

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

5 In the Matter of:

M-05-0071

6 Lunceford and LaCoste Investments,  
7 LLC dba Property Options,

ORDER TO CEASE AND DESIST  
ORDER ASSESSING CIVIL PENALTIES

8 Respondent.

And

9 CONSENT TO ENTRY OF ORDER

10 WHEREAS the Director of the Department of Consumer and Business Services  
11 for the State of Oregon (hereinafter "the Director") conducted an investigation of  
12 Lunceford and LaCoste Investments, LLC dba Property Options and determined that  
13 Lunceford and LaCoste Investments, LLC dba Property Options engaged in activities  
14 constituting violations of ORS 59.840 through 59.965 (hereinafter cited as the Oregon  
15 Mortgage Lender Law); and

16 WHEREAS Lunceford and LaCoste Investments, LLC dba Property Options,  
17 wishes to resolve and settle this matter with the Director,

18 NOW THEREFORE, as evidenced by the authorized signature subscribed on  
19 this order, Lunceford and LaCoste Investments, LLC dba Property Options hereby  
20 CONSENTS to entry of this order upon the Director's Findings of Fact and Conclusions  
21 of Law as stated hereinafter:

22 FINDINGS OF FACT

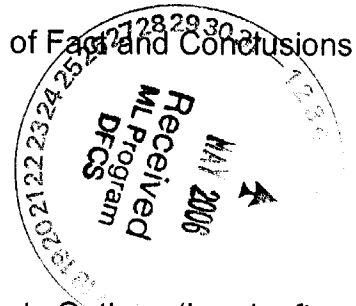
23 The Director FINDS that:

- 24 1. Lunceford and LaCoste Investments, LLC dba Property Options (hereinafter  
25 "Respondent") is an Oregon limited liability company formed on October 24, 2000.

26 RECEIVED

MAY - 5 2006

DCBS CASHIERING





1 Timothy A. Lunceford is the manager of Respondent. Respondent is located at 315  
2 Lyon Street SE in Albany, Oregon 97321.

3 2. At all times relevant herein, Respondent was not licensed by the Director to  
4 engage in Oregon residential mortgage transactions.

5 3. On or about March 3, 2003, the Director became aware that Respondent  
6 might have been engaging in Oregon residential mortgage transactions even though  
7 the Director had not issued a license to Respondent to do so.

8 4. On March 3, 2003, the Director sent a letter to Respondent requesting  
9 information about any Oregon residential mortgage transactions conducted by  
10 Respondent.

11 5. In response to the March 3, 2003 letter, Respondent indicated through its  
12 attorney Joe McDonald in a letter dated March 13, 2003 that "there were a handful of  
13 transactions that the company was involved in which would be 'residential mortgage  
14 transactions' but were not recognized as such by [Respondent]."

15 6. In the same letter, Joe McDonald also wrote that he had advised Timothy A.  
16 Lunceford regarding the Oregon definition of residential mortgage transactions and  
17 "neither [Lunceford] nor Lunceford & LaCosta [sic] Investments, LLC will engage in any  
18 residential mortgage transactions unless and until properly licensed in accordance with  
19 Oregon law."

20 7. On April 10, 2003, Joe McDonald, on behalf of Respondent, provided the  
21 Director with a list of seventeen Oregon residential mortgage transactions originated by  
22 Respondent between October 19, 2001 and February 19, 2003.

23 8. Owners of Respondent were able to lawfully originate Oregon residential  
24 mortgage loans under a valid Oregon residential mortgage license at all times relevant  
25 herein but originated the loans in question under Respondent as a result of a mistaken  
26 understanding of the definition of Oregon residential mortgage loan.

1 9. Since February 19, 2003, Respondent has not engaged in residential  
2 mortgage transactions.

3 **CONCLUSIONS OF LAW**

4 The Director **CONCLUDES** that:

5 1. Respondent violated ORS 59.845(1) by originating seventeen Oregon residential  
6 mortgage loans between October 19, 2001 and February 19, 2003 without a license.

7 **ORDER**

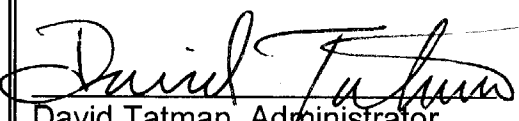
8 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Respondent will  
9 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law,  
10 OAR 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the  
11 Division.

12 The Director, pursuant to ORS 59.996 hereby **ORDERS** Respondent to pay the  
13 State of Oregon a civil penalty of \$5,000 for the violation of ORS 59.845(1).

14 The date of this Order is the day the Director or Director's nominee signs the  
15 Order. This Order contains the entire civil penalty that is to be ordered by the Director  
16 as a result of the violations contained herein. The entry of this Order in no way limits  
17 further remedies which may be available to the Director under Oregon law for violations  
18 based upon facts not contained herein or to enforce this Order.

19 Dated this 10<sup>th</sup> day of MAY, 2006, at Salem, Oregon.

20  
21 CORY STREISINGER, Director  
22 Department of Consumer and Business Services

23   
24 David Tatman, Administrator  
25 Division of Finance and Corporate Securities  
26

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4140



1 APPROVED AS TO FORM:

2 Joseph D. McDonald  
3 Joseph D. McDonald  
4 Attorney for Respondent

Dated: May 4, 2006

4 **CORPORATE CONSENT TO ENTRY OF ORDER**

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

15 Respondent further assures the Director that neither Respondent, nor its officers,  
16 directors, employees or agents will effect mortgage transactions in Oregon unless such  
17 activities are in full compliance with Chapter 59 of the Oregon Revised Statutes.

18 Respondent understands that this Consent Order is a public document.

19 Dated this and day of May, 2006.

20  
21 By Timothy A. Lunceford  
(Signature of officer)

22 Managing Member  
(Office Held)

23 **CORPORATE ACKNOWLEDGMENT**

24 There appeared before me this and day of May, 2006,

25 Timothy A. Lunceford, who was first duly sworn on oath, and stated that he was  
26

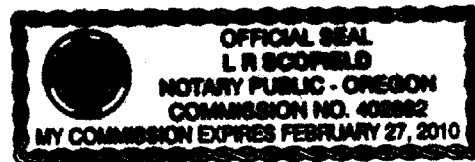
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1 and is Managing Member of Respondent and that he is authorized and empowered to  
2 sign this Consent to Entry of Order on behalf of Respondent, and to bind Respondent to  
3 the terms hereof.

4  
5 LR Scofield  
6 (Individual)

7 LR Scofield  
8 (Printed Name of Notary Public)  
9 Notary Public  
10 for the State of: Oregon  
11 My commission expires: 02-27-2010



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22  
23  
24  
25  
26

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