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

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| In the Matter of:<br><br>CONSTRUCTION LOAN SERVICES, LLC,<br><br>Respondent. | Case No. M-17-0089<br><br>FINAL ORDER TO CEASE AND DESIST, 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"), acting in accordance with 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 decided to take enforcement action against Construction Loan Services, LLC ("Construction Loan" or "the company").

Construction Loan wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signature(s) subscribed on this Order, Construction Loan hereby consents to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated below.

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. Construction Loan is a foreign company with a principal place of business located at 505 5th Ave. South #650, Seattle, WA 98104.

2. Construction Loan has been licensed in Oregon as a mortgage broker since March 18, 2016. The company's Nationwide Mortgage Licensing System ("NMLS") number is 1453731.

3. Construction Loan employs at least one licensed mortgage loan originator.

4. As a licensed mortgage broker that employs a licensed mortgage loan originator, Construction Loan is required to submit to NMLS a quarterly Mortgage Call Report ("MCR"). The MCR includes the company's quarterly Residential Mortgage Loan Activity ("RMLA") and, for standard filers like Construction Loan, a financial condition report filed annually 90 days after the end of the company's fiscal year.

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

6. On May 1, 2017, the Division of Financial Regulation ("the Division") sent Construction Loan a notice by e-mail, reminding the company that its 2017 Q1 MCR with Oregon RMLA was due on May 15, 2017. The e-mail notice was sent to vineet@builders-capital.com, the company's e-mail address of record at all times relevant to this order.

7. Construction Loan failed to file its 2017 Q1 MCR by May 15, 2017.

8. On June 1, 2017, the Division sent Construction Loan an e-mail to its e-mail address of record, as well as a letter to its principal place of business, notifying the company that it must file its 2017 Q1 MCR. Both notices stated that if the company did not do so by July 1, 2017, the matter would be referred for enforcement action to impose a civil penalty.

9. On July 18, 2017, Construction Loan filed its 2017 Q1 MCR with Oregon RMLA.

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## CONCLUSIONS OF LAW

The Director CONCLUDES that:

10. By failing to file the 2017 Q1 MCR with Oregon RMLA by May 15, 2017, Construction Loan violated ORS 86A.239(2) and OAR 441-865-0025.

11. ORS 86A.992(1) authorizes the Director to impose a civil penalty on Construction Loan of up to $5,000 per violation of the Oregon Mortgage Lender Law.

ORDER

Now therefore, the Director issues the following Order:

12. As authorized by ORS 86A.127(4), the Director ORDERS Construction Loan to CEASE AND DESIST from violating the Oregon Mortgage Lender Law.

13. As authorized by ORS 86A.992(1), the Director hereby ORDERS Construction Loan to pay a CIVIL PENALTY of $1,000 for violating ORS 86A.239(2) and OAR 441-865-0025.

14. Along with this Order, Construction Loan shall submit to the Director payment of $1,000.

15. The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

SO ORDERED this 4th day of August, 2017.

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

*/s/ David Tatman*
David C. Tatman, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Curt Altig, am an officer of Construction Loan Services, LLC ("Construction Loan"), and I am authorized to act on its behalf. I have read the foregoing Order and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Construction Loan 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. Construction Loan understands that the Director reserves the right to take further action against it to enforce this Order or to take appropriate action upon discovery that Construction Loan has committed other violations of the Oregon Mortgage Lender Law. Construction Loan, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Construction Loan understands that this Order is a public document.

Signature: */s/ Curt Altig*

Position Held: CEO

State of Washington

County of King

Signed or attested before me on the 26th day of July, 2017.

*/s/ Meghan A. Burt*
Notary Public

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