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

BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES

In the Matter of: Commerce Home Mortgage, Inc., NMLS# 1839 Respondent.	M-15-0107 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Commerce Home Mortgage, Inc. (hereinafter "CHM") and determined that CHM violated a provision of ORS 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter cited as the "Oregon Mortgage Lender Law"); and

WHEREAS CHM wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this order, CHM hereby CONSENTS to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

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

I. FINDINGS OF FACT

The Director FINDS that:

1. CHM is a California corporation with a principal place of business located 3130 Crow Canyon Place, Suite 300, San Ramon, California 94583.

2. CHM has been licensed with the Oregon Division of Finance and Corporate Securities (hereinafter the "Division") as a mortgage broker since June 22, 2006.

3. The Division began an off-site examination of CHM on April 17, 2015.

4. Among other things, the examination revealed that an individual (hereinafter "DN") engaged in loan originator activity on behalf of CHM before the Division had approved CHM's request to sponsor DN's license.

5. In order to be eligible to originate loans, a loan originator must have both an active license and approved sponsorship.

6. DN received an Oregon loan originator license on February 17, 2012.

7. CHM established a relationship with DN and requested sponsorship of his license on July 28, 2014 in NMLS.

8. On that same day, the Division placed a deficiency on CHM's license notifying that there was a problem with the request as filed.

9. On November 24, 2014, CHM addressed the deficiency, and the Division approved the sponsorship request for DN's license.

10. DN took a loan application for an Oregon borrower dated November 24, 2014, but on at least three occasions prior to that date, DN communicated with the borrower regarding applicable interest rates and loan terms and offered three loan scenarios as available mortgage options.

II. CONCLUSIONS OF LAW

The Director CONCLUDES that:

1. DN acted as a loan originator under ORS 86A.200(4)(a)(B) prior to November 24, 2014 by communicating with a borrower regarding applicable interest rates and loan terms that would be available to the borrower for an Oregon loan.

2. By allowing DN to act as a loan originator for CHM before the Division had accepted the sponsorship request for his license, CHM violated OAR 441-880-0315(2).

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ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

The Director, pursuant to ORS 86A.127, hereby orders CHM to cease and desist from violating the Oregon Mortgage Lender Law. The Director, pursuant to ORS 86A.127, hereby orders CHM to cease and desist from violating the Oregon Mortgage Lender Law.

The Director, pursuant to ORS 86A.992, may assess civil penalties of up to $5,000 per violation of the Oregon Mortgage Lender Law. The Director, pursuant to ORS 86A.992, hereby ORDERS CHM to pay a civil penalty of $2,000 for the violation of OAR 441-880-0315(2).

The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law. Signed this 21st day of December 2015

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

ENTITY CONSENT TO ENTRY OF ORDER

I, Scott Simonich, state that I am an officer of CHM and I am authorized to act on its behalf. I have read the foregoing order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. CHM voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. CHM 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. CHM will fully comply with the terms and conditions stated herein.

CHM further assures the Director that neither CHM nor its officers, directors,

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employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. CHM understands that this Consent Order is a public document.

Dated this 8th of September 2015.

By /s/ Scott Simonich

President

Office Held

ENTITY ACKNOWLEDGMENT

There appeared before me this 8th day of September, 2015, Scott Simonich, who was first duly sworn on oath, and stated that he was and is an officer of CHM and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of CHM and to bind CHM to the terms hereof.

/s/ Donna Marie Smith Rodriguez

Notary Public for the State of: California

My commission expires: 1/31/17

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