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

6 In the Matter of:

Case No. M-17-0087

7 1<sup>st</sup> LIBERTY MORTGAGE GROUP, INC.,

FINAL ORDER TO CEASE AND  
DESIST AND ORDER ASSESSING  
CIVIL PENALTY, ENTERED BY  
DEFAULT

8 Respondent.

9  
10 On July 31 and August 16, 2017, the Director of the Department of Consumer and  
11 Business Services for the State of Oregon (“the Director”), by and through the Division  
12 of Financial Regulation (“the Division”), properly served a Notice Order on 1<sup>st</sup> Liberty  
13 Mortgage Group, Inc. (“1<sup>st</sup> Liberty” or “the company”), notifying 1<sup>st</sup> Liberty that the  
14 Director intended to assess a civil penalty on the company.

15 The Notice Order offered 1<sup>st</sup> Liberty an opportunity for a hearing, if requested  
16 within twenty (20) days of the date of service. The Notice Order further informed 1<sup>st</sup>  
17 Liberty that if a hearing was not conducted because it did not timely request a hearing or  
18 otherwise defaulted, then the designated portion of the Division’s file, which includes all  
19 materials 1<sup>st</sup> Liberty submitted, would automatically become part of the contested case  
20 record for the purpose of proving a *prima facie* case.

21 1<sup>st</sup> Liberty has not made a written request for a contested hearing, and the time to  
22 do so has expired.

23 After considering the relevant portions of the Division’s file in this matter, the  
24 Director finds that the record proves a *prima facie* case.

25 Now, therefore, the Director makes the following Findings of Fact and  
26 Conclusions of Law and issues the following Order.

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



1 FINDINGS OF FACT

2 The Director FINDS that:

3 1. 1<sup>st</sup> Liberty is a foreign company with a principal place of business located at  
4 49 Natoma Street Ste C, Folsom, California 95630.

5 2. Per the Oregon Secretary of State Business Registry, 1<sup>st</sup> Liberty is currently  
6 inactive.

7 3. 1<sup>st</sup> Liberty has been licensed in Oregon as a mortgage broker since  
8 December 7, 2015. The company's Nationwide Mortgage Licensing System ("NMLS")  
9 number is 1061707.

10 4. 1<sup>st</sup> Liberty employs at least one licensed mortgage loan originator.

11 5. As a licensed mortgage broker that employs a licensed mortgage loan  
12 originator, 1<sup>st</sup> Liberty is required to submit to NMLS a quarterly Mortgage Call Report  
13 ("MCR"). The MCR includes the company's quarterly Residential Mortgage Loan  
14 Activity ("RMLA") and, for standard filers like 1<sup>st</sup> Liberty, a financial condition report  
15 filed annually 90 days after the end of the company's fiscal year.

16 6. Quarterly MCRs are due 45 days following the end of each quarter. The first  
17 quarter ("Q1") MCR for 2017 was due on May 15, 2017.

18 7. On May 1, 2017, the Division of Financial Regulation ("the Division") sent  
19 1<sup>st</sup> Liberty a notice by e-mail, reminding the company that its 2017 Q1 MCR with Oregon  
20 RMLA was due on May 15, 2017. The e-mail notice was sent to  
21 mrchrisjaeger@gmail.com, the company's e-mail address of record at all times relevant  
22 to this order.

23 8. 1<sup>st</sup> Liberty failed to file its 2017 Q1 MCR by May 15, 2017.

24 9. On June 1, 2017, the Division sent 1<sup>st</sup> Liberty an e-mail to its e-mail address  
25 of record, as well as a letter to its principal place of business, notifying the company that  
26 it must file its 2017 Q1 MCR. Both notices stated that if the company did not do so by

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1 July 1, 2017, the matter would be referred for enforcement action to impose a civil  
2 penalty.

3 10. As of the date of this order, 1<sup>st</sup> Liberty has not yet filed its 2017 Q1 MCR with  
4 Oregon RMLA.

5 CONCLUSIONS OF LAW

6 The Director CONCLUDES that:

7 11. ORS 86A.127(4) authorizes the Director to order 1<sup>st</sup> Liberty to cease and  
8 desist from violating the Oregon Mortgage Lender Law.

9 12. By failing to file its 2017 Q1 MCR with Oregon RMLA by May 15, 2017,  
10 1<sup>st</sup> Liberty violated ORS 86A.239(2) and OAR 441-865-0025.

11 13. ORS 86A.992(1) authorizes the Director to impose a civil penalty on 1<sup>st</sup>  
12 Liberty of up to \$5,000 per violation of the Oregon Mortgage Lender Law.

13 ORDER

14 Now therefore, the Director issues the following Order:

15 14. As authorized by ORS 86A.127(4), the Director hereby ORDERS 1<sup>st</sup> Liberty  
16 to CEASE AND DESIST from violating the Oregon Mortgage Lender Law.

17 15. As authorized by ORS 86A.992(1), the Director hereby ORDERS 1<sup>st</sup> Liberty  
18 to pay a civil penalty of \$5,000 for violating ORS 86A.239(2) and OAR 441-865-0025.

19  
20 SO ORDERED this 8<sup>th</sup> day of September, 2017.

21 JEAN STRAIGHT, Acting Director  
22 Department of Consumer and Business Services

23  
24  
25 /s/ TK Keen

26 TK Keen, Deputy Administrator  
Division of Financial Regulation

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NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482.  
You may request judicial review by filing a petition with the Court of Appeals in Salem,  
Oregon, within 60 days from the date this order is served.

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