STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: Grand Realty, LLC NMLS# 2044347 Respondent.	Case No. M-22-0122 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, 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 Grand Realty ("Grand Realty") and determined that Grand Realty engaged in an activity that constitutes a violation of ORS 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (collectively, "the Oregon Mortgage Lender Law"); and

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

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Grand Realty 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. Grand Realty is a California limited liability company with a principal place of business located at 1875 Century Park East, Suite 940, Los Angeles, California 9006.

2. Grand Realty has been licensed as an Oregon mortgage banker/broker with the Division of Financial Regulation ("Division") since February 23, 2022 (NMLS# 2044347).

3. In 2011 the Nationwide Multistate Licensing System ("NMLS") released the

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Mortgage Call Report ("MCR") functionality. The MCR includes a licensed mortgage broker or banker's Residential Mortgage Loan Activity ("RMLA") that is compiled and submitted by licensees to NMLS on a quarterly basis and an annual report of financial condition ("Annual Report").

4. All mortgage bankers and brokers that employ any licensed loan originators must complete the MCR functionality.

5. Grand Realty employed at least one loan originator during the first quarter ("Q1") 2022.

6. The quarterly reports are due 45 days following the end of each quarter such that the Q1 2022 MCR was due on May 15, 2022.

7. If a licensee does not timely file an MCR, the NMLS system automatically sets a deficiency on the company's license the day after the deadline reminding the company of the filing requirement.

8. When a deficiency is set in NMLS, the system sends an email to the licensee's email address of record. Similarly, at all times material, when the Division contacted Grand Realty by email, all messages were sent to Grand Realty's email address of record on file with NMLS, gbernstein@rodeolending.com.

9. Since Grand Realty had not filed the 2022 Q1 MCR with Oregon RMLA by May 15, 2022, NMLS placed a deficiency on May 16, notifying the company of the filing requirement.

10. On May 26, 2022, the examiner sent an email to Grand Realty about the failure to file and extended the deadline to June 15, 2022.

11. On June 17, 2022, the examiner sent an email providing a final notice to Grand Realty to file by June 26, 2022, to avoid regulatory enforcement action.

12. On September 1, 2022, the examiner called Grand Realty at the phone number of record and left a message warning that a regulatory action including a fine would be

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issued for the failure to file.

13. On October 7, 2022, Grand Realty filed the 2022 Q1 or Q2 MCR with Oregon RMLA.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

14. By failing to file the 2022 Q1 MCR with Oregon RMLA by May 15, 2022 or June 26, 2022, Grand Realty violated ORS 86A.239(2) and OAR 441-865-0025.

ORDERS

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING:

15. The Director, pursuant to ORS 86A.127, hereby ORDERS Grand Realty to Cease and Desist from violating ORS 86A.239(2).

16. The Director, pursuant to ORS 86A.992, may assess civil penalties of up to $5,000 per violation of the Oregon Mortgage Lender Law. The Director hereby ORDERS Grand Realty to pay $2,000 CIVIL PENALTY for the violation of ORS 86A.239(2).

17. The Director hereby suspends payment of $1,000 of the CIVIL PENALTY for a period of three years from the effective date of this Order, provided Grand Realty:

A. Pays the remaining $1,000 of the CIVIL PENALTY pursuant to the terms of this Order; and

B. Does not violate the Oregon Mortgage Lender Law within the three-year time period.

18. The non-suspended portion of the CIVIL PENALTY assessed herein ($1,000) is due and payable at the time Respondent returns this signed Order to the Director.

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19. The suspended CIVIL PENALTY ($1,000) will be waived three years from the effective date of this Order, provided Grand Realty has complied with the foregoing Order terms. The Director reserves the right to immediately assess and collect the suspended civil penalty upon a determination that Grand Realty has violated any term of this Order.

20. This Order is binding upon Grand Realty's successors and assigns.

SO ORDERED this 31st day of January, 2023.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Gregg Bernstein, state that I am an officer of Grand Realty and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Grand Realty's right to a hearing and right to be represented by counsel in this matter. Grand Realty voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Grand Realty understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law or with the terms and conditions stated herein.

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

Signature: /s/ Gregg Bernstein

Position Held: Principal

State of California

County of Los Angeles

Signed or attested before me on this 13th day of January, 2023 by Gregg Bernstein.

Notary Public

/s/ Eric Martinez Navarro

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