

1 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
2 **DIVISION OF FINANCE AND CORPORATE SECURITIES**
3 **FINANCE SECTION**
4 **BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

4 **In the Matter of:**

M-04-0028-A

5 **Fidel Garcia,**

**ORDER TO CEASE AND DESIST
ORDER ASSESSING CIVIL PENALTIES**

6 **Respondent.**

**And
CONSENT TO ENTRY OF ORDER**

8
9 The Director of the Department of Consumer and Business Services for the
10 State of Oregon (hereinafter "the Director") acting by the authority of the Oregon
11 Mortgage Lender Law, Chapter 59 of the Oregon Revised Statutes (hereinafter cited as
12 "the Oregon Mortgage Lender Law"), hereby issues the following Findings of Fact,
13 Conclusions of Law, Order and Notice of Right to a Public Hearing:

14
15 **FINDINGS OF FACT**

16 The Director **FINDS** that:

17 1. At all time relevant herein, Loan Correspondents, Inc. dba Capital Funding Group
18 (hereinafter "LCI") was licensed by the Director with license number ML-2122 to engage
19 in Oregon residential mortgage lending.

20 2. LCI reported to the Director that Fidel Garcia operated as a loan originator for the
21 company with a hire date of November 2, 2001.

22 3. LCI reported that it terminated Fidel Garcia as a loan originator for the company
23 as of August 23, 2002.

24 4. LCI reported that Fidel Garcia originated two loans for the company that funded.

25 5. The first LCI loan was for Guadalupe Rosas and Lorena Flores on the real
26 property located at 245 Anton Court in Eugene, Oregon. The loan was approved on

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





1 February 25, 2002 and the rate locked on February 28, 2002. The loan funded on
2 March 8, 2002.

3 6. The second LCI loan was for Fidel Guerra and Maria Pulgarin on the real
4 property located at 1019 North 4th Street in Springfield, Oregon. The loan was approved
5 on June 14, 2002 and the rate locked on June 3, 2002. The loan funded on July 9,
6 2002.

7 7. At all times relevant herein, CBSK Financial Group, Inc. dba American Home
8 Loans (hereinafter "CBSK") was licensed by the Director with license number ML-1429
9 to engage in Oregon residential mortgage lending.

10 8. CBSK reported to the Director that Fidel Garcia operated as a loan originator for
11 the company with a hire date of July 13, 2001.

12 9. CBSK reported that it terminated Fidel Garcia as a loan originator for the
13 company as of March 29, 2004.

14 10. CBSK provided a pipeline for Fidel Garcia that showed that he originated a
15 multitude loans for the company that were withdrawn, cancelled or funded between the
16 December 2001 application for Miguel Tarraloo through January 2004 application for
17 Jose Yanez.

18 11. The pipeline provided by CBSK shows that Fidel Garcia took applications in the
19 months of January and February 2002 as well as May, June and July 2002 for CBSK
20 which are the same months in which Fidel Garcia would have taken the Guadalupe
21 Rosas and Lorena Flores application and Fidel Guerra and Maria Pulgarin application
22 for LCI.

23 24 CONCLUSIONS OF LAW

25 The Director **CONCLUDES** that:

26 1. Respondent violated ORS 59.967(2) by originating loans for both Loan

1 Correspondents, Inc. dba Capital Funding Group and CBSK Financial Group Inc. dba
2 American Home Loans at the same time.

3
4 **ORDER**

5 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Fidel Garcia will
6 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law,
7 OAR 441-850-005 through 441-885-0010 and any rule, order or policy issued by the
8 Division.

9 The Director, pursuant to ORS 59.996 hereby **ORDERS** Fidel Garcia to pay the
10 State of Oregon a civil penalty of \$5,000.00 for violating OAR 59.967(2).

11 The Director suspends payment of \$1,000.00 of the assessed civil penalty for a
12 three-year period. If in the period between the date of the Order to three years from the
13 date of the Order or until the non-suspended portion of the civil penalty has been paid,
14 whichever occurs later, Randy McAtee dba A-1 Mortgage Options violates any provision
15 of the Oregon Mortgage Lender Law, OAR 441-850-0005 through 441-885-0010 or any
16 rule, order, or policy issued by the Division, the suspended portion of the assessed civil
17 penalty will become immediately due and payable. If Randy McAtee dba A-1 Mortgage
18 Options does not violate the Oregon Mortgage Lender Law, OAR 441-850-0005 through
19 441-885-0010 or any rule, order, or policy issued by the Division in three years from the
20 date of the Order or until the non-suspended portion of the civil penalty has been paid,
21 whichever occurs later, the suspended portion of the civil penalty is waived.

22 The \$4,000 non-suspended portion of the civil penalty may be paid in monthly
23 payments of no less than \$300 or the total amount of the civil penalty remaining due to
24 be paid, whichever is less. The first payment is due no later than May 1, 2005. The
25 monthly payments shall continue to be made no later than the first day of each month
26 following May 1, 2005 until the \$4,000 non-suspended portion of the civil penalty is paid

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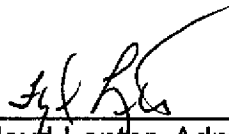


1 in full. If any one payment is not received by the Director by the fifth day of the month
2 in the month it is due, the entire civil penalty, comprised of any unpaid portion of the
3 non-suspended portion of the civil penalty still unpaid along with the suspended portion
4 of the civil penalty, becomes immediately due and payable.

5 The date of this order is the day the Director signs the order. The entry of this
6 Order in no way limits further remedies which may be available to the Director under
7 Oregon law.

8 Dated this 7th day of July, 2005, at Salem, Oregon.

9
10 CORY STREISINGER, Director
11 Department of Consumer and Business Services

12
13 
14 _____
15 Floyd Lanter, Administrator
16 Division of Finance and Corporate Securities

17 **CONSENT TO ENTRY OF ORDER**

18 I, Fidel Garcia, state that I have read the foregoing Order and that I know and
19 fully understand the contents hereof; that I have been advised of the right to a hearing
20 and of the right to be represented by counsel in this matter; that I voluntarily and without
21 any force or duress, consent to the entry of this Order, expressly waiving any right to a
22 hearing in this matter; that I understand that the Director reserves the right to take
23 further actions to enforce this Order or to take appropriate action upon discovery of
24 other violations of the Oregon Mortgage Lender Law; and that I will fully comply with the
25 terms and conditions stated herein.


26 I further assure the Director that I will not effect mortgage transactions in Oregon
unless such activities are in full compliance with Chapter 59 of the Oregon Revised



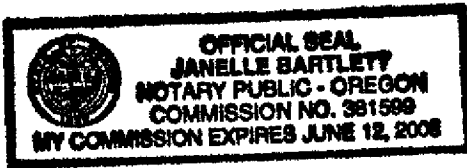
1 Statutes.

2 I understand that this Consent Order is a public document.

3 Dated this 8 day of June, 2005

4
5 By 
6 Fidel Garcia

7
8 Janelle Bartlett
9 (Printed Name of Notary Public)
10 Notary Public
11 for the State of: Oregon
12 My commission expires: 6-12-08



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