

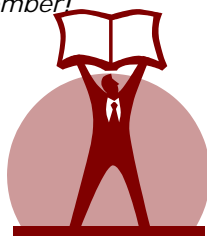
THE IDAHO COMPLIANCE CONNECTION

A Newsletter Published by the Consumer Finance Bureau of the Idaho Department of Finance for Mortgage Brokers, Lenders, Loan Originators, Consumer Finance Companies, Collection Agencies, and independent Escrow Companies .

FALL 2007

INSIDE THIS ISSUE:

<i>The Legislature is Coming</i>	1
<i>New Employees</i>	2
<i>Trouble Paying Your Mortgage</i>	2
<i>Top Consumer Complaints</i>	3
<i>Income Verification Express Service (IVES) Processing</i>	3
<i>New on the Web!</i>	4
<i>IRS Information for Consumers Facing Foreclosure</i>	4
<i>Nationwide Mortgage Licensing System</i>	5
<i>How To Expedite An Application or Renewal</i>	6
<i>Bureau Statistics</i>	6
<i>Enforcement</i>	7
<i>Important Dates to Remember!</i>	10



THE 2008 IDAHO LEGISLATURE WILL CONVENE IN BOISE IN A FEW SHORT WEEKS

The 2008 Idaho Legislature will convene in Boise in a few short weeks. The Department of Finance has prepared a few legislative proposals for consideration by the 2008 Idaho Legislature. The following legislative proposals grew out of collaboration with industry representatives in an effort to improve Idaho law and reduce regulatory burdens. The following summaries, though not exhaustive, provide highlights of the Department's legislative proposals:

Idaho Collection Agency Act: The Department has prepared a proposal that would amend the Idaho Collection Agency Act to establish uniformity of licensing requirements for collection agencies operating in Idaho, whether based inside or outside of the state. The proposal would eliminate an in-state office requirement and replace a testing requirement with an experience requirement for office managers. The proposal would also repeal an outdated \$2,500 net worth requirement and clarify that an existing \$20 annual fee applies to the solicitors/agents of licensees based inside and outside of the state. The proposal would also eliminate one of two surety bonds and would permit licensees to charge a convenience fee when debtors make voluntary electronic account payments under certain circumstances. The proposal would also include a

definition of credit repair organizations and implement associated requirements and restrictions. Finally, the proposal would repeal the requirement that credit and debt counselors in Idaho be non-profit 501 (c)(3) charitable organizations under the Internal Revenue Code.

Idaho Escrow Act: The Department has prepared a proposal to amend the Idaho Escrow Act to include consumer restitution and other remedies the Department can seek in an action to enforce the Act. The proposal would also provide that escrow trust fund accounts may be established at financial institutions authorized by the director in place of the current requirement that the financial institution be "located" in Idaho.

Idaho Residential Mortgage Practices Act: The Department has prepared a proposal to amend the Idaho Residential Mortgage Practices Act to eliminate a \$10,000 individual surety bond requirement for mortgage loan originators. The proposal would also enable the Director to adopt a pre-license test requirement by rule. The proposal clarifies that the definitions of "mortgage lending activities," "mortgage brokering activities," and "loan origination activities" include engaging in such activities for compensation or gain or "in the expectation of compensation or gain." The proposal further clarifies

that the Idaho Residential Mortgage Practices Act applies to loans on all 1-4 family dwellings in Idaho regardless of occupancy. The proposal would repeal an existing requirement that mortgage broker/lender licensees maintain the original licenses of their employed loan originators. The proposal would also repeal a requirement that loan originator licenses be posted on site by the employing mortgage broker/lender. Finally, the proposal would amend the annual mortgage license renewal dates to December 31, to promote uniformity in the nationwide mortgage licensing system.

Temporary Mortgage Rule: In addition to the legislative proposal described above, the Department has adopted a temporary rule to prescribe the manner in which mortgage brokers/lenders and mortgage loan originators will apply for and maintain licenses under the Idaho Residential Mortgage Practices Act through participation in the Nationwide Mortgage Licensing System (NMLS). The temporary rule also includes a requirement that beginning with the reporting period commencing on November 1, 2008, loan originator licensees obtain a minimum of two (2) credit hours of ethics instruction as a part of their 16 credit hour requirement for continuing education in each 2-year reporting period. Finally, the rule amends

the definition of “credit hour” from 60 minutes of instruction to 50 minutes of instruction. The purpose of this change is to promote movement toward increased reciprocity of continuing education instruction across jurisdictional lines. The Department’s temporary rule will be published in its entirety in the December 2007 Administrative Bulletin.

Idaho Credit Code: The Department has prepared a proposal to amend the Idaho Credit Code to add a mortgage retail lending licensing exemption for companies already licensed under the Idaho Residential Mortgage Practices Act. In short, the proposal would eliminate an onerous dual license requirement. The proposal would also eliminate a restrictive and unnecessary limitation placed on a company from relocating more than five miles from its initial licensed location.

The full text of the above legislative proposals, as well as the Department’s temporary rule, can be obtained by contacting the Idaho Department of Finance at (208) 332-8002.

Michael Larsen
Consumer Finance Bureau Chief
Idaho Department of Finance



Welcome new Department Staff!

Linda Tennyson joined the loan originator licensing section in July 2007. Her background includes work as a commercial insurance rater and administrative assistant with the insurance industry as well as positions in document control. Linda is a Link’s Business College graduate and native Idahoan.

Carol Berenger joined the loan originator licensing section in late October 2007 after returning from spending 7 years in Egypt with her family and obtaining her BA degree in journalism and mass communication.

Welcome to both Linda and Carol!

Trouble Paying Your Mortgage?

The 1-888-995-HOPE homeowner hotline reaches trained counselors sponsored by the Homeownership Preservation Foundation—a non-profit resource dedicated to preserving homeownership. The advice and assistance is free to consumers.

Visit www.995HOPE.org for more information.



TOP CONSUMER COMPLAINTS

MARCH 1, 2007 TO SEPTEMBER 30, 2007



Applicant comment

"Out of all the 50 states ...

Idaho rates in the top three." -

This comment was made in regards to our service of licensees and quick responses.

Mortgage

- ◆ Advertising violations: APR missing; misleading product or originator information; appearance of a check or representation as a government entity; Reg Z/TILA information missing
- ◆ Misrepresentation on stated loan products; misrepresentation of interest rate/prepayment penalties.

- ◆ Unlicensed activity

Loan Originators

- ◆ Oral communication—representations made to borrowers not kept/followed through

Payday Lenders

- ◆ Contractual collection issues: payments taken from wrong accounts; taking partial payments in lieu of

full payments

- ◆ Unlicensed activity
- ◆ Advertising

Title Lenders

- ◆ Advertising
- ◆ Unlicensed activity
- ◆ Payment/contract disputes

Regulated Lenders

- ◆ Advertising
- ◆ Late payment disputes
- ◆ Verbal agreement disputes

Collection Agency

- ◆ Verbal collection abuse
- ◆ Unlicensed activity
- ◆ Erroneous third-party contact collection attempts

INCOME VERIFICATION EXPRESS SERVICE (IVES) PROCESSING

In October 2006, the Internal Revenue Service began the Income Verification Express Service (IVES) program, offering electronic delivery of IRS transcripts and records available upon submission of IRS [Form 4506-T, Request for Transcript of Tax Return](#).

IVES provides two-business day processing and delivery of return transcripts. The new service replaces the existing process that required manual pick-up and delivery of transcripts from the IRS Return and Income Verification Services (RAIVS) units located across the country.

The new service automates the delivery portion of the process. Customers must now log on to IRS.gov to retrieve their requested transcripts from a secure mailbox located on the e-Services electronic platform.

The "front end" of the process remains the same. Customers will still need to fax the signed Form 4506-T, Request for Transcript of Tax Return, to the one of the three designated RAIVS units.

For details on participation in the IVES program and submission of requests, including fees and payments, please refer to www.irs.gov (keyword IVES).



Did You Know...

Mortgage company employers of both W2/1099 personnel are required to notify the Department of any "hire" or "termination" of employment or contract *within 30 days of either event?* Idaho Code 26-3109 (1)(h). Notification is done on the Form MU4.



Question from licensee regarding 2007 annual report:

Average fee charged on \$100 loaned per 14-day period

Question:

"Would that be for loans of \$100 only? Or for loans more than \$100?"

Answer: it's the same thing.

New on the Web!

Interpretations of the Idaho Escrow Act (policies section):

Provides direction to Idaho businesses whose activities fall within the requirements of the Idaho Escrow Act. Clarifies that 1031 Qualified Intermediaries are required to be licensed, and adopts alternatives to certain insurance and bonding requirements as well as trust account requirements.

Statement on Subprime Mortgage Lending (policies section):

Identifies important standards for subprime lending and promotes consistent regulation in the mortgage market while clarifying how providers can offer subprime loans in a safe and sound manner that clearly discloses the risks that borrowers may assume.

Model Examination Guidelines (policies section):

Provides regulators with a uniform set of examination standards for conducting examination reviews under the Guidance on Non-traditional Mortgage Product Risks and Statement on Subprime Mortgage Lending.

Approved Continuing Education Providers/Courses (approved licensee/provider section):

Several companies have applied for and been approved as Idaho continuing education providers. Courses are offered both in classroom format as well as web-based. Two companies have been approved to provide the 2-hour Idaho-specific requirements. Contact the providers directly for course availability and cost information.



IRS Information for Consumers Facing Foreclosure

The IRS has issued new information for people who have lost or are facing the loss of their home through foreclosure. As explained in the news release and on the new IRS.gov section, while a foreclosure can have tax consequences, special relief provisions can often reduce or eliminate the tax bite for financially strapped borrowers. In addition, borrowers are reminded to carefully check any Forms 1099-C received and to request a correction from the lender if appropriate. Lenders are reminded of their obligation to provide accurate information on the Form 1099-C.

Resources:

IR 2007-159 – The attached news release IR 2007-159 provides additional background.

The news release and FAQs can also be found at:

<http://www.irs.gov/newsroom/article/0,,id=174022,00.html>

The direct link to the FAQs is:

<http://www.irs.gov/newsroom/article/0,,id=174034,00.html>

NATIONWIDE MORTGAGE LICENSING SYSTEM SET TO LAUNCH JANUARY 2, 2008

Starting January 2, 2008 the Idaho Department of Finance will join with several other states across the country in participating in the Nationwide Mortgage Licensing System. Important information about the system and licensees' responsibilities under the system is outlined below.

Overview of the System

The Nationwide Mortgage Licensing System (NMLS) is a web-based system that will allow state licensed mortgage lenders and mortgage brokers to apply for, amend, update or renew a license online in Idaho as well as in other participating states. The goal of the NMLS is to streamline and improve the licensing process for both regulators and the mortgage industry by using a national online system and a single set of uniform forms.

Each licensed company will have a single record in the NMLS, regardless of the number of licenses they hold or the number of states they operate in. Each licensed company will have access to their record in the system through a secure website, allowing them to conveniently view their license information, make changes, apply for, renew or surrender licenses throughout the year.

All companies who currently hold a license with Idaho will need to complete a two-part process to get set-up on the NMLS.

Part 1: Requesting an Account

In order to gain access to the NMLS, each company currently licensed in Idaho must submit a form requesting an account on the System. This form only needs to be filled out once for each company, regardless of the number of states the company is licensed in.

Individuals licensed as loan officers and branches of licensed companies **DO NOT** need to submit a *Company Account Request Form*. Information about how individual loan officers and control persons can access the system will be communicated at a later date. Likewise, information about how a company's branches will be incorporated in the system will be communicated to the company.

If you have questions as to whether or not you need to complete a *Company Account Re-*

quest Form, you should consult corporate counsel.

Company Account Request Form - Instructions

In completing the *Company Account Request Form* you will be asked to do the following:

Input basic corporate information about your company. This includes the exact legal name, the state and date of incorporation, the IRS Employer Identification Number, and the main corporate address of your company.

The source you should use to obtain this information is your company's Articles of Incorporation, Articles/Certificate of Organization, Partnership Agreement, or other legal document. It is important that each company is set-up by their legal name and not by any trade name or "doing business as" name they may use. Using the legal name will ensure that only a single record is established for each distinct company in the System.

Sole Proprietors should use their full legal name as the company name.

The main address of your company should be the primary headquarters of the company, even if the headquarters does not reside in Idaho, and even if this location does not conduct loan originations, retain records, etc.

If you have questions about where to obtain this information for your company or the correct information to use, you should consult your company's legal counsel before attempting to complete a *Company Account Request Form*.

Identify a *Company Contact Person*. The *Company Contact Person* is a person within your company that is authorized to communicate with state regulators. This person may be contacted by a state regulator or the NMLS with any questions about the *Company Account Request Form* you submit.

If you are unsure who in your company has the authority to communicate with state regulators on this matter, you should consult your company's legal counsel.

Identify a *Primary Account Administrator*. The *Primary Account Administrator* for your company is a person of your company's choosing that will have full access to your company's record on the NMLS

and will be able to fill out and submit a complete company record to any state mortgage regulator. The *Primary Account Administrator* will also be able to set-up other system users within your company and grant them varying degrees of authority. The *Primary Account Administrator* may be, but is not required to be, an officer within your company. The *Primary Account Administrator* can be the same as the *Company Contact Person*.

Identify a *Secondary Account Administrator*. The *Secondary Account Administrator* will have all the authorities of the *Primary Account Administrator*. The *Secondary Account Administrator* is a back-up in case the *Primary Account Administrator* is no longer employed by your company. Identifying a *Secondary Account Administrator* is optional, but strongly encouraged.

Attestation. The person completing the *Company Account Request Form* must be someone from your company with the legal authority to act on behalf of your company. At the end of the form they will be asked to attest that the information submitted is correct and that they have the authority to submit this form for their company. If you are unsure who should fill out the *Company Account Request Form* for your company, consult your company's leadership and/or your company's legal counsel.

Preview the Form

We strongly encourage previewing the information that will be requested in the *Company Account Request Form* and collecting the necessary information before actually filling out the form.

Part 2: Completing the Company Set-up Process

Sometime after January 2, 2008, the *Primary Account Administrator* and the *Secondary Account Administrator*, as identified by each company in their *Company Account Request Form*, will receive a User ID and Password by email that will give them access to their company's account in the NMLS. The NMLS will not be available prior to January 2, 2008.

Each company's record in the NMLS will initially only contain the basic information provided in the *Company Account Request Form*. Once the *Primary Account Administrator* has received their User ID and Password, they will be required to complete the set-up process by doing the following:

(Continued on page 6)

(Continued from page 5)

- ◆ Access their company's account in the NMLS
- ◆ Fill out all remaining required information for their company
- ◆ Attest to the information on their completed company form and submit it electronically, within the System, for approval by the Idaho Department of Finance.

The completed company form must be submitted by September 1, 2008.

Additional Information and Links

Company information that will be required to complete the full record for your company in the NMLS is based on the uniform mortgage licensing applications developed by state regulators. More information may be found at <http://finance.idaho.gov>.

More information about the Nationwide Mortgage Licensing System can be found here: www.csbs.org.

The Idaho Department of Finance will offer additional training and resources in the coming months to its licensees on using the NMLS. Consult this website in the future for further updates.

Should you have any questions or comments, please contact K.C. Schaler at 208-332-8064 or kc.schaler@finance.idaho.gov.



How To Expedite An Application Or Renewal

1. Keep a copy of your application and any attachments and documentation you submit.
2. If you hand-write the application or attachments, please make sure the writing is *legible*.
3. If you receive a request for additional information please provide it **once**, and *keep a copy of what you send*.
4. Do not submit a separate company/legal structure as a dba. DBAs can only be true extensions/divisions of the licensed legal entity structure.
5. If you apply for more than one license type (such as mortgage company and a loan originator), include separate applications and separate attachments for each license type. Mark the application for the license type for which you are applying.



CONSUMER FINANCE BUREAU STATISTIC

<p>Active Licensees (as of 9/30/2007)</p> <p>Mortgage Brokers 830</p> <p>Mortgage Lenders 897</p> <p>Mortgage Loan Originators 4494</p> <p>Escrow/1031 Exchange Companies 26</p> <p>Regulated Lenders (inc. title & "dual" mortgage lenders) 1379</p> <p>Payday Lenders 226</p> <p>Collection Agencies (inc. debt/credit counselors) 163</p> <p>Foreign Permittees (inc. debt/credit counselors) 513</p> <p>Continuing Education Providers 17</p> <p>Continuing Education Courses 52</p>	<p>New Applications Received (3/1/07 – 9/30/07)</p> <p>Mortgage Brokers/Lenders 372</p> <p>Mortgage Loan Originators 1206</p> <p>Escrow/1031 Exchange Companies 20</p> <p>Continuing Education Providers 10</p> <p>Continuing Education Courses 53</p> <p>License Modifications/Status Changes (3/1/07-9/30/07)</p> <p>Mortgage Broker/Lenders 696</p> <p>Mortgage Loan Originators 975</p> <p>Exams Conducted (3/1/07-9/30/07)</p> <p>Mortgage Brokers/Lenders 19</p> <p>Regulated Lenders (inc. payday/title) 229</p>	<p>Collection Agency 4</p> <hr style="border-top: 1px dashed black;"/> <p>Mortgage Companies (3/7/07—9/30/07)</p> <p>Exemptions 11</p> <p>Withdrawals 170</p> <p>Failed to renew Mortgage Company license 137</p> <hr style="border-top: 1px dashed black;"/> <p>Complaints filed (written) (3/1/07-9/30/07)</p> <p>Mortgage (origination/servicing) 86</p> <p>Loan Originators 6</p> <p>Escrow/1031 Exchange 5</p> <p>Collection Agency 136</p> <p>Payday Lender, Regulated Lender (finance co., payday, title) 40</p> <p>Other (banks, credit unions) 10</p> <p>Complaints Closed (all) (3/1/07-9/30/07) 180</p>
---	--	---

ENFORCEMENT ACTIONS

3-1-2007-9-30-2007

ENFORCEMENT ACTIONS

03/01/2007 - 9/30/07

Collection Agencies

William Newbry, Thelma Newbry, and Bannock Collections, Inc.
– Pocatello, ID 06/13/07

Stipulated Judgment and Permanent Injunction - Respondent ordered to pay \$105,965.00 in restitution. Violation of Idaho Financial Fraud Prevention Act. Respondent paid full restitution.

Criminal charges were filed against the Newbrys by the Bannock County Prosecutor's Office. Each of the Newbrys pled guilty to a criminal charge and agreed to pay restitution in the amount awarded in the civil suit brought by the Department.

Mountain Peaks Financial Services, Inc. – Englewood, CO
03/02/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative costs and attorney fees for unlicensed collection activity.

Escrow

The Rupe Companies, Inc., Ann Caldwell Rupe, President, and Sean T. Rupe, Secretary; The Rupe Companies, Inc., dba Landtitlescrow.com; and Contract Servicing, LLC – Boise, ID

06/05/07

Consent Cease and Desist Order – Respondent paid a \$10,000 administrative penalty and \$1,000 in attorney fees for unlicensed escrow activity.

Loan Originators

Gary James Sroka and Joseph Terrazas, San Clemente, CA
09/14/07

Order to Cease and Desist – Unlicensed loan originator activity, deceptive advertising and violation of Idaho Financial Fraud Prevention Act.

James Joseph Knight, San Diego, CA 09/13/07

Order of Revocation of Loan Originator License and Notice of Opportunity for Hearing -
Failure to maintain bond.

Armando Silva, Twin Falls, ID 05/09/07

Order of Revocation of Loan Originator License and Opportunity for Hearing – Failure to comply with terms of Agreement and

Order executed on 01/11/07.

Kevin Daniel McGill, Placerville, CA 06-27-07

Agreement and Order – Respondent paid \$500 in investigative costs and attorney fees

Sundy Marie Peak, Boise, ID 04/02/07

Order of Denial of Mortgage Loan Originator License – License application denied due to Respondent's lack of character and fitness.

Mortgage Broker/Lenders

Montgomery Mortgage, Inc. – Oregon City, OR 09/24/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Community West Mortgage, LLC – Englewood, CO 09/19/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Strategic Lending, LLC – Provo, UT 09/14/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

American Home Mortgage Corp., dba American Brokers Conduit and Mortgage Select – Melville, NY 09/14/07

Consent Cease and Desist Order – Respondent failed to disburse funds in a timely manner.

Millennium Corporation, dba Mountain View Mortgage – Idaho Falls, ID 09/04/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

WR Starkey Mortgage, LLP – Plano, TX 08/20/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

(Continued on page 8)

(Continued from page 7)

Community Lending Group, Inc. – Riverton, UT 08/07/07

Agreement and Order – Respondent paid a \$5,000 administrative penalty for engaging in deceptive advertising.

Premier Mortgage, LLC, dba Boise Premier Mortgage, LLC – Bellevue, WA 07/25/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Synergy Financial Management, dba Direct Lender.com – Fountain Valley, CA 07/20/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$800 in investigative costs and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Bridge Capital Corporation – Mission Viejo, CA 07/03/07

Order Revoking Mortgage Broker/Lender License – Respondent accepted mortgage loan application(s) through unlicensed mortgage loan originators.

Contact Mortgage, Inc. – Orem, UT 06/29/07

Agreement and Order – Respondent paid a \$3,000 administrative penalty and \$500 in investigative costs and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Community Lending Group, Inc. – Riverton, UT 06/27/07

Order to Cease and Desist – Deceptive advertising.

First NLC Financial Services, LLC, dba The Lending Center – Deerfield Beach, FL 06/22/07

Agreement and Order – Respondent paid a \$12,000 administrative penalty for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Eagle Point Mortgage, LLC – Coeur d'Alene, ID 06/07/07

Order Revoking Mortgage Broker/Lender License and Termination of Regulated Lender License – Respondent failed to maintain surety bond required by Idaho law.

Absolute Loans, Inc. – Shingle Springs, CA 06/04/07

Agreement and Order – Respondent paid a \$500 administrative penalty and \$500 in attorney fees for failure to timely file its surety bond with the Department.

Lakeland Regional Mortgage Corporation – Lakeland, FL 06/04/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

West Horizon Financial, Inc. – Kirkland, WA 06/04/07

Agreement and Order – Respondent paid a \$3,000 administrative penalty and \$500 in investigative costs and attorney fees for accept-

ing mortgage loan application(s) through unlicensed mortgage loan originators.

Garth Carlson, dba Ace Mortgage – Pocatello, ID 06/04/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in attorney fees for failure to file a surety bond with the Department.

Premier Mortgage Resources of Idaho, LLC – Portland, OR 06/04/07

Amended Agreement and Order – Respondent paid a \$3,000 administrative penalty and \$500 in investigative costs and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

NFM, Inc. – Linthicum, MD 06/04/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Safeguard Mortgage, LLC – Stamford, CT 06/04/07

Order Revoking Mortgage Broker/Lender License – Respondent failed to file surety bond with the Department.

Bay Capital Corporation – Owing Mills, MD 06/04/07

Order Revoking Mortgage Broker/Lender License and Termination of Regulated lender License – Respondent failed to maintain proper surety bond with the Department.

Sage Credit Company, Inc., dba Sage Credit – Irvine, CA 06/27/07

Order to Cease and Desist – Deceptive advertising.

Consent Agreement and Order – Respondent paid a \$10,000 administrative penalty and \$5,000 in investigative and attorney fees for violating the Cease and Desist Order and for misleading advertising.

West Coast Mortgage, Inc. – Bellevue, WA 04/30/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

KDL Inc., dba Inland Mortgage – Spokane, WA 04/26/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

CS Financial – Beverly Hills, CA 04/24/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

MawMaw, Inc. dba Hagood Real Estate & Mortgage – Spokane, WA 04/23/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for

(Continued on page 9)

(Continued from page 8)

accepting mortgage loan application(s) through unlicensed mortgage loan originators.

The Mortgage Solution, LP, dba The Mortgage Specialists – Chubbuck, ID 04/24/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for unlicensed mortgage brokering/lending activity and accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Lowes Mortgage, LLC – Las Vegas, NV 04/16/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Strategic Lending, LLC – Provo, UT 04/16/07

Order to Cease and Desist – Unlicensed mortgage brokering/lending activity.

Clear Creek, Inc. dba Finest American Mortgage – Henderson, NV 04/12/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Prime One Mortgage Corp. – Spokane, WA 04/05/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

ComUnity Lending – Morgan Hill, CA 04/03/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Community Home Lending, Inc. – Spokane, WA 04/02/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Insight Funding Group, Inc. – Concord, CA 03/29/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative costs and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

J & R Lending, dba First Security Lending – Burbank, CA 03/28/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

New Century Mortgage Corporation and Home123 Corporation – Irvine, CA 03/26/07

Consent Agreement and Order – Respondent failed to disburse funds in a timely manner.

Community Lending Group, Inc. – Riverton, UT 03/23/07

Agreement and Order – Respondent paid a \$14,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

HFS Mortgage, LLC – Tempe, AZ 03/23/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Barrington Capital Corporation – Newport Beach, CA 03/14/07

Agreement and Order – Respondent paid a \$2,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Qualify America, Inc. – Santa Ana, CA 03/13/07

Agreement and Order – Respondent paid a \$1,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.

Quick Loan Funding, Inc. – Costa Mesa, CA 03/01/07

Agreement and Order – Respondent paid a \$17,000 administrative penalty and \$500 in investigative expenses and attorney fees for accepting mortgage loan application(s) through unlicensed mortgage loan originators.



**IDAHO
DEPARTMENT OF
FINANCE**

Mailing

USPS—regular mail

STATE OF IDAHO
DEPARTMENT OF FINANCE
P O Box 83720
BOISE ID 83720-0031

Overnight Delivery:

STATE OF IDAHO
DEPARTMENT OF FINANCE
800 PARK BLVD STE 200
BOISE ID 83712

Phone:
208- 332-8000

Consumer Finance Bureau:
208-332-8002

Facsimile:
208-332-8096

Toll Free in Idaho:
888-346-3378

Website:
<http://finance.idaho.gov>



This newsletter is produced semi-annually as a part of the Bureau’s continued communication outreach with the companies we regulate. Delivery by electronic means solely.

Suggestions and comments concerning the newsletter or its contents should be sent to the Bureau at PO Box 83720, Boise Idaho 83720-0031 or via email to kc.schaler@finance.idaho.gov

IMPORTANT DATES TO REMEMBER!

<u>Annual License Renewals</u>	<u>Last Date to Complete</u>
Collection Agencies/Foreign Permittees	March 15 th
Escrow/1031 Exchange Companies	April 30 th
Regulated Lenders (includes payday and title lenders)	May 31 st
Mortgage Brokers/Lenders (<i>beginning 2008</i>)	December 31st
Mortgage Loan Originators (<i>beginning 2008</i>)	December 31st

Annual Reports of Activity

Collection Agencies/Foreign Permittees	March 15 th
Escrow/1031 Exchange Companies	April 30 th
Regulated Lenders	May 31 st
Mortgage Brokers/Lenders (<i>beginning 2009</i>)	March 31st

Please make a note on your Calendar



Protecting the Integrity of
Idaho Financial Markets
Since 1905