

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-08-0037

5 Randall Mortgage Services of America )

FINAL ORDER TO CEASE AND  
DESIST, ASSESSING CIVIL  
PENALTIES,  
ENTERED BY DEFAULT

6 LLC, )

7 )

8 Respondent. )

9 )

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10 On October 30, 2008 the Director of the Department of Consumer and Business  
11 Services (the "Director") acting by the authority of Oregon Revised Statutes ("ORS")  
12 Chapter 59.840 et seq. (the "Oregon Mortgage Lender Law"), issued Administrative  
13 Order M-08-0037, ORDER TO CEASE AND DESIST, ASSESSING CIVIL PENALTIES  
14 AND NOTICE OF RIGHT TO HEARING (the "Proposed Order") against Randall  
15 Mortgage Services of America, LLC (the "Respondent").

16 On or about November 3, 2008 Respondent was mailed true copies of the  
17 Proposed Order by regular, first-class mail and by certified mail, postage prepaid, return  
18 receipt requested, and addressed to: Randall Mortgage Services of America LLC, 9299  
19 Concord Rd, Powell, OH 43065; and Randall Mortgage Services of America LLC, 3800  
20 N. Central Ave. Suite 1100, Phoenix, AZ 85012.

21 Neither the certified mailings nor the regular mailing were returned as  
22 undeliverable. On or about November 10, 2008 an agent of Respondent contacted a  
23 Division Enforcement Officer confirming receipt of the Proposed Order.

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

26 NOW THEREFORE, after consideration of the Division's investigative file and



1 related documents, the Director hereby issues the following Findings of Fact,  
2 Conclusions of Law, and Final Order.

### 3 FINDINGS OF FACT

4 The Director **FINDS** that:

5 1. Respondent was a large national lender in the business of brokering residential  
6 mortgage transactions, with offices located across the United States, including an office  
7 located at 3800 N. Central Ave., Suite 1100, Phoenix, AZ 85012.

8 2. Respondent was originally registered as a limited liability company in the State of  
9 Ohio on February 1, 2005 but is no longer an active entity. Respondent is not  
10 registered as a limited liability company or any other form of business entity in Oregon.

11 3. At all times relevant herein, Respondent did not have a license to engage in  
12 Oregon residential mortgage transactions.

13 4. On or about May 3, 2007 Paul Harrison ("Harrison"), a loan originator in  
14 Respondent's Phoenix office, sent Tom Kiersky ("Kiersky"), an appraiser located in  
15 Corvallis, Oregon, a request for a "pre-comp", or in other words pre-appraisal valuation  
16 or range of valuations (the "Pre-Comp Request") on a residential property located in  
17 Corvallis, Oregon.

18 5. Pre-appraisal valuations or ranges of valuations on property, of the type in the  
19 Pre-Comp Request, violate the ethical standards applicable to appraisers, the Uniform  
20 Standards of Professional Appraisal Practice.

21 6. Ordering or arranging for an independent appraisal of subject property in aid of  
22 securing an approved mortgage loan is typically part of loan- originating, loan-brokering  
23 and mortgage lending activity.

24 7. On May 10, 2007 the Division of Finance and Corporate Securities (the  
25 "Division") received a letter from Karen Turnbow of the Oregon Appraiser Certification  
26 and Licensure Board (ACLB) complaining that Harrison, on behalf of Respondent, had

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



1 sent the Pre-Comp Request to Oregon based appraiser Kiersky.

2 8. On June 19, 2007 Division Examiner Tim Spencer sent a letter, by regular mail,  
3 directing Respondent to cease and desist originating loans in Oregon until the company  
4 obtained a license and requesting a list of all applications taken for Oregon residential  
5 mortgage transactions. The Division has not received a response.

6 9. On July 22, 2008 Division Examiner Mindy Landing sent a letter, by certified mail,  
7 directing Respondent to cease and desist originating loans in Oregon until the company  
8 obtained a license and requesting a list of all applications taken for Oregon residential  
9 mortgage transactions. The certified mail card was returned to the Division without a  
10 signature. The Division has not received any response other than the unsigned certified  
11 mail card.

#### 12 CONCLUSIONS OF LAW

13 The Director **CONCLUDES** that:

14 1. Securing or attempting to secure a valuation or range of valuations from an  
15 appraiser on Oregon property in order to make or attempt to make a loan on property  
16 located in Oregon constitutes engaging in Oregon residential mortgage transactions  
17 pursuant to ORS 59.845(2).

18 2. Respondent violated ORS 59.845(1) by engaging or attempting to engage in  
19 Oregon residential mortgage-brokering activity without a license when Respondent  
20 attempted to secure a valuation or range of valuation of an Oregon residential property  
21 that would be used to obtain an Oregon residential mortgage loan.

22 3. Respondent violated ORS 59.930 by engaging in the unfair and unethical  
23 practice of attempting to obtain a pre-appraisal valuation or range of valuation for a  
24 property.

#### 25 ORDER

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



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

7 The Director, pursuant to ORS 59.996, hereby **ORDERS** Respondent to pay the  
8 State of Oregon a civil penalty of **\$5,000** for violating ORS 59.845(1) and **\$5,000** for  
9 violating ORS 59.930.

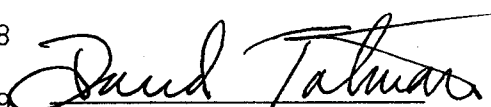
10 The date of this Order is the day the Director or the Director's nominee signs the  
11 Order. The entry of this Order in no way limits further remedies which may be available  
12 to the Director under Oregon law.

13 Dated this 25<sup>th</sup> day of November, 2008, at Salem, Oregon.

14 NUNC PRO TUNC October 30, 2008.

15

16 CORY STREISINGER, Director  
17 Department of Consumer and Business Services

18   
19 David Tatman, Administrator  
20 Division of Finance and Corporate Securities

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22 **NOTICE OF APPEAL RIGHTS**

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