

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

4 In the Matter of: ) M-08-0036  
5 Oceanfront Mortgage, Inc., ) FINAL ORDER TO CEASE AND  
6 Respondent. ) DESIST, ASSESSING CIVIL  
7 ) PENALTIES  
8 ) ENTERED BY DEFAULT

9 On October 30, 2008 the Director of the Department of Consumer and Business  
10 Services (the "Director") acting by the authority of Oregon Revised Statutes ("ORS")  
11 Chapter 59.840 et seq. (the "Oregon Mortgage Lender Law"), issued Administrative  
12 Order M-08-0036, ORDER TO CEASE AND DESIST, ASSESSING CIVIL PENALTIES  
13 AND NOTICE OF RIGHT TO HEARING (the "Proposed Order") against Oceanfront  
14 Mortgage, Inc. (the "Respondent").

15 On or about November 3, 2008 Respondent was mailed true copies of the  
16 Proposed Order by regular, first-class mail and by certified mail, postage prepaid, return  
17 receipt requested, and addressed to: Oceanfront Mortgage, Inc. 4411 Morena Blvd.  
18 Ste. 280, San Diego CA 92117; Oceanfront Mortgage Inc. 4901 Morena Blvd. Ste 202,  
19 San Diego CA 92117; and Oceanfront Mortgage, Inc. 11455 El Camino Real Ste. 120,  
20 San Diego, CA 92130. Respondent received and signed for the certified mailing to  
21 11455 El Camino Real, Ste. 120, San Diego, CA 92130 on November 6, 2008.

22 Respondent has not made a written request for a contested case hearing in this  
23 matter and the time to do so has expired.

24 NOW THEREFORE, after consideration of the Division's investigative file and  
25 related documents, the Director hereby issues the following Findings of Fact,  
26 Conclusions of Law, and Final Order.



## FINDINGS OF FACT

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The Director **FINDS** that:

1. Respondent is a California corporation formed on April 13, 1998. Respondent's principal place of business is 11455 El Camino Real Ste. 120 San Diego, CA 92130.

2. Respondent was licensed by the Division of Finance and Corporate Securities (the "Division") as a mortgage banker / broker beginning on August 31, 1998.

Respondent's license was cancelled on November 6, 2003 because they failed to renew it. Respondent has not been licensed as an Oregon mortgage banker / broker since November 6, 2003.

3. On March 23, 2006 the Division received a letter from a consumer containing a copy of an advertisement soliciting residential mortgage applications placed by Respondent in a Portland, Oregon based newspaper of general circulation.

4. On March 28, 2006 a Division Examiner placed a call to the phone number listed in the advertisement. The phone was answered "The Mortgage Office."

5. On March 29, 2006 the Division Examiner traced the advertisement to Oceanfront Mortgage, Inc., a business with a San Diego area code.

6. On August 6, 2008 a Division Examiner sent a letter directing Respondent to cease and desist from transacting in Oregon residential mortgages without a license and requesting that Respondent provide a list of all applications taken for Oregon residential mortgage transactions. The Division has not received a response.

7. On August 27, 2008 a Division Examiner called the phone number listed on the advertisement and received a recording stating that the customer called is unavailable.

8. On or about November 7, 2008 Lance Nowak ("Nowak"), owner of Respondent, called Division Enforcement Officer Chris Fowler ("Enforcement Officer Fowler") disputing the contents of the Proposed Order. On or about November 7, 2008 Nowak sent the Division a letter again disputing the contents of the Proposed Order, which did

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



1 not contain a request for a hearing. On or about November 14, 2008 Enforcement  
2 Officer Fowler responded by collecting the evidence assembled against Respondent  
3 and leaving a voicemail on the number Nowak provided offering to send Nowak and  
4 Respondent copies of the evidence assembled against Respondent. That voicemail  
5 message was not returned.

## 6 CONCLUSIONS OF LAW

7 The Director **CONCLUDES** that:

8 1. Soliciting residential mortgage applications from Oregon consumers constitutes  
9 engaging in or attempting to engage in Oregon residential mortgage transactions  
10 pursuant to ORS 59.845(2).

11 2. Respondent violated ORS 59.845(1) by engaging in or attempting to engage in  
12 Oregon residential mortgage brokering activity without a license when Respondent  
13 solicited residential mortgage applications from Oregon consumers by placing an  
14 advertisement in an Oregon based newspaper of general circulation.

## 15 ORDER

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

17 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Respondent,  
18 including any assignees or successor business(es) or corporation(s), will **CEASE AND**  
19 **DESIST** from violating any provision of Oregon Mortgage Lender Law, OAR 441-850-  
20 0005 through 441-885-0010 and any rule, order or policy issued by the Division,  
21 specifically including but not limited to engaging in Oregon residential mortgage  
22 transactions without a license as prohibited by ORS 59.845(1); **AND**

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

25 The date of this Order is the day the Director or the Director's nominee signs the  
26 Order. The entry of this Order in no way limits further remedies which may be available

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1 to the Director under Oregon law.

2 Dated this 28<sup>th</sup> day of November, 2008, at Salem, Oregon.

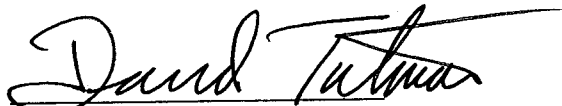
3 NUNC PRO TUNC October 30, 2008.

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5 CORY STREISINGER, Director  
6 Department of Consumer and Business Services

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David Tatman, Administrator  
9 Division of Finance and Corporate Securities

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11 **NOTICE OF APPEAL RIGHTS**

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12 You are entitled to seek judicial review of this Final Order. Judicial review may be  
13 obtained by filing a petition for review with the Oregon Court of Appeals in Salem,  
14 Oregon within sixty (60) days from the date of service of this Final Order. Judicial  
15 review is pursuant to the provisions of **ORS 183.482**.

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