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

In the Matter of:	Case No. M-18-0056
FIRST CAPITAL SOLUTIONS, LLC, Respondent.	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") conducted an investigation of First Capital Solutions, LLC ("First Capital") and determined that First Capital violated certain provisions of 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").

First Capital wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signature(s) subscribed in this Order, First Capital 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
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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. First Capital is a Georgia limited liability company with a principal place of business located at 950 Eagles Landing Parkway, Suite 231, Stockbridge, GA 30281. It is not registered with the Oregon Secretary of State to conduct business in Oregon.

2. First Capital has never been licensed in Oregon as a residential mortgage broker.

3. Linda Vega and Karen Hosey are First Capital's principals. They have never been licensed in Oregon as residential mortgage loan originators.

4. Per First Capital's website, www.firstcapitalsolutionsinc.com, the company "is a boutique consultancy group which specializes in securing funding through private, traditional and non-traditional lenders for needs that extend beyond what banks will consider."

5. In 2017, HL, an Oregon company, needed financing to purchase a single family residence ("property") located in Oregon. HL's president, RH, would guarantee the mortgage loan. HL's investment adviser referred HL to First Capital.

6. First Capital instructed RH to fill out a Uniform Residential Loan Application ("Loan Application") and request his own credit report. Based on RH's Loan Application and credit report, First Capital determined that RCN Capital, LLC ("RCN"), a licensed Oregon banker/broker (NMLS #1045656), might be able to provide HL the funds it needed to purchase the property.

7. First Capital gathered documents from HL for RCN. Further, First Capital either negotiated the mortgage loan terms on HL's behalf or discussed RCN's mortgage loan terms and rates with HL. Throughout the process, all communications between RCN and HL or RH were solely through First Capital.

8. RCN agreed to finance the mortgage loan for the property. First Capital received two percent of the mortgage loan amount as compensation for its services.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. Under ORS 86A.127(4), the Director may order First Capital to cease and desist from violating the Oregon Mortgage Lender Law because the Director has reasonable cause to believe that First Capital has violated the Oregon Mortgage Lender Law.

10. By negotiating mortgage loan terms on HL's behalf or discussing RCN's mortgage loan terms and rates with HL, First Capital acted as a "mortgage broker" as

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defined in ORS 86A.100(5)(a)(C).

11. By acting as a mortgage broker in a transaction involving a single family residence, First Capital engaged in a "residential mortgage transaction" as defined in ORS 86A.100(8).

12. By engaging in a residential mortgage transaction as a mortgage broker without an Oregon mortgage broker license, First Capital violated ORS 86A.103(1).

13. ORS 86A.992(1) authorizes the Director to assess a civil penalty against First Capital of up to $5,000 per violation of the Oregon Mortgage Lender Law.

ORDER

Now therefore, the Director issues the following Order:

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

15. First Capital agrees to include a statement in its website that its services are not available in Oregon for loans secured by property with four or less residential dwelling units.

16. As authorized by ORS 86A.992(1), the Director may assess civil penalties up to $5,000 per violation of the Oregon Mortgage Lender Law. The Director hereby ORDERS First Capital to pay a civil penalty of $2,500 for violating ORS 86A.103(1).

17. The Director SUSPENDS $1,500 of the civil penalty for a period of five years from the date of this Order, provided that First Capital does not violate the Oregon Mortgage Lender Law or the terms of this Order. If First Capital commits any such violation, the suspended portion of the civil penalty will become immediately due and owing. If First Capital does not violate the Oregon Mortgage Lender Law or the terms of this Order during the prescribed five-year period, the suspended portion of the civil penalty will be waived.

18. Along with this Order, First Capital shall submit to the Director $1,000 as

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payment for the unsuspended portion of the civil penalty.

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

SO ORDERED this 15th day of August, 2018.

CAMERON C. SMITH, 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, Linda Vega, am an officer or manager of First Capital Solutions, LLC ("First Capital"). I am authorized to act and sign on behalf of First Capital. I have read the foregoing Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. First Capital 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. First Capital understands that the Director reserves the right to take further action to enforce this Order or to take appropriate action upon discovery that First Capital has committed other violations of the Oregon Mortgage Lender Law. First Capital, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

First Capital understands that this consent Order is a public document.

/s/ Linda Vega 8/8/2018
Linda Vega, CEO

ACKNOWLEDGMENT

State of Georgia

County of Henry

Signed or attested before me on the 8 of August, 2018.

/s/ Sterling Blackburn
Notary Public

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