STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
ENFORCEMENT SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of: **BRIDGEWATER RESIDENTIAL MORTGAGE, INC., a Utah Corporation,** **Respondent.**	**M-05-0027** **ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER**

WHEREAS the Director of the Department of Consumer and Business Services has conducted an investigation of certain business activities conducted by Bridgewater Residential Mortgage, Inc. and has determined that Bridgewater Residential Mortgage, Inc. operated an unlicensed branch office to conduct Oregon residential mortgage brokering activities in violation of the Oregon Mortgage Lender Law; and

WHEREAS Respondent Bridgewater Residential Mortgage, Inc. wishes to resolve and settle this matter with the **DIRECTOR**;

NOW THEREFORE, as evidenced by the authorized signature subscribed on this Order, Bridgewater Residential Mortgage, Inc. hereby **CONSENTS** to entry of this Order to Cease and Desist upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director **FINDS** that:

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1. Bridgewater Residential Mortgage, Inc. (hereinafter "the Respondent") is a Utah corporation formed on December 6, 2001 with a principal place of business located at 13997 So. Minuteman Dr. #250; Draper, Utah 84020.

2. On or about March 27, 2002, the Director licensed the Respondent to engage in Oregon residential mortgage transactions, assigning license number ML-2569 to the business. At that time, no Oregon branch offices were designated by the Respondent to the Director.

3. On or about June 2, 2003, the Respondent notified the Director that it intended to do business from one branch office in Oregon located at 840 Beltline Road #206; Springfield, Oregon 97477 under the assumed business name Alpine Mortgage of Eugene. On or about March 27, 2005, the Respondent notified the Director of the closing of the Springfield branch office and the opening of a new branch office location at 180 Melton; Creswell, Oregon 97426.

4. From June 22, 2004 through December 13, 2004, the Respondent engaged in residential mortgage loan transactions from an unlicensed branch office location at 2802 Elysium Drive; Eugene, Oregon 97401. During that period of time, the Respondent took approximately 279 residential mortgage loan applications for Oregon clients, closing 100 of them. Respondent registered this branch office location and it was licensed by the Director on December 23, 2004. On March 27, 2005, Respondent amended the registration of the branch office location to include the assumed business name Alpine Mortgage of Eugene.

5. On February 23, 2005, Timothy Spencer ("Spencer"), a Mortgage Lender Examiner, examined the Respondent's Elysium Street branch office location in Eugene, Oregon. In the course of his examination, Spencer identified a number of violations of the Oregon Mortgage Lender Law and administrative rules. Spencer's Examination Report is hereby adopted and incorporated by this reference. A copy of

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the report is attached to this Order as Exhibit A.

6. On February 24, 2005, Spencer examined the Respondent's Beltline Road branch office location in Springfield, Oregon. In the course of his examination, Spencer identified a number of violations of the Oregon Mortgage Lender Law and administrative rules. Spencer's Examination Report is hereby adopted and incorporated by this reference. A copy of the report is attached to this Order as Exhibit B.

CONCLUSIONS OF LAW

The Director **CONCLUDES** that the Respondent engaged in unlicensed residential mortgage loan activity in violation of ORS 59.845 (1), ORS 59.950 (2), and OAR 441-860-0030 by engaging in residential mortgage loan transactions from a branch office location prior to the licensing of that branch office location.

ORDER

1. The Director, pursuant to ORS 59.885 (4) hereby **ORDERS** that Respondent Bridgewater Residential Mortgage, Inc. will **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR 441-850-005 through 441-885-0010 and any rule, order or policy issued by the Division.

2. Pursuant to ORS 59.996, the Director hereby **ORDERS** Respondent Bridgewater Residential Mortgage, Inc. to pay the State of Oregon a civil penalty of $20,000 (twenty thousand dollars) for knowingly conducting a mortgage business at an unlicensed branch office in violation of ORS 59.845 (1), ORS 59.950 (2), and OAR 441-860-0030. Payment of $10,000 (ten thousand dollars) of the civil penalty is suspended so long as Respondent complies with all terms of this Order; **PROVIDED HOWEVER**, that the suspended civil penalty assessed by this Order will be immediately due and payable upon a determination by the Director that Respondent has violated any term of this Order or any provision of the Oregon Mortgage Lender

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Law, OAR 441-850-0005 through 441-885-0010, or any rule, order, or policy issued by the Division.

3. Respondent Bridgewater Residential Mortgage, Inc. agrees to pay the assessed portion of this penalty within thirty days of the date of this Order. Failure to pay the assessed penalty by that date is considered a violation of this Order and the suspended portion of the civil penalty will become immediately due and payable.

4. Respondent Bridgewater Residential Mortgage, Inc. agrees to perform all the corrective work noted in the Examination Reports of Timothy Spencer dated February 23, 2005 and February 24, 2005, attached to this Order as Exhibits A and B, respectively, no later than 5 p.m., Monday August 1, 2005. Failure to take the necessary corrective actions noted in the Examination Reports by that date will be considered a violation of this Order and the suspended portion of the civil penalty will become immediately due and payable.

5. Bridgewater Residential Mortgage, Inc. agrees to 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 within three years from the date of this Order. If Bridgewater Residential Mortgage, Inc. commits another violation of the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010, or any rule, order, or policy issued by the Division within three years from the date of this Order, that violation, in addition to being a violation of law, will be considered a violation of this Order and the suspended portion of the civil penalty will be immediately due and payable.

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

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7. The date of this Order is the day the Director signs the Order.

Dated this 7th day of June, 2005, at Salem, Oregon.

CORY STREISINGER, Director
Department of Consumer and Business Services

Floyd Lanter, Administrator
Division of Finance and Corporate Securities

CORPORATE CONSENT TO ENTRY OF ORDER
(for Bridgewater Residential Mortgage, Inc.)

I, Ross Eveson, state that I am an officer of Bridgewater Residential Mortgage, Inc. ("Bridgewater") 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 I and this entity have been advised of the right to a hearing and of the right to be represented by counsel in this matter; that Bridgewater, voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Bridgewater, makes no admission of liability with respect to the Findings of Fact in the foregoing Order; that Bridgewater, executes this Consent as a settlement of the matters referred to in the foregoing Order; that Bridgewater, 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 the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010, or any rule, order, or policy issued by the Division; and that Bridgewater will fully comply with the terms and conditions stated herein.

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Bridgewater understands that this Consent Order is a public document.

Dated this 2nd day of June, 2005.

By: _____
Ross Eveson

Operations V.P.
Office Held

CORPORATE ACKNOWLEDGMENT

There appeared before me this 2nd day of June, 2005, Ross Eveson, who was first duly sworn on oath, and stated that he was and is an officer of Bridgewater Residential Mortgage, Inc. ("Bridgewater"), that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Bridgewater, and to bind Bridgewater to the terms hereof.

_____
Signature of Notary

PAMELA PICKETT
Printed Name of Notary Public

Notary Public for the State of: UTAH

My commission expires: 10/10/2007

PAMELA M PICKETT
NOTARY PUBLIC • STATE of UTAH
11778 SOUTH ELECTION DRIVE STE 260
DRAPER UT 84020
MY COMMISSION EXPIRES: 10-10-2007

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