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**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINACIAL REGULATION**

In the Matter of:

Priority Lending Mortgage Corporation,

Respondent.

M-17-0092

**Final Order to Cease and Desist and
Final Order Assessing Civil Penalties
Entered by Default**

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On August 1, 2017, the Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting pursuant to its authority granted in Oregon Revised Statutes (“ORS”) 86A.100 *et seq.*, and Oregon Administrative Rules (“OAR”) 441-850-0005 through 441-885-0010 (collectively “Oregon Mortgage Lender Law”) issued Administrative Order No. M-17-0092 Order to Cease and Desist, Proposed Order Assessing Civil Penalty and Notice of Right to a Hearing (Order) to Priority Lending Mortgage Corporation (Priority).

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On August 2, 2017, Respondent was served a true copy of the Order by certified and first class U.S. mail at 818 Mendocino Avenue, Suite 200, Santa Rosa, California. On August 29, 2017, as a courtesy, the Division of Financial Regulation (Division) sent Priority a letter advising them that the Division would be seeking a default order if no response was received within ten days from the date of the letter. Priority did not respond to the courtesy letter.

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Respondent has not made a written request for a contested case hearing on this matter and the time to make such request has expired.

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FINDINGS OF FACT

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The Director finds that:





1 1. Priority was first incorporated in California on March 10, 2003, and was first
2 registered with the Oregon Secretary of State in 2005.

3 2. Priority has had an Oregon mortgage broker license from the Division since at least
4 2010 and was issued Oregon License No. ML-3717. The National Mortgage Licensing System
5 (NMLS) assigned Priority NMLS No. 69302.

6 3. Priority's principal place of business is located at 818 Mendocino Avenue, Suite
7 200, Santa Rosa, California.

8 4. The Oregon Mortgage Lender Law requires licensed mortgage bankers and
9 mortgage brokers to file quarterly reports with the Division concerning their residential
10 mortgage lending activity.

11 5. In 2011 the NMLS released its mortgage call report (MCR) functionality. The
12 MCR is comprised of individual reports of activity by state, called Residential Mortgage Loan
13 Activity reports (RMLA) that are compiled and submitted by the company through NMLS on a
14 quarterly basis for each state in which the company does business or sponsors a mortgage loan
15 originator license.

16 6. The MCR functionality was developed to provide entities licensed as mortgage
17 lenders the ability to submit quarterly activity reports. Licensed mortgage lenders must submit
18 MCR and RMLA reports through the NMLS system within 45 days of the end of the quarter.

19 7. The NMLS online resource center provides the following MCR/RMLA
20 submission deadlines: (1) Quarter one (Q1) – January 1 through March 31 – due May 15; (2)
21 Quarter two (Q2) April 1 through June 30, due August 14; (3) Quarter three (Q3) July 1 through
22 September 30, due November 14; and (4) Quarter four (Q4) October 1 through December 31,
23 due February 14.

24 8. Priority employed at least one licensed loan originator during the 2017 Q1.

25 9. As Priority had not filed the 2017 Q1 MCR by the May 15, 2017, deadline, on May
26 16, 2017, NMLS automatically placed a deficiency on Infinity's licenses notifying them of the

1 need to file the 2017 Q1 MCR. An email is automatically generated by the system and sent to
2 the licensee.

3 10. The email was sent to nthysell@prioritylenders.com which is Priority listed e-mail
4 address of record.

5 11. The Division sent a letter to Priority on June 1, 2017, notifying Priority of the filing
6 requirement and informing Priority that if it did not file the report by July 1, 2017, the matter
7 would be referred for enforcement action and assessment of a civil penalty.

8 12. As of the date of this Default Order, Priority has not filed the Q1 MCR and RLMA
9 reports for Oregon.

10 CONCLUSIONS OF LAW

11 The Director concludes that:

12 1. Priority violated ORS 86A.239(2) and OAR 441-865-0025 by failing to file the 2017
13 Q1 MCR report, including the RMLA for Oregon, in NMLS by May 16, 2017.
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15 ORDERS

16 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

17 1. The Director, pursuant to ORS 86A.127, hereby orders Priority to cease
18 and desist from violating Oregon's Mortgage Lender Law.
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20 2. The Director, pursuant to ORS 86A.992(1) may assess civil penalties of up to \$5,000
21 per violation of the Oregon Mortgage Lender Law.

22 3. The Director, pursuant to ORS 86A.992(1), hereby orders Priority to pay a civil
23 penalty of \$5,000 for violating ORS 86A.239(2) and OAR 441-865-0025.

24 4. In accordance with ORS 86A.992(1), and 183.745(2), the civil penalties assessed
25 herein shall become due and payable 10 days after the order becomes final by operation of law

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1 or on appeal. Failure to pay the entire penalty within 30 days of becoming due will result in the
2 Division taking steps to collect the debt.

3 5. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that provision, the
4 entry of this Order does not limit other remedies that are available to the Director under Oregon
5 of this Order does not limit further remedies that may be available to the Director under Oregon
6 law.

7 Dated this 22nd day of September, 2017 at Salem,
8 Oregon.

9 JEAN STRAIGHT, Acting Director
10 Department of Consumer and Business Services

11
12 /S/ David Tatman
13 David C. Tatman, Chief Enforcement Officer
14 Division of Financial Regulation

15 NOTICE: You are entitled to judicial review of this Order. Judicial review may be obtained by
16 filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the service of
17 this order.
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Division of Financial Regulation
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