STATE OF OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES DIVISION OF FINANCE AND CORPORATE SECURITIES BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of:

Willamette Falls Financial, LLC NMLS-264970, ML-3866,

M-15-0094

Final Order to Cease and Desist and Order Assessing Civil Penalties Entered by Default

Respondent.

On July 27, 2015, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting pursuant its authority granted in Oregon Revised Statutes ("ORS") 86A.100 *et seq.*, and Oregon Administrative Rules ("OAR") 441-850-0005 through 441-885-0010 (collectively "Oregon Mortgage Lender Law") issued Administrative Order No. DM-15-0094 Order to Cease and Desist, Proposed Order Assessing Civil Penalty and Notice of Right to a Hearing to Willamette Falls Financial, LLC ("Respondent or Willamette").

On July 30, 2015, Respondent was served a true copy of the Order by certified and first class U.S. mail at 4800 SW Meadows Rd, Ste. 300, Lake Oswego, OR 97035.

Respondent has not made a written request for a contested case hearing on this matter and the time to make such request has expired.

FINDINGS OF FACT

The Director FINDS that:

1. Willamette is an Oregon Limited Liability Company with a principle place of business located at 4800 SW Meadows Road, Lake Oswego, OR 97035.

Page 1 of 4 - Willamette Falls Financial, LLC-M-15-0094-Final Order to Cease and Desist, Order Assessing Civil Penalties Entered by Default

- Willamette first obtained an Oregon mortgage lender license from the
 Division of Finance and Corporate Securities (Division), on March 15, 2010 and was issued
 license No. ML-3866.
- 3. In 2011 the Nationwide Mortgage Licensing System (NMLS) released its mortgage call report (MCR) functionality. The MCR is comprised of individual reports of activity by state, called Residential Mortgage Loan Activity reports (RMLA) that are compiled and submitted by the company through NMLS on a quarterly basis for each state in which the company does business or sponsors a mortgage loan originator license.
- 4. The MCR functionality was developed to provide entities licensed as mortgage lenders the ability to submit quarterly activity reports. Licensed mortgage lenders must submit MCR and RMLA reports through the NMLS system within 45 days of the end of the quarter.
- 5. The NMLS online resource center provides the following MCR/RMLA submission deadlines: (1) Quarter one (Q1) January 1 through March 31 due May 15; (2) Quarter two (Q2) April 1 through June 30, due August 14; (3) Quarter three (Q3) July 1 through September 30, due November 14; and (4) Quarter four (Q4) October 1 through December 31, due February 14.
 - 6. The Q1 report for 2015 was due by May 15, 2015.
- 7. The compliance campaign for 2015 MCRs began on May 1, 2015. As Willamette had not filed the 2015 Q1MCR by May 1, 2015, the Division sent an e-mail to Willamette's e-mail address of record notifying Willamette of the up-coming deadline.
- 8. The e-mail was sent to <u>paul@willamettefallsfinancial.com</u> which is listed as the e-mail address of record.
- 9. Because the company missed the May 15, 2015 deadline, NMLS automatically placed a deficiency on Willamette's license on May 16, 2015 notifying Willamette of the obligation to file the 2015 Q1 MCR.

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10. On May, 18 2015, the Division reviewed the company's records and found that th
company still had not filed the Q1 2015 report. The Division then verified that the company
had a license during the first quarter of 2015 and that the company had employed at least one
licensed loan originator during the same time period.

- 11. The Division sent at letter to Willamette on May18, 2015 notifying Willamette of the filing requirement and informing the company that if it did not file the report by June 18, 2015, the matter would be referred for enforcement action and a civil penalty assessed. In addition, the letter explained that the report needed to be filed even if the company did no Oregon loans for the first quarter or 2015.
- 12. As of the date of this Order, Willamette has not filed its Q1 MCR report for its Q1 2015 activity.

CONCLUSIONS OF LAW

The Director concludes that:

1. Willamette violated ORS 86A.239(2) and OAR 441-865-0025 by failing to file the Q1 2015 MCR report for Oregon, including the RMLA for Oregon, in NMLS by May 15, 2015.

ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

- 1. The Director, pursuant to ORS 86A.127, hereby orders Willamette to Cease and Desist from violating Oregon's Mortgage Lender Law.
- The Director, pursuant to ORS 86A.992 may assess civil penalties of up to
 \$5,000 per violation for each separate instance of violation, up to a maximum of \$20,000 for a continuing violation.
- 3. The Director, pursuant to ORS 86A.992(2), hereby orders Willamette Services LLC to pay a civil penalty of \$5,000 for the violation of ORS 86A.239 and OAR 441-865-0025.

1	4. The entry of this Order does not limit further remedies that may be available to						
2	the Director under Oregon law.						
3	Dated t	this _	25th	_day of	August	, 2015 at Salem, Oregon.	
4				PATRICK	M. ALLEN, Di	rector	
5	Department of Consumer and Business Services						
6				/s/ David T	otmon		
7	/s/ David Tatman David C. Tatman, Administrator						
8				Division of	Finance and Co	orporate Securities	
9							
10	NOTICE: You are entitled to judicial review of this Order. Judicial review may be obtained b						
11	filing a petition with the Court of Appeals in Salem, Oregon within 60 days from the service of						
12	this order.						
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