



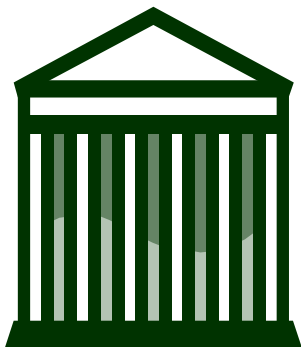
**Georgia Department
of Banking & Finance**

**NON-DEPOSITORY
FINANCIAL
INSTITUTIONS**

**Monthly Summary of Mortgage Activities
For the Period Ending August 2006**

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NEWS ITEMS

***Adopted
Regulations***

**Department Proposed
Rules Adopted
August 21, 2006**

Revisions to the Rules of the Department of Banking and Finance were adopted on August 21, 2006. They were filed with the Secretary of State on August 21, 2006, and will be effective 20 days following or September 11, 2006. To see a recap and text of the changes please visit:

<http://www.gadbf.org/bulletins.html#Rules>

The proposed changes were made in part in response to law changes made in the 2006 Legislation. A synopsis and purpose of each adopted rule is presented, along with the changed regulation.

We received four (4) comments on the rules. Two of those were from mortgage companies, one from a group representing credit unions, and one from an educational provider. Gener-

ally, the comments were favorable. In some cases, clarification of the Department's intent was requested by making minor changes to wording. Without making substantive changes the Department has attempted in these Final Rules to satisfy the varying requests for clarity and conformity to relevant statutes.

Not all requests were granted, and there was some difference of opinion among those providing comments about how a rule should be changed.

The Department believes these Final Rules encourage safety and soundness, safe and fair mortgage lending, and conform to the law. Following is a description of changes made:

◆ **80-11-1-02**

Advertising Requirements

Legal authority citations and editorial-type clean-up changes were made in this rule, noting the added use of websites and electronic advertising.

◆ **80-11-1-05**

Employee Background Checks; Covered Employees

Legal authority citations and editorial-type clean-up changes were made in this rule.

◆ **80-11-2-04**

Mortgage Loan Files

A provision was added to require the licensee to maintain a copy of the **signed** mortgage loan application, if received by the licensee, and a copy of **the order for the appraisal**, if the appraisal is ordered by the licensee, within the mortgage loan file.

Legal authority citations and editorial-type clean-up changes were made in this rule.

◆ **80-11-3-01**

Administrative Fines

Changes and clarifications were made in the administrative fines which may be imposed for certain violations.

The fine for violating the net worth requirement rule, which was itself deleted, has been deleted.

A subsection has been added to include the fine for failure to perform timely background checks on employees. This fine was previously included in another section within the rules.

(Continued from page 1)

Legal authority citations and editorial-type clean-up changes were made in this rule.

◆ 80-11-4-.01

Initial Experience and Education Requirements; Continuing Education

Legal authority citations and editorial-type clean-up changes were made in this rule.

In addition, a provision was added to clarify the continuing education requirement for newly licensed brokers. Specifically, new paragraph (i) was added as follows:

(i) Newly licensed brokers who obtain their license after April 1 but before December 31 of any year will be required to have twelve (12) hours of continuing education credits in order to qualify to renew their license for the next license renewal period. Provisions in subsection (f) and (g) of this rule also apply to such newly licensed brokers.

What this means is that only those persons who obtain a license in January through March of any year may renew that license without having to obtain CE credits. Anyone who obtains a new license from April through December of any year MUST have obtained the required CE credits in order to renew by the April 1 deadline for the next license year. And, as

noted in paragraphs (f) and (g) of the section, failure to have the required credits by renewal, or to obtain the credits in the make-up period, subjects the licensee to fines and possible administrative action.

◆ 80-11-4-.03

Licensing requirements; registrants; exemptions; term for bond.

Language was added to implement new law found at O.C.G.A. §7-1-1001 (14) which provides an exemption from licensing to a natural person acting in the capacity as an independent contractor working under an exclusive written contract for a licensee that is a wholly owned subsidiary of a financial holding company, under certain conditions and limitations, including surety bond requirements, and a current undertaking of accountability.

**EXAMINATION
ISSUES**

Examiners often see the same compliance issues from licensee to licensee. In order to help you avoid negative examination findings, the Department tries to point out common examination issues in this Mortgage Summary. **The common problem regarding the employment by licensees of ineligible individuals has been noted in previous issues, and bears repeating as**

follows:

Ineligible Employees – It appears that many licensees take for granted that their current employees can't get a Cease and Desist Order or enter into a Consent Order with the Department after they begin employment. Therefore, licensees do not routinely check the Department's database for orders which may have been issued subsequent to the individual's employment with the company.

Licensees are reminded to check the database on the internet at:

[https://bkqfin.dbf.state.ga.us/
WebAdmActions.html](https://bkqfin.dbf.state.ga.us/WebAdmActions.html)

on a routine basis to ascertain that no orders have been issued to current employees.

**UPCOMING
SPEAKING
ENGAGEMENTS**

- ◆ *No presentations are scheduled for September 2006*



Useful Links

MORTGAGE FORMS: CODE,
REGULATIONS & APPLICATIONS
[HTTP://WWW.STATE.GA.US/MOR
TGAGE FORMS.HTML](http://www.state.ga.us/mortgage_forms.html)

UPDATING LICENSE
INFORMATION
[HTTP://WWW.STATE.GA.US/DBF
/MORTGAGE FORMS.HTML#ONLI
NE](http://www.state.ga.us/dbf/mortgage_forms.html#online)

PRESS RELEASES
[HTTP://WWW.GANET.ORG/DBF/B
ULLETINS.HTML](http://www.ganet.org/dbf/bulletins.html)

Governor Sonny Perdue has launched a campaign to put new emphasis on customer service, emphasizing **easier** access to government services, **faster** processes so customers can get business done quickly, and **friendlier** service in a customer-focused, goal-oriented culture. It is the Department's goal to provide excellent customer service, meeting and exceeding the expectations of our customers. Along those lines, we would like to recognize the following individuals for going above and beyond in serving our customers:

- ◆ **Rod Carnes, Deputy Commissioner for Non-Depository Financial Institutions and Joel Byers, Supervisory Manager-MSBs (Non-Depository Financial Institutions):** *Rod received an email from a trade association president stating: "I wanted to thank you again for the great presentation that was given at the conference last Friday. It was not only very professional but kept the audience interested in the subject matter."*
- ◆ **Melinda Kinard, Director of Money Service Businesses and Mortgage Licensing:** *Melinda received an e-mail from a licensee saying: "Thank you so much and I so appreciate the time you took to answer my questions. You have been most helpful."*

CONGRATULATIONS AND GREAT JOB!!

FASTER. FRIENDLIER. EASIER.



CEASE AND DESIST ORDERS—ISSUED

- ◆ **City Capital Mortgage, Inc., Atlanta, GA (license no. 19269)** – Cease and Desist Order issued July 25, 2006 became final on August 23, 2006.
- ◆ **Diversified Mortgage Processors, Inc., Duluth, GA (license no. 19623)** – Cease and Desist Order issued July 26, 2006 became final on August 25, 2006.
- ◆ **Georgia E-Fast Tax Service, Inc, Columbus, GA (license no. 18957)** – Cease and Desist Order issued July 26, 2006 became final on August 25, 2006.
- ◆ **HK Financial, Inc., Newnan, GA (license no. 20146)** – Cease and Desist Order issued July 28, 2006 became final on August 28, 2006.
- ◆ **Ko-Am Finance, Inc., Suwanee, GA (license no. 21068)** – Cease and Desist Order issued July 25, 2006 became final on August 23, 2006.
- ◆ **Larkins, Tiffany S. dba TSL Real Property and Financial, Alpharetta, GA (license no. 19396)** – Cease and Desist Order issued July 26, 2006 became final on August 24, 2006.
- ◆ **North Point Funding, Inc., Hampton, GA (license no. 20552)** – Cease and Desist Order issued July 21, 2006 became final on August 22, 2006.
- ◆ **Southern Investment Mortgage Corporation, Atlanta, GA (license no. 18119)** – Cease and Desist Order issued July 19, 2006 became final on August 9, 2006.
- ◆ **Streamline Mortgage, Inc., Kennesaw, GA (license no. 16091)** – Cease and Desist Order issued July 26, 2006 became final on August 25, 2006.
- ◆ **True Lending, Inc., Marietta, GA (license 16213)** – Cease and Desist Order issued July 27, 2006 became final on August 26, 2006.
- ◆ **Ware, Gaylin, Stockbridge, GA** – Cease and Desist Order issued July 19, 2006 became final on August 9, 2006.
- ◆ **Westnell Mortgage, Lawrenceville, GA** – Cease and Desist Order issued July 10, 2006 became final on August 10, 2006.

CEASE AND DESIST ORDERS—LIFTED OR RESCINDED

- ◆ **J C Mortgage Group, LLC, Lilburn, GA (license no. 21409)** – Cease and Desist Order issued July 25, 2006 was rescinded on August 28, 2006.

FINAL CONSENT ORDERS—ISSUED

- ◆ **America One Finance, Inc, Bellevue, WA (license no. 19846)** - Consent Order entered on August 31, 2006.
- ◆ **Gonzalez, Felipe, Woodstock, GA** - Consent Order entered on August 8, 2006.

SUPERIOR COURT INJUNCTIONS

- ◆ **None**

FINE PUBLICATION

Information regarding fines assessed against a specific licensee, and against whom there are no pending administrative actions, is available on an individual licensee basis by submitting a written request to the following e-mail address: dbfmort@dbf.state.ga.us

FINE REASON

2 Licensees fined for Advertising Violations	1 Licensee fined for Unapproved Branch
1 Licensee fined for Check Returned for Insufficient Funds	1 Licensees fined for Unapproved Branch Manager
1 Licensee fined for Failure to Fund	

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN AUGUST 2006

ID#	COMPANY NAME	CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REIN-
21436	NV Mortgage, Inc.	Henderson	NV	L	08-04-2006	08-04-2006	
21519	Regal Online Mortgage, Inc.	Scottsdale	AZ	B	08-04-2006	08-04-2006	
21543	Capital First Lending, Inc.	Golden	CO	B	08-04-2006	08-04-2006	
21557	Wills-Howard, Inc.	Littleton	CO	B	08-04-2006	08-04-2006	
21580	Fortune Management Group, Inc.	Dacula	GA	B	08-04-2006	08-04-2006	
21601	Global Choice Financial, LLC	Riverdale	GA	B	08-04-2006	08-04-2006	
21632	Lawson 850 Mortgage, LLC	Union City	GA	B	08-04-2006	08-04-2006	
21697	Advanced Home Loans Corp.	Marco Island	FL	B	08-04-2006	08-04-2006	
21699	MJS Lending Inc.	Hasbrouck Heights	NJ	L	08-04-2006	08-04-2006	
21712	Robert Hale	Augusta	GA	B	08-04-2006	08-04-2006	
21394	Meridian Capital, Inc. (California)	San Ramon	CA	B	08-11-2006	08-11-2006	
21446	Miramar Mortgage Corp.	Weston	FL	B	08-11-2006	08-11-2006	
21541	First Millennium Funding, Inc.	Lawrenceville	GA	B	08-11-2006	08-11-2006	
21631	Florida Mortgage, LLC	Miami	FL	B	08-11-2006	08-11-2006	
21639	First Envision Mortgage, LLC	Sugar Hill	GA	B	08-11-2006	08-11-2006	
21648	Clairmont Fundings, LLC	Duluth	GA	B	08-11-2006	08-11-2006	
21649	Metro Mortgage of Georgia, Inc.	Athens	GA	B	08-11-2006	08-11-2006	
21672	Universal Mortgage Advisors, Inc.	Orlando	FL	B	08-11-2006	08-11-2006	
21710	LMU Financial, Inc.	Aliso Viejo	CA	L	08-11-2006	08-11-2006	
21720	Optimal Mortgage Company, LLC	Atlanta	GA	B	08-11-2006	08-11-2006	
21732	Lending Group, LLC (FL)	Palm Beach Gardens	FL	L	08-11-2006	08-11-2006	
21570	Cheng Hsun Lin	Atlanta	GA	B	08-18-2006	08-18-2006	
21636	First Residential Mortgage, Inc.	Pikesville	MD	B	08-18-2006	08-18-2006	
21644	JMK Financial Group, Inc.	Valley Stream	NY	B	08-18-2006	08-18-2006	
21645	Tivoli Financial Services, Ltd.	Savannah	GA	L	08-18-2006	08-18-2006	
21647	E-Lending, LLC	Duluth	GA	B	08-18-2006	08-18-2006	
21650	Statewide Mortgage, Inc.	Lawrenceville	GA	B	08-18-2006	08-18-2006	
21656	Mortgage World, LLC	Stockbridge	GA	B	08-18-2006	08-18-2006	
21662	Home Lending Solutions, Corp.	Fayetteville	GA	B	08-18-2006	08-18-2006	
21679	Best Possible Mortgage, LLC	Woodstock	GA	B	08-18-2006	08-18-2006	
21696	Polaris Home Funding Corp.	Grandville	MI	L	08-18-2006	08-18-2006	
21708	Hersh Financial Group, LLC	Cumming	GA	L	08-18-2006	08-18-2006	
21725	Excel Mortgage Network, Inc.	East Point	GA	B	08-18-2006	08-18-2006	
21733	Liberty Home Lending, Inc.	Boca Raton	FL	L	08-18-2006	08-18-2006	
21741	FISO Mortgage, Inc.	Decatur	GA	B	08-18-2006	08-18-2006	
21755	Atlantic Mortgage Associates, Inc.	Martinez	GA	B	08-18-2006	08-18-2006	
21761	1st American Freedom Mortgage, LLC	Lawrenceville	GA	B	08-18-2006	08-18-2006	
21767	Quik Fund, Inc.	Sunrise	FL	L	08-18-2006	08-18-2006	
21595	All Credit Home Loans, Inc.	Canton	GA	B	08-25-2006	08-25-2006	

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN AUGUST 2006

ID#	COMPANY NAME	CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REIN-
21598	Advantage Mortgage (Inc.) (CA)	Walnut Creek	CA	B	08-25-2006	08-25-2006	
21600	Leigh Kendall Corporation	Savannah	GA	B	08-25-2006	08-25-2006	
21657	Premium Care Mortgage, LLC	Lawrenceville	GA	B	08-25-2006	08-25-2006	
21685	The Bradford Group, LLC	Decatur	GA	B	08-25-2006	08-25-2006	
21704	The Mortgage Experts of South Florida, Inc.	Miami Gardens	FL	L	08-25-2006	08-25-2006	
21731	James J. Gladden	Canton	GA	B	08-25-2006	08-25-2006	
21747	Charles Todd Martin	Bainbridge	GA	B	08-25-2006	08-25-2006	
21754	Golf Crest Mortgage	Tampa	FL	L	08-25-2006	08-25-2006	
12310	Dream House Mortgage Corpora- tion	Providence	RI	L	04-04-1997	08-04-2006	08-04-2006
18011	Allied Home Mortgage Corporation	Houston	TX	L	01-10-2003	08-04-2006	08-04-2006
19185	William Kendall James	Marietta	GA	B	02-20-2004	08-04-2006	08-04-2006
11733	Par Two Investors, Inc.	Leesburg	GA	B	07-19-1996	08-11-2006	08-11-2006
19260	Assurance Mortgage, LLC	Salt Lake City	UT	B	04-09-2004	08-11-2006	08-11-2006
19313	Griffin Financial Mortgage, LLC	Fort Worth	TX	B	08-13-2004	08-11-2006	08-11-2006
20917	Popular Housing Services, Inc.	Jacksonville	FL	R	12-02-2005	08-11-2006	08-11-2006
14238	American Funding, Inc.	Roswell	GA	B	01-15-1999	08-18-2006	08-18-2006
16826	First Financial Services, Inc. (North Carolina)	Raleigh	NC	L	11-02-2001	08-25-2006	08-25-2006
20544	CBAC Funding LLC	Stamford	CT	L	09-23-2005	08-25-2006	08-25-2006

TOTAL: 57

**LICENSEES/REGISTRANTS REVOKED, EXPIRED, SURRENDERED, WITHDRAWN OR DENIED
IN AUGUST 2006**

ID#	NAME	CODE	REVOKED	EXPIRED	SURRENDERED	WITHDRAWN	DE-NIED
5683	SUNSTATES MTG CORP	BD				08-07-2006	
13629	GENISYS FINL CORP	LD				08-24-2006	
13763	HOMESTEAD FINL INC	BD				08-25-2006	
15349	NOVASTAR HM MTG INC	LD				08-22-2006	
15760	NORTHPOINT CAP INC	BD				08-18-2006	
15791	GLOVER MTG SVCS INC	BD				08-25-2006	
16091	STREAMLINE MTG INC	BD		08-25-2006			
16213	TRUE LENDING INC	BD		08-26-2006			
18285	STEWART, KEVIN B	BD		08-30-2006			
18413	ALPHA MTG FIN LLC	BD		08-04-2006			
18948	P&C MTG LLC	BD				08-29-2006	
18957	GA E-FAST TAX SVC INC	BD				08-08-2006	
19191	1ST CONTINENTAL MTG & INV	LD				08-17-2006	
19269	CITY CAP MTG INC	BD		08-23-2006			
19396	LARKINS, TIFFANY SU-ZETTE	BD		08-24-2006			
19623	DIVERSIFIED MTG PROC-ESSOR	BD		08-25-2006			
20146	HK FINL INC	BD		08-28-2006			
20552	N PT FUNDING INC	BD		08-22-2006			
20808	TRIUMPH MTG CORP	BD				08-14-2006	
21068	KO-AM FIN INC	BD		08-23-2006			

TOTAL: 20

*	Upgrade Broker to Lender
+	Downgrade Lender to Broker
#	Upgrade Lender to Registrant
•	Downgrade Registrant to Lender

MB CODES
B = BROKER
L = LENDER
R = REGISTRANT

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