

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
2 DIVISION OF FINANCE AND CORPORATE SECURITIES
3 FINANCE SECTION
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 STATE OF OREGON

6 In the Matter of
7 Mortgage Resource Group, Inc.

8) ORDER NO. O-02-0062
9)
10) CEASE AND DESIST ORDER AND
11) CONSENT TO IMPOSITION OF CIVIL
12) PENALTIES

13 To: Mortgage Resource Group, Inc.
14 497 Oakway Road, Suite 280
15 Eugene, OR 97401

16 WHEREAS the Director of the Department of Consumer and Business Services
17 for the State of Oregon (hereinafter "the Director") conducted an investigation of
18 Mortgage Resource Group, Inc., and determined that Mortgage Resource Group, Inc.
19 engaged in activities constituting violations of ORS 59.840 through 59.965 (hereinafter
20 "the Oregon Mortgage Lender Law"); and

21 WHEREAS Mortgage Resource Group, Inc. wishes to resolve and settle this
22 matter with the Director;

23 NOW THEREFORE, as evidenced by the authorized signatures subscribed on
24 this order Mortgage Resource Group, Inc. hereby **CONSENTS** to entry of this order
25 upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

26 **FINDINGS OF FACT**

The Director **FINDS** that:

1. Mortgage Resource Group, Inc. (hereinafter "Respondent"), incorporated in Oregon on December 4, 1996 engages in residential mortgage transactions in Oregon or on Oregon real property in expectation of compensation.

1 2. The Director has licensed Respondent to engage in Oregon residential
2 mortgage lending since January 7, 1997.

3 3. Polly Perkins is the owner of Respondent.

4 4. On October 22, 2002, the Division conducted an examination of the
5 company's books and records and reviewed five loan files to determine compliance with
6 the Oregon Mortgage Lender Law and federal regulations.

7 5. During the examination, Polly Perkins confessed that she has not maintained
8 their client's trust account as required in that she had not reconciled the account for the
9 past eighteen (18) months.

10 6. Polly Perkins provided an explanation that due to family medical needs (she
11 provided daily care for her grandparents who had failing health and have since passed
12 away) and the high level of activity in the mortgage business, she did not have the time
13 or attention to reconcile the client's trust account as required.

14 7. Polly Perkins did confirm all funds received are deposited within three
15 business days, and all disbursements are made from the client's trust account to the
16 licensee's general account after the loan has closed.

17 8. Five loan files were reviewed; four of those files contained blank documents
18 signed by the borrower which included appraisal request forms, IRS Form 4506, and
19 lock/float agreements. These files were for Jared Achepol, Christina DeWolfe, Beverly
20 Glass, and George and Valerie Strong.

21 9. Polly Perkins inquired about the selection of these items, while she was
22 copying the loan files.

23 10. The Director finds the signing of blank documents or documents that
24 contained blanks to be an unfair and unethical practice or conduct in connection with
25 the mortgage business as defined in ORS 59.865(2).
26

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

3 Dated this 12th day of December, 2002.

4
5 **MARY C. NEIDIG, DIRECTOR**
6 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

7
8 by Floyd G. Lanter
9 **FLOYD G. LANTER, ADMINISTRATOR**
10 **DIVISION OF FINANCE AND CORPORATE SECURITIES**

11 **CONSENT TO ENTRY OF ORDER**

12 I, Polly Perkins, state that I am the
13 President of Mortgage Resource Group, Inc., and I am authorized to
14 act on its behalf; that I have read the foregoing Order and that I know and fully
15 understand the contents hereof; that Mortgage Resource Group, Inc. admits the findings
16 of fact herein, voluntarily consents to the entry of this Order without further hearing,
17 expressly waiving any right to a hearing in this matter; that Mortgage Resource Group,
18 Inc. understands that the Director reserves the right to take further actions to enforce
19 this order or to take appropriate action upon discovery of other violations of Oregon
20 Mortgage Lender Law; and that Mortgage Resource Group, Inc. will fully comply with
21 Oregon Mortgage Lender Law.

22 I understand that this Consent Order is a public document.

23 Dated this 5 day of December, 2002.

24 By Polly Perkins
25 _____
26 (Office Held)

Polly Perkins

(Signature)

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CORPORATE ACKNOWLEDGMENT

There appeared before me this 5th day of Dec, 2002,
Polly Perkins, who was first duly sworn on oath, and stated that s/he was
and is the President of Mortgage Resource Group, Inc. and
she is authorized and empowered to sign this Consent to Entry of
Order on behalf of Mortgage Resource Group, Inc. and to bind Mortgage Resource
Group, Inc. to the terms hereof.





Signature of Notary Public
Notary Public for the State of: Oregon
My Commission expires: 12-18-02