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5 **Ellis Li & McKinstry, PLLC**

**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**

6 **In the Matter of:**
7 **COMPUSEL, INC.**
8 **dba HOMESTEAD MORTGAGE,**
9
10 **Respondents.**

M-05-0058

**ORDER TO CEASE AND DESIST
ORDER ASSESSING CIVIL PENALTIES
and
CONSENT TO ENTRY OF ORDER**

11 **WHEREAS** the Director of the Department of Consumer and Business
12 Services (hereinafter, "Director") has conducted an investigation of certain business
13 activities conducted by Compusel, Inc. dba Homestead Mortgage and has determined
14 that Compusel, Inc. dba Homestead Mortgage engaged in residential mortgage
15 transactions in Oregon in violation of the Oregon Mortgage Lender Law;

16 **WHEREAS** Compusel, Inc. dba Homestead Mortgage wishes to resolve and settle this
17 matter with the **DIRECTOR**;

18 **NOW THEREFORE**, as evidenced by the authorized signatures subscribed on this
19 Order, Compusel, Inc. dba Homestead Mortgage hereby **CONSENTS** to entry of this Order to
20 Cease and Desist upon the Director's Findings of Fact and Conclusions of Law as stated
21 hereinafter.

22 **FINDINGS OF FACT**

23 The Director **FINDS** that:

24 1. Compusel, Inc. dba Homestead Mortgage (hereinafter, "Compusel") is a mortgage
25 broker with a principal place of business located at 11411 NE 124th Street, Suite 118, Kirkland,
26 Washington, 98034. Compusel is licensed as Homestead Mortgage, Inc. with the Washington

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 State Department of Financial Institutions. The Washington mortgage broker license number for
2 Homestead Mortgage, Inc. is #19227.

3 2. William Duffy (hereinafter, "Duffy") is the president and owner of Compusel.

4 3. Between July 2001 and February 2005, Compusel accepted and processed loan
5 applications for at least eleven residential loans involving real property located in Oregon.
6 Compusel, for compensation or in the expectation of compensation, either directly or indirectly
7 made, negotiated, or offered to make or negotiate mortgage loans for the following borrowers
8 who filed residential loan applications with Compusel: J [REDACTED] M [REDACTED]; D [REDACTED] and C [REDACTED] R [REDACTED];
9 K [REDACTED] B [REDACTED]; C [REDACTED] K [REDACTED]; M [REDACTED] W [REDACTED]; D [REDACTED] H [REDACTED]; Z [REDACTED] M [REDACTED]; T [REDACTED]
10 P [REDACTED] and G [REDACTED] C [REDACTED]. The borrowers applied to purchase real property in the following
11 Oregon locations: Canby, Hillsboro, Grants Pass, Boring, and Beaverton.

12 4. At all times material hereto, Compusel was not licensed as a mortgage banker or
13 mortgage broker in the State of Oregon.

14
15 **CONCLUSIONS OF LAW**

16 The Director **CONCLUDES** that:

17 1. Between July 2001 and February 2005, Compusel, Inc. dba Homestead Mortgage
18 engaged in residential mortgage transactions in Oregon as a mortgage broker without a license,
19 in violation of ORS 59.845.

20
21 **ORDER**

22 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

23 1. The Director, pursuant to ORS 59.885(4), hereby **ORDERS** that Compusel, Inc. dba
24 Homestead Mortgage or under any other name, through any other subdivision or organizational
25 entity, will **CEASE AND DESIST** from engaging in residential mortgage transactions in
26 Oregon as a mortgage broker without a license, in violation of ORS 59.845.

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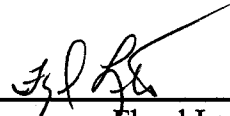


1 2. Pursuant to the authority of ORS 59.996(1), the DIRECTOR hereby ASSESSES
2 a CIVIL PENALTY in the amount of \$6,500 (six thousand five hundred dollars) against
3 Respondent Compusel, Inc. dba Homestead Mortgage, for violating ORS 59.845. The Director
4 will SUSPEND \$1,500 (one thousand, five hundred dollars) of the civil penalty so long as
5 Compusel, Inc. dba Homestead Mortgage complies with all terms of this Order; PROVIDED
6 HOWEVER, that the suspended portion of the civil penalty shall be immediately due and
7 payable upon a determination by the Director that Compusel, Inc. dba Homestead Mortgage has
8 violated any term of this Order, or any provision of the Oregon Mortgage Lender Law.
9 Respondent Compusel, Inc. dba Homestead Mortgage will pay \$5,000 (five thousand dollars) of
10 the civil penalty at the time of execution of this Order.

11 The entry of this Order in no way limits further remedies which may be available to the
12 Director under Oregon law upon discovery of additional information or violation.

13 Dated this 22nd day of September, 2005, at Salem, Oregon.

CORY STREISINGER, Director
Department of Consumer and Business Services



Floyd Lanter, Administrator
Division of Finance and Corporate Securities

19 APPROVED AS TO FORM:

20 

Kyle Netterfield
Attorney for Respondent

Dated: 9/9/05

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1 **CONSENT TO ENTRY OF ORDER**

2 I, William Duffy, state that I am a resident of the State of Washington, that I have
3 read the foregoing Order and that I know and fully understand the contents hereof; that the
4 factual allegations stated herein are true and correct; that I have been advised of my right to a
5 hearing, and that I have been represented by counsel in this matter; that I voluntarily consent to
6 the entry of this Order without any force or duress, expressly waiving any right to a hearing in
7 this matter; that I understand that the Director reserves the right to take further actions against me
8 to enforce this Order or to take appropriate action upon discovery of other violations of the
9 Oregon Mortgage Lender Law by me; and that I will fully comply with the terms and conditions
10 stated herein.

11 I further assure the Director that I will not engage in the activities of mortgage banker or
12 mortgage broker unless such activities are in full compliance with Chapter 59 of the Oregon
13 Revised Statutes.

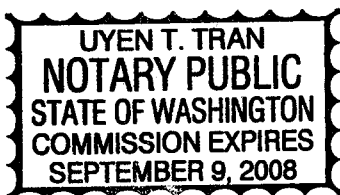
14 I understand that this Consent Order is a public document.

15 Dated this 15th day of SEPTEMBER, 2005.

16
17 William J. Duffy
18 William Duffy

19
20 SUBSCRIBED AND SWORN to before me this 15th day of September, 2005.

21 UYEN T. TRAN
22 (Printed Name of Notary Public)
23 Notary Public



24 for the State of: WASHINGTON
25 My commission expires: 9/9/2008

26 // // // //
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1 **CORPORATE CONSENT TO ENTRY OF ORDER**

2 for William Duffy on behalf of Compusel, Inc. dba Homestead Mortgage

3 I, William Duffy, state that I am an officer of Compusel, Inc. dba Homestead Mortgage,
4 and I am authorized to act on its behalf; that I have read the foregoing Order and that I know and
5 fully understand the contents hereof; that I and this entity have been advised of the right to a
6 hearing and of the right to be represented by counsel in this matter; that Compusel, Inc. dba
7 Homestead Mortgage, voluntarily and without any force or duress, consents to the entry of this
8 Order, expressly waiving any right to a hearing in this matter; that Compusel, Inc. dba
9 Homestead Mortgage understands that the Director reserves the right to take further actions to
10 enforce this Order or to take appropriate action upon discovery of other violations of the Oregon
11 Mortgage Lender Law; and that Compusel, Inc. dba Homestead Mortgage will fully comply with
12 the terms and conditions stated herein.

13 Compusel, Inc. dba Homestead Mortgage further assures the Director that neither
14 Compusel, Inc. dba Homestead Mortgage, nor its officers, directors, employees or agents will
15 engage in residential mortgage transactions in Oregon unless such activities are in full
16 compliance with Chapter 59 of the Oregon Revised Statutes.

17 Compusel, Inc. dba Homestead Mortgage understands that this Consent Order is a public
18 document.

19 Dated this 15TH day of SEPTEMBER 2005.

20
21 By William J. Duffy
22 William Duffy
23 President
(Office Held)

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25 / / / / /
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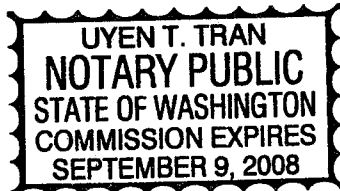
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CORPORATE ACKNOWLEDGMENT

There appeared before me this 15th day of September, 2005, William Duffy, who was first duly sworn on oath, and stated that he was and is president of Compusel, Inc. dba Homestead Mortgage and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Compusel, Inc. dba Homestead Mortgage. and to bind Compusel, Inc. dba Homestead Mortgage to the terms hereof.

William J. Duffy
(Individual)



UYEN T. TRAN
(Printed Name of Notary Public)
Notary Public
for the State of: WASHINGTON
My commission expires: 9/9/2008

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