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

In the Matter of: Next Level Mortgage, LLC Respondent.	Case No. M-22-0120 **ORDER TO CEASE AND DESIST, FINAL ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER**

The Director of the Department of Consumer and Business Services for the State of Oregon ("the Director"), having investigated the activities of Respondent Next Level Mortgage, LLC ("NLM") under Oregon Revised Statutes ("ORS") 86A.100 et seq. and Oregon Administrative Rules ("OAR") 441-850-0005 through 441-885-0010 (collectively, the "Oregon Mortgage Lender Law"), has determined that Respondent NLM engaged in a violation of the Oregon Mortgage Lender Law.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signature(s) subscribed on this Order, Respondent hereby CONSENTS to entry of this Order.

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

FINDINGS OF FACT

The Director FINDS that:

1. NLM is an Oregon Limited Liability Company with a principal place of business located at 8700 SW Ash Meadows Road #1027, Wilsonville, OR 97070.

2. NLM has been licensed as an Oregon mortgage banker/broker with the Division of Financial Regulation ("Division") since April 25, 2022 (**NMLS# 1897721**).

3. In 2011, the Nationwide Multistate Licensing System ("NMLS") released the 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. NLM employed at least one loan originator during the second quarter ("Q2") of 2022.

6. The quarterly reports are due 45 days following the end of each quarter such that the Q2 2022 MCR was due on August 14, 2022.

7. On August 15, 2022, after noting that NLM failed to timely file the 2022 Q2 MCR, a Division financial examiner placed a deficiency on the company's licensing record as follows, "WARNING! BEGINNING WITH 2022 Q1 MORTGAGE CALL REPORTS, LICENSEES THAT FILE MORTGAGE CALL REPORTS AFTER THE SPECIFIED DUE DATE WILL BE REFERRED TO ENFORCEMENT WITH THE POTENTIAL OF A CIVIL PENALTY."

8. 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.

9. 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 NLM by email, all messages were sent to NMC's email address of record on file with NMLS, Henry@wchsonline.org.

2022 Q2 MCR

10. Since NLM had not filed the 2022 Q2 MCR with Oregon RMLA by August 14, 2022, NMLS placed a deficiency on August 15, 2022, notifying the company of the filing requirement.

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11. On September 20, 2022, the examiner sent an email to NLM about the failure to file and extended the deadline to October 15, 2022.

12. On October 5, 2022, the examiner sent another email to NLM reminding the company of the October 15, 2022, deadline.

13. On October 14, 2022, the examiner sent an email providing a final notice to NLM to file by October 15, 2022, to avoid regulatory enforcement action.

14. October 21, 2022, the examiner called NLM and was told that the company was aware that there could be regulatory action for failing to file the 2022 Q2 MCR and further stated that the filing task would be delegated to another employee to complete.

15. On January 2, 2023, NLM filed the 2022 Q2 MCR with Oregon RMLA.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

16. By failing to file the 2022 Q2 MCR with Oregon RMLA by August 14, 2022, or October 15, 2022, NLM violated ORS 86A.239(2) and OAR 441-865-0025.

ORDERS

Now therefore, the Director issued the following ORDERS:

Order to Cease and Desist

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

Order Assessing Civil Penalties

18. ORS 86A.992 authorizes the Director to assess civil penalties of up to $5,000 per violation of the Oregon Mortgage Lender Law. Pursuant to this provision, the Director hereby ORDERS NLM to pay $2,000 for its violation of ORS 86A.239(2).

19. The Director SUSPENDS $1,000.00 of the civil penalties, provided NLM complies with these conditions:

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A. NLM does not violate Oregon Mortgage Lender Law; and

B. NLM does not violate the terms of this Consent Order.

20. If NLM satisfies the above conditions for a period of three years following the date of this order, the Director shall waive the suspended portion of the civil penalties following that three-year period. If NLM fails to satisfy the above conditions during the three-year period following the date of this Order, however, the suspended portion of the civil penalties, amounting to $1,000.00, will become immediately due and owing.

21. NLM shall provide, together with the executed Entity Consent to Entry of Order, payment in the amount of $1,000.00 for payment of its non-suspended civil penalty.

22. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to this provision, entry of this Order does not limit the Director's authority to enforce this Order or take action against NLM for violations of this Order or violations not included in this Order that are discovered after the date of this Order.

SO ORDERED this 21st day of February, 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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ENTITY CONSENT TO ENTRY OF ORDER

I, David Henry, state that I am an officer or manager of Respondent Next Level Mortgage, LLC 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 Respondent's right to a hearing and right to be represented by counsel in this matter. Respondent 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. Respondent 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 Mortgage Lender Law or with the terms and conditions stated herein.

Next Level Mortgage, LLC, along with its officers, directors, employees, or agents, will comply with the terms and conditions stated herein.

Next Level Mortgage, LLC, understands that this Consent Order is a public document.

Signature: /s/ David Henry

Position Held: President

State of Oregon

County of Clackamas

Signed or attested before me on this 10th day of February, 2023

By Anne Van Gordon .

/s/ Anne Van Gordon
Notary Public

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