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

In the Matter of: HOME LOAN ENTERPRISE, a Foreign Business Corporation, and SCOTT LIU, an individual. Respondents.	Case No. M-17-0134 ORDER TO CEASE AND DESIST, FINAL ORDER SUSPENDING LICENSE, 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 ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") 86A.095 et seq. and Oregon Administrative Rules ("OAR") 441-850-0005 through 441-885-0010 (collectively, "Oregon Mortgage Lender Law"), has determined that Home Loan Enterprise ("HLE") and Scott Liu ("Liu") engaged in activities constituting violations of the Oregon Mortgage Lender Law.

HLE wishes to resolve and settle this matter with the Director.[1]

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

FINDINGS OF FACT

The Director FINDS that:

1. HLE is a California corporation with a principal place of business located at 15941 Red Hill Ave., #210, Tustin, CA, 92780.

2. HLE's Nationwide Mortgage Licensing System ("NMLS") number is 246523.

3. On July 26, 2011, HLE was issued Oregon mortgage banker/broker license number ML 50-78 ("License").

[1] This Order only resolves this matter as it pertains to HLE.

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4. At all relevant times, HLE has employed at least one licensed mortgage loan originator.

5. Liu's NMLS number is 385741. Liu has had an active company relationship with HLE, serving as a mortgage loan officer, since July 1, 2010.

6. At no time has Liu been licensed in Oregon as a mortgage loan originator.

7. On February 15, 2013, a consent order was finalized in Division of Financial Regulation ("Division")[2] case numbers M-12-0060 and M-12-0082 ("Consent Order One"), in which the Director held that HLE:

(1) Failed to submit a timely response to the Division's examination report, violating ORS 86A.115(12); and

(2) Failed to file a timely Mortgage Call Report ("MCR") with NMLS, violating ORS 86A.239(2).

8. Pursuant to Consent Order One, HLE was ordered to cease and desist from violating the Oregon Mortgage Lender Law, pay a civil penalty of $1,000, and pay additional examination expenses totaling $600.

9. On November 1, 2013, a consent order was finalized in Division[3] case number M-13-0121 ("Consent Order Two"), in which the Director held that HLE failed to file a timely MCR with NMLS, violating ORS 86A.239(2).

10. Pursuant to Consent Order Two, HLE was ordered to cease and desist from violating the Oregon Mortgage Lender Law and pay a civil penalty of $2,000. In addition, the following conditions were placed upon HLE's License:

(1) HLE was required to make a timely filing of all financial reports or other information that the Director by order or rule required, including but not limited to MCRs, annual reports for mortgage lender activity, and written

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[2] At the time, the Division was known as the Division of Finance and Corporate Securities ("DFCS").
[3] At the time, the Division was known as DFCS.

responses to Division examination reports under ORS 86A.112(2); and

(2) HLE was required to promptly correct a document filed with the Director that was, or became, incomplete or inaccurate in any material respect under ORS 86A.112(2).

11. Pursuant to Consent Order Two, HLE's License was subject to revocation upon HLE's failure to comply with either of the foregoing conditions.

12. HLE's 2013 Quarter 4 MCR had a filing deadline of February 14, 2014. HLE filed it on March 7, 2014.

13. HLE's 2014 Quarter 1 MCR had a filing deadline of May 15, 2014. HLE filed it on May 22, 2014.

14. HLE's 2014 Quarter 2 MCR had a filing deadline of August 14, 2014. HLE filed it on August 15, 2014.

15. HLE's 2014 Quarter 3 MCR had a filing deadline of November 14, 2014. HLE filed it on November 21, 2014.

16. HLE's 2015 Quarter 4 MCR had a filing deadline of February 14, 2016. HLE filed it on February 15, 2016.

17. HLE's 2016 Quarter 2 MCR had a filing deadline of August 14, 2016. HLE filed it on August 15, 2016.

18. HLE's 2017 Quarter 2 MCR had a filing deadline of August 14, 2017. HLE filed it on August 15, 2017.

19. In approximately July 2016, Liu, acting on HLE's behalf, offered or negotiated terms for a residential mortgage loan for residential property in Oregon.

20. On January 20, 2017, the Division notified HLE of an impending examination and directed HLE to produce all requested documentation by February 27, 2017.

21. HLE did not produce any documentation to the Division until March 7, 2017. Furthermore, HLE failed to produce all the requested documentation.

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22. On March 8, 2017, the Division notified HLE that it had until March 13, 2017 to produce the remainder of the documentation.

23. HLE did not produce the remainder of the requested documentation to the Division until April 3, 2017.

24. On April 21, 2017, the Division sent HLE a copy of its examination report and directed HLE to respond to the report within two weeks.

25. HLE did not respond to the examination report until October 19, 2017.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

26. By failing to make a timely filing of an MCR in seven instances from 2014 through 2017, HLE violated ORS 86A.239(2).

27. By failing to make a timely filing of an MCR in seven instances from 2014 through 2017, HLE violated a condition of Consent Order Two.

28. By offering or negotiating a residential mortgage loan in Oregon, Liu engaged in business as a mortgage loan originator.

29. By failing to ensure that Liu was licensed in Oregon as a mortgage loan originator, HLE violated OAR 441-860-0040(1).

30. By failing to timely file financial reports and information relating to the Division's examination, including the response to the Division's examination report, and failing to update incomplete information relating to the same, HLE violated ORS 86A.112(2).

31. By failing to timely file financial reports and information relating to the Division's examination, including the response to the Division's examination report, and failing to update incomplete information relating to the same, HLE violated a condition of Consent Order Two.

32. By violating ORS 86A.239(2), OAR 441-860-0040(1), and ORS 86A.112(2),

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HLE violated the cease and desist orders entered in Consent Orders One and Two.

33. Because HLE repeatedly violated Consent Orders One and Two, including the cease and desist orders entered therein, the Director may suspend HLE's License under ORS 86A.115(3).

34. Because HLE failed to comply with the requirements of ORS 86A.112, the Director may suspend HLE's License under ORS 86A.115(12).

35. Because HLE is subject to two cease and desist orders entered within the previous five years, the Director may suspend HLE's License under ORS 86A.115(14).

36. Because the Director has reason to believe that HLE has engaged in the foregoing violations of the Oregon Mortgage Lender Law, the Director may issue an order to HLE to cease and desist from violations of the Oregon Mortgage Lender Law, under ORS 86A.127(4).

ORDERS

Now therefore, the Director issues the following Orders:

37. Based upon the foregoing and as authorized by ORS 86A.127(4), the Director hereby ORDERS HLE to CEASE AND DESIST from violating any provision of the Oregon Mortgage Lender Law, including ORS 86A.239(2) and OAR 441-860-0040(1).

38. Based upon the foregoing and as authorized by ORS 86A.115(3), (12), and (14), the Director hereby ORDERS that HLE's Oregon mortgage banker/broker license number ML 50-78 be SUSPENDED for one month, effective February 1, 2018.

39. Based upon the foregoing and as authorized by ORS 86A.992(1), the Director hereby ORDERS that Respondent be subject to a CIVIL PENALTY of $10,000 as follows:

(1) $5,000 for violating ORS 86A.239(2); and

(2) $5,000 for violating OAR 441-860-0040(1).

40. The Director hereby suspends payment of $6,000 of the civil penalty for a

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period of three years, provided HLE:

(1) Pays the remaining $4,000 of the civil penalty pursuant to the terms of this Order; and

(2) Does not violate the Oregon Mortgage Lender Law within the three-year time period.

41. The CIVIL PENALTY assessed herein is due and payable as follows:

(1) $1,000 at the time this Order is returned to the Division;

(2) $1,000 by February 15, 2018;

(3) $1,000 by March 15, 2018; and

(4) $1,000 by April 15, 2018.

SO ORDERED this 19th day of January, 2018.

CAMERON C. SMITH, Acting Director
Department of Consumer and Business Services

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

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CONSENT TO ENTRY OF ORDER

I, Thysy Trinh, state that I am an officer of HLE 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 HLE's right to a hearing and right to be represented by counsel in this matter. HLE 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. HLE 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 Oregon Mortgage Lender Law by HLE. HLE will fully comply with the terms and conditions stated herein.

HLE further assures the Director that neither HLE nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. HLE understands that this Consent Order is a public document.

Signature: /s/ Thysy Trinh

Position Held: Owner/CEO

State of California

County of Orange

Signed or attested before me on this 9th day of January, 2018 by Thysy Trinh.

/s/ Hieu Tran
Notary Public

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