respondent.

9 WHEREAS the Director of the Department of Consumer and Business Services
10 for the State of Oregon (hereinafter “the Director”) conducted an investigation of Kora,
11 LLC (hereinafter “Kora”) and determined that Kora engaged in an activity that
12 constitutes a violation of 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010
13 (hereinafter collectively cited as the “Oregon Mortgage Lender Law”); and

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

15 NOW THEREFORE, as evidenced by the authorized signature subscribed on this
16 order, Kora hereby CONSENTS to entry of this order upon the Director’s Findings of
17 Fact and Conclusions of Law as stated hereinafter:

18 FINDINGS OF FACT

19 The Director FINDS that:

20 1. Kora, LLC (hereinafter “Kora”) is a Washington Limited Liability Company
21 formed on March 15, 2005 with a principal place of business is located at 1805 NE 72nd
22 Cir. Vancouver, Washington 98665.

23 2. Kora, NMLS #119113, obtained an Oregon mortgage broker/banker license
24 from the Oregon Division of Finance and Corporate Securities (hereinafter the “Division”),
25 currently known as the Division of Financial Regulation, on January 13, 2009.

26 3. In 2011 the Nationwide Mortgage Licensing System (hereinafter “NMLS”)

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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1 released the mortgage call report (hereinafter “MCR”) functionality. The MCR includes
2 a licensed mortgage broker or banker’s Residential Mortgage Loan Activity (hereinafter
3 “RMLA”) that is compiled and submitted by the company to NMLS on a quarterly basis,
4 and for standard filers like Kora, a financial condition report must be filed annually 90
5 days after the end of the company’s fiscal year.

6 4. The quarterly reports are due 45 days following the end of each quarter such
7 that the fourth quarter (hereinafter “Q4”) MCR for 2015 was due on February 14, 2016.

8 5. Kora employed at least one licensed loan originator during the 2015 Q4.

9 6. Since Kora had not filed the 2015 Q4 MCR with Oregon RMLA, on
10 February 1, 2016, the Division sent an e-mail to Kora’s e-mail address of record notifying
11 of the filing deadline.

12 7. The email was sent to mikelysy@comcast.net which has been the e-mail
13 address of record for Kora at all times relevant to this order.

14 8. Since Kora had not filed the 2015 Q4 MCR by the deadline, on February 15,
15 2016, NMLS automatically placed a deficiency on Kora’s license notifying of the
16 obligation to file the 2015 Q4 MCR. The deficiency sends an email to the licensee.

17 9. On February 15, 2016, the Division sent an e-mail to Kora’s address of
18 record notifying that it must file the 2015 Q4 MCR, and if it did not do so by March 16,
19 2016, the company would be fined.

20 10. Also on February 15, 2016, the Division sent a letter to Kora’s principal
21 place of business notifying that the report had to be filed on March 16, 2016 or a fine
22 would be assessed.

23 11. On March 29, 2016, the Kora successfully filed the 2015 Q4 MCR with
24 RMLA for Oregon.

25 CONCLUSIONS OF LAW

26 The Director CONCLUDES that:

1 12. By failing to file the 2015 Q4 MCR including RMLA for Oregon in NMLS
2 by February 14, 2016, Kora violated ORS 86A.239(2) and OAR 441-865-0025.

3 ORDERS

4 Now, therefore, the Director issues the following ORDERS:

5 13. The Director, pursuant to ORS 86A.127, hereby ORDERS Kora to Cease and
6 Desist from violating Oregon's 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
9 hereby orders Kora to pay a civil penalty of \$2,000 for violation of ORS 86A.239(2) and
10 OAR 441-865-0025. The first civil penalty payment of \$667 was received on June 21,
11 2016. The second payment of \$667 is due on July 20, 2016. The third civil penalty
12 payment of \$666 is due on August 20, 2016.

13 DESIGNATION OF RECORD

14 14. The Director designates the Division's file on this matter, which includes
15 all materials submitted by the party, as the record in this case. Pursuant to OAR 137-003-
16 0075(3), that record contains sufficient evidence of the existence of facts necessary to
17 support a final order by default should the Director issue such an order.

18 SO ORDERED this 12th day of July, 2016 in Salem, Oregon.

19
20 PATRICK M. ALLEN, Director
Department of Consumer and Business Services

21
22 /s/ David Tatman
David C. Tatman, Chief of Enforcement
23 Division of Financial Regulation
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ENTITY CONSENT TO ENTRY OF ORDER

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

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

By /s/ Michael Davis

President
Office Held

ENTITY ACKNOWLEDGMENT

There appeared before me this 27 day of June 2016,
Mike Davis, who was first duly sworn on oath, and stated that (s)he was and is an officer of Kora and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of Kora and to bind Kora to the terms hereof.

/s/ Emily Anne Schmitt

Notary Public for the State of: Washington

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