DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
FINANCE SECTION
BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
STATE OF OREGON

In the Matter of	)	**ORDER NO. O-02-0032**
STOHR CAPITAL GROUP INC. DBA SOURCE FINANCIAL	)	**CEASE AND DESIST ORDER AND CONSENT TO IMPOSITION OF CIVIL PENALTIES**

To: Stohr Capital Group Inc. dba Source Financial
12515 Bel-Red Rd. Ste 103
Bellevue WA 98005

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Stohr Capital Group Inc. dba Source Financial, and determined that Stohr Capital Group Inc. dba Source Financial engaged in activities constituting violations of ORS 59.840 through 59.965 (hereinafter "the Oregon Mortgage Lender Law"); and

WHEREAS Stohr Capital Group Inc. dba Source Financial wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this order Stohr Capital Group Inc. dba Source Financial hereby **CONSENTS** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

051303-045-001-001-0500-0000390000

FINDINGS OF FACT

The Director **FINDS** that:

1. Stohr Capital Group Inc. dba Source Financial (hereinafter "Respondent"), incorporated in Delaware on May 30, 1998 engages in residential mortgage transactions in Oregon or on Oregon real property in expectation of compensation. Respondent has been continuously licensed to engage in Oregon residential mortgage transactions since August 5, 1998.

2. Brandt Stohr is the sole owner of Respondent.

3. On November 9, 2001, Respondent consented to the entry of Cease and Desist Order O-01-0048 with the Director regarding a violation of OAR 441-860-0070(1)(b) which occurred when Respondent failed to notify the Director within 30 days of the institution of license revocation proceedings regarding Respondent's mortgage lender license in the State of Georgia.

4. As of the Cease and Desist Order O-01-0048, Respondent was fined $1,000 but $900 of the fine was suspended for a three year period beginning on November 9, 2001 as long as Respondent did not violate any provision of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order, or policy issued by the Director.

5. Cease and Desist Order O-01-0048 further provided that if Respondent did violate any provision of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order, or policy issued by the Director within the three period beginning on November 8, 2001, the $900 suspended as part of the order would become immediately due and payable.

6. On April 25, 2002, the Arizona State Banking Department instituted procedures to revoke Respondent's mortgage banking license by providing notice of a hearing on the issue to the Respondent in the administrative action entitled "In the Matter of the Revocation of Mortgage Banker License of: Stohr Capital Group, Inc. dba Source Financial by Stohr Capital Group, Inc. and Brandt C. Stohr, President."

7. Respondent did not provide notice to the Director of the institution of license revocation procedures against Respondent by the Arizona State Banking Department within 30 days of the commencement of the proceedings.

8. On August 23, 2002, the Idaho Department of Finance instituted procedures to revoke Respondent's mortgage banking license by serving Respondent with a Complaint for Revocation of Mortgage Broker/Banker License to the Respondent in the administrative action entitled "State of Idaho, Department of Finance, Consumer Finance Bureau vs. Stohr Capital Group, Inc. dba Source Financial, a Delaware corporation, 12515 Bel-Red Road, Suite 103 Bellevue, Washington 98005."

9. Respondent did not provide notice to the Director of the institution of license revocation procedures against Respondent by the Idaho Department of Finance within 30 days of the commencement of the proceedings.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that:

1. Respondent violated OAR 441-860-0070(1)(b) by failing to provide notice within 30 days of the institution of license revocation procedures against the licensee by the State of Arizona.

2. Respondent violated OAR 441-860-0070(1)(b) by failing to provide notice within 30 days of the institution of license revocation procedures against the licensee by the State of Idaho.

3. Respondent repeatedly violated OAR 441-860-0070(1)(b) by failing to provide notice within 30 days of the institution of license revocation procedures against Respondent by the State of Arizona and the State of Idaho after Respondent entered into Consent Order O-01-0048 which fined Respondent for a violation of OAR 441-860-0070(1)(b) for failure to notify the Director of the institution of license revocation

proceedings in the State of Georgia.

ORDER

The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that Stohr Capital Group Inc. dba Source Financial will **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 and any rule, order, or policy issued by the Director.

The Director, pursuant to ORS 59.996, hereby **ORDERS** Stohr Capital Group Inc. dba Source Financial to pay the State of Oregon a civil penalty of $6,000 and the $900 civil penalty suspended in consent order O-01-0048 for a total amount due of $6,900. The $6,000 new civil penalty imposed by this Order is based upon $2,000 for the violation of OAR 441-860-0070(1)(b) for failure to notify of the institution of revocation proceedings in the State of Arizona and $4,000 for the violation of OAR 441-860-0070(1)(b) for the failure to notify of the institution of license revocation proceedings in the State of Idaho.

The Director suspends payment of $3,000 of the assessed civil penalty for a three year period. If in the period between the date of the Order to three years from the date of the Order, Stohr Capital Group Inc. dba Source Financial violates any provision of the Oregon Mortgage Lender Law. OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by the Division, the suspended portion of the assessed civil penalty will become immediately due and payable. If Stohr Capital Group Inc. dba Source Financial does not violate the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 or any rule, order, or policy issued by the Division in three years from the date of the Order, the suspended portion of the civil penalty is waived.

The date of this order is the day the Director signs the order. The entry of this Order in no way limits further remedies which may be available to the Director under

Oregon law.

Dated this 21ST day of MAY, 2003.

CORY STREISINGER, DIRECTOR
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

by _____
FLOYD G. LANTER, ADMINISTRATOR
DIVISION OF FINANCE AND CORPORATE SECURITIES

CONSENT TO ENTRY OF ORDER

I, BRANDT STOHR, state that I am the PRESIDENT of Stohr Capital Group Inc. dba Source Financial, and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that Stohr Capital Group Inc. dba Source Financial admits the findings of fact herein, voluntarily consents to the entry of this Order without further hearing, expressly waiving any right to a hearing in this matter; that Stohr Capital Group Inc. dba Source Financial understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of Oregon Mortgage Lender Law; and that Stohr Capital Group Inc. dba Source Financial will fully comply with Oregon Mortgage Lender Law.

I understand that this Consent Order is a public document.

Dated this 9TH day of MAY, 2003.

By BRANDT STOHR PRESIDENT
(Office Held)

_____
(Signature)

CORPORATE ACKNOWLEDGMENT

There appeared before me this 9th day of May, 2003, Brandt Stohr, who was first duly sworn on oath, and stated that s/he was and is the President of Stohr Capital Group Inc. dba Source Financial and He is authorized and empowered to sign this Consent to Entry of Order on behalf of Stohr Capital Group Inc. dba Source Financial and to bind Stohr Capital Group Inc. dba Source Financial to the terms hereof.

Signature of Notary Public
Notary Public for the State of: Washington
My Commission expires: 8/19/06