STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: Barbara Jean Hart (NMLS ID# 331462), Respondent.	Case No. M-16-0034 Order Granting Conditional Mortgage Loan Originator License and Consent to Entry of Order

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon ("Director") conducted an investigation into the fitness of Barbara Jean Hart (hereinafter "Hart" or "Respondent") to obtain a mortgage loan originator license under Oregon Revised Statutes (ORS) 86A.200 to 86A.239 and Oregon Administrative Rules (OAR) 441-850-0005 through 441-885-0010 (hereinafter collectively referred to as "Oregon Loan Originator Law");

WHEREAS the Director has determined that the public interest is served by issuing a conditional mortgage loan originator license to Hart pursuant to ORS 86A.224(1)(b);

WHEREAS Hart wishes to resolve her application for licensure expeditiously and in full cooperation with the Director, she agrees to enter into a consent agreement and order ("Order") for conditional licensure as a mortgage loan originator pursuant to ORS 86A.200 to 86A.239;

NOW THEREFORE, the Director **GRANTS** a conditional mortgage loan originator license to Hart subject to continuously meeting the requirements to maintain the license. Hart **CONSENTS** to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

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I. FINDINGS OF FACT

The Director FINDS that:

1. Respondent, NMLS ID Number 331462, applied for an Oregon mortgage loan originator license on January 21, 2016, by completing an application ("Application") through the Nationwide Mortgage Licensing System ("NMLS").

2. Respondent's Application, among other things, contained a "yes" answer to disclosure question A-1 that asks "Have you filed a personal bankruptcy petition or been the subject of an involuntary bankruptcy petition within the past 10 years?"

3. Respondent disclosed that, like many others, the mortgage meltdown affected her income. As a result of her changed circumstances, her family needed to file for bankruptcy protection and was granted a discharged on July 12, 2011 under Chapter 7 in February 2011 in case 10-54869 ASW 7 in the United States Bankruptcy Court for the Northern District of California (2011 discharge).

4. After the bankruptcy, Respondent worked to improve her financial situation, but still struggled with the arrearages on the mortgage that remained after the 2011 bankruptcy. In order to fully address the situation, she filed for bankruptcy protection under Chapter 13 in case number 12-57753 ASW filed with the United States Bankruptcy Court for the Northern District of California (2012 filing) to put in place a plan to address the mortgage arrearage. However, that bankruptcy petition was dismissed on December 12, 2013 due a technical limit on the amount of secured debt a party may have.

5. When the limit that prevented the previous filing from being approved changed, Respondent subsequently refiled for bankruptcy under Chapter 13 in 2014 in case 14-50314-SLJ in the United States Bankruptcy Court for the Northern District of California, San Jose Division, (2014 filing) again to save the home from foreclosure as she had no other debt. Ms. Hart was able to sell the home and pay off the mortgage debt. With no other debt, the bankruptcy was properly dismissed.

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6. Ms. Hart did not disclose the 2012 filing on her January 21, 2015 application. She reports that she simply misunderstood the question and she immediately corrected the oversight the following day.

II. CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Respondent has failed to demonstrate the financial responsibility, character, and general fitness to command the confidence of the community warranting a determination that Respondent will operate honestly, fairly, and efficiently as required under ORS 86A.212(1)(d) and OAR 441-880-0210(1)(d) as a result of her 2011 discharge, 2012 filing and 2014 filing.

8. Respondent's lack of financial responsibility is grounds for the Director to deny the license under ORS 86A.212(1)(d) or deny, suspend, condition, revoke, or decline to renew the license under ORS 86A.224(1)(b).

9. By filing the Application that failed to disclose that she had filed for bankruptcy in 2012, Respondent filed an application for a mortgage loan originator license that contained a false statement or material misstatement of fact in violation of ORS 86A.224(1)(c), which constitutes grounds to condition the license.

III. ORDER

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

10. The Director, pursuant to ORS 86A.224, hereby ORDERS that, effective the date of this order, the Oregon loan originator license issued to Respondent shall be conditioned until further order of the Director. In addition to the requirements of any mortgage loan originator licensee including, but not limited to, the continuing education and renewal requirements, the license shall be subject to the following conditions:

a. Respondent shall comply with ORS Chapter 86A, OAR 441-850-0050 through OAR 441-885-0010 and any rule, order, or policy

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issued by the Director.

b. Respondent shall file an amendment updating any information contained on Respondent's licensing application in NMLS within 30 days of the change of any information.

c. Respondent shall respond within 30 days to any deficiency placed on Respondent's license in the NMLS.

d. Respondent shall not file an application, amendment, renewal request or attestation in NMLS that contains a false statement or a material misstatement of fact.

e. Respondent shall demonstrate financial responsibility under the standards set forth in OAR 441-880-0210. This specifically includes that Respondent shall not file or be the subject of any new petition for bankruptcy, incur any new unpaid judgments or tax liens, fail to pay her obligations such that any three accounts are 90 days or more past due, or have any real property she is in title to subject to foreclosure.

11. If Respondent fails to comply with the conditions of this license, Respondent agrees to notify the Director of the failure to meet the conditions and surrender the license immediately. If Respondent fails to surrender the license within seven days of providing notification to the Director or from the date that the Director notifies Respondent that the Director believes that there has been a violation of this Order, whichever is earlier, Respondent agrees that the conditional mortgage loan originator license shall be revoked immediately.

12. The date of this order is the day the Director or the Director's nominee signs the order. The entry of this Order does not in any way limit further remedies which may be available to the Director under Oregon law.

Dated this 12th day of February, 2016.

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Patrick M. Allen, Director
Department of Consumer and Business Services

/s/ John Paul Jones, Deputy Administrator for
Laura N. Cali, Administrator
Division of Financial Regulation

CONSENT TO ENTRY OF ORDER

I, Barbara Jean Hart, NMLS ID Number 331462, state that 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. I desire to resolve and settle this matter with the Director. I voluntarily, without any force or duress, consent to the entry of this Order, expressly waiving any right to a hearing in this matter. I understand 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 Loan Originator Law, and I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Dated this 8th day of February, 2016.

/s/ Barbara Jean Hart
Barbara Jean Hart

Subscribed and sworn to before me this 8th day of February, 2016.

/s/ Michael Biven
Signature of Notary

Michael Biven
Printed Name of Notary Public
Notary Public for the State of: Oregon

My commission expires: 1/21/2020

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