



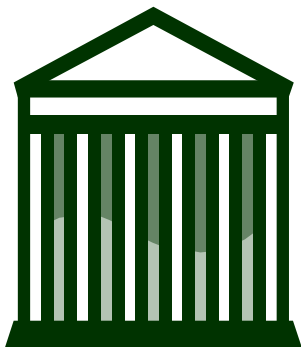
**Georgia Department
of Banking & Finance**

**NON-DEPOSITORY
FINANCIAL
INSTITUTIONS**

Monthly Summary of Mortgage Activities For the Period Ending October 2006

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Atlanta, GA 30341
Phone: 770.986.1269
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Nontraditional Mortgage Loans

Agencies Offer Non-Traditional Mortgage Publication

The federal financial institution regulators published a new resource to help consumers make more informed choices when considering nontraditional mortgage loans.

The publication - **“Interest-Only Mortgage Payments and Payment-Option ARMs - Are They for You?”** -- stresses the importance of understanding key mortgage loan terms, warns of the risks consumers may face, and urges borrowers to be realistic about whether they can handle future payment increases. Consumers who are not comfortable with these risks are urged to consider other products.

It features a glossary of lending terms, a mortgage shopping worksheet and a list of additional information sources. The publication is available on the each of the regulatory agency’s Web sites for

download in PDF format, and licensees may add their own contact information. The sponsoring regulators are FDIC, Federal Reserve, Office of the Thrift Supervision, the Office of the Comptroller of the Currency and the National Credit Union Administration. The 11-page brochure is available at <http://www.fdic.gov/consumers/consumer/interest-only/index.html>.

within the document, noting terms of the current or former lender and/or identifying information from the courts, While not directly stating there is a problem, the document makes it appear that there may at least be potential problems with the existing note, the payoff of an old note, or outstanding issues with the bankruptcy courts.

Advertising

False and Misleading Advertising

As previously noted in the Monthly Summary, many companies continue to advertise to would-be mortgage clients by using advertising that appears to be from the customer’s existing or prior mortgage company, and the newest approach is to appeal to consumers who have recently gone through a bankruptcy. These advertisements often appear to be legal documents with “Deed of Trust”, “Discharged Bankruptcy Statement” or other terminology in bold lettering on or

Potentially Misleading

The unsuspecting borrower does not realize, and often can not readily discern from these documents, that this is an advertisement, the sole purpose of which is to get the borrower to call the number in the advertisement for the purpose of obtaining a new mortgage from the advertising licensee. The identifying licensee information is generally in small point type in an obscure location, if it is discernable at all.

Consumer Concerns

The Department has determined that the use of such an

(Continued on page 2)

NEWS ITEMS

Fingerprint Card Scanning

The Department uses a fingerprint card scanner that allows the Department to submit card information "on-line" to the GBI for review. As a result, if the Department receives a quality fingerprint card that can be read by the scanner, criminal history results may be received within days, and not weeks, which helps decrease the time for approving pending applications.

However, it has come to our attention that many law enforcement agencies preparing cards for you now use "live-scan" - electronic fingerprint scanning, rather than using ink rolled prints. Unfortunately this poses a problem because the live-scan cards often cannot be read on our card reader.

To alleviate some reader problems, we ask that licensees request and use Department cards, but **DO NOT COMPLETE** any information before taking the card to the law enforcement agency. The law enforcement agency will then enter the person's information into its computer, scan the prints, and then print the completed card containing all of the identifying information and fingerprints.

The blue lined DBF cards and typed information then make the card usable on our scanner.

If we receive a complete application requiring no further information, along with good fingerprint cards, the approval processing time is significantly improved.

On any cards you submit, live scan or rolled prints, in order to increase the probability fingerprint cards will be readable and acceptable for the GBI and FBI, examine the cards and make sure the prints are not too light or dark and the prints are not smudged. Smudging, actually blurring, can also occur on live-scan prints. In addition, make sure each print is inside the appropriate blue box on the form, not touching or crossing over the lines. These cards cannot be read and you will be asked to submit new cards.

FY 2008 RENEWAL CONTINUING EDUCATION REMINDER

JUST A REMINDER THAT BROKERS MUST OBTAIN 12 HOURS OF CONTINUING EDUCATION IN A 12 MONTH PERIOD PRIOR TO THE ANNUAL RENEWAL DEADLINE.

CREDITS MUST BE OBTAINED PRIOR TO MARCH 31, 2007. MAKEUP CREDITS CAN BE OBTAINED APRIL 1 TO JUNE 30. FAILURE TO OBTAIN CONTINUING EDUCATION CAN RESULT IN THE IMPOSITION OF FINES AND POSSIBLE NON-RENEWAL OF THE LICENSED

Q&A for CE's

<http://www.ganet.org/dbf/faqmtg.html>

Advertising

(Continued from page 1)

advertisement is alarming to the consumer and appears to mislead the consumer into thinking that there is a problem with their existing loan, the payoff of the prior loan, or unresolved bankruptcy issues with the loan. Such possibly misleading advertisements are in potential violation of Official Code of Georgia Section 7-1-1016, which prohibits licensees from engaging in false, misleading, or deceptive advertising.

Licensees should understand that the use of such advertisements is discouraged by the Department, particularly where other lenders are named in these documents. Such advertising could lead to possible legal action by the lenders named in the advertisement against the licensee creating the ad.

What is known for certain is that such advertisements DO lead to many consumer complaints against those licensees who use this type of advertising. Licensees need to be aware of the fact that consumer complaints are a basis used by the Department for scheduling examinations.

UPCOMING SPEAKING ENGAGEMENTS

- ◆ *Deputy Commissioner Rod Carnes, Supervisory Manager Joel Byers, and Examiner Peter Lisowski will be speaking to the Money Service Businesses of Georgia organization at the Gwinnett Convention Center, November 29, 2006.*



Useful Links

MORTGAGE FORMS: CODE,
REGULATIONS &
APPLICATIONS

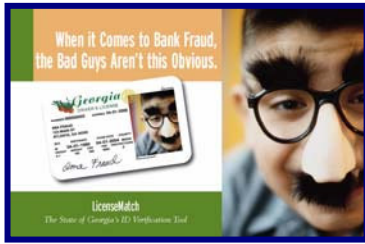
[HTTP://WWW.STATE.GA.US/
MORTGAGE_FORMS.HTML](http://www.state.ga.us/mortgage_forms.html)

UPDATING LICENSE
INFORMATION

[HTTP://WWW.STATE.GA.US/
DBF/MORTGAGE_FORMS.HTM
L#ONLINE](http://www.state.ga.us/dbf/mortgage_forms.html#ONLINE)

PRESS RELEASES

[HTTP://WWW.GANET.ORG/D
BF/BULLETINS.HTML](http://www.ganet.org/dbf/bulletins.html)



GTA helps fight identity crime with LicenseMatch

"Because when it comes to bank fraud, the bad guys aren't this obvious."

According to the FBI and the American Bankers Association, thieves steal more through check fraud than from bank robberies, costing banks an average of \$677 million a year. With instructions on the Internet and easy access to desktop publishing software and laser printers, would-be criminals find it easier than ever to create counterfeit checks and IDs.

The Georgia Technology Authority (GTA) has developed a tool called LicenseMatch to help combat check fraud. LicenseMatch is a simple, yet powerful, web-based tool now offered to banking institutions and other licensed entities. Using LicenseMatch, licensees can quickly check customers' state-issued ID cards against an up-to-date database to ensure the IDs are valid. If the match isn't made between what's on the ID and what's in GTA's system, it could mean a case of false identity! Mortgage personnel can then take action following in-house procedures. For example, LicenseMatch can be used to verify the license information when anyone is

cashing a check, opening an account, applying for or closing a loan, obtaining account information, initiating a wire transfer or gaining entry into a safe deposit box.

LicenseMatch was conceived by GTA and developed in cooperation with the Georgia Department of Banking & Finance and the Georgia Department of Driver Services. The tool is currently being piloted and will be available for general sale beginning in January.

If you would like to learn more about LicenseMatch, you may view or download a copy of the promotional tri-fold brochure. "We debuted LicenseMatch at a recent credit union industry conference, and it was a big hit," said GTA Data Sales Director Ivan Sumter. "We believe this simple, safe and cost-effective tool will be a much-needed, value-added service to the banking and financial services industry. We also hope to expand our business to other industries in the future."

For more information contact:
Georgia Technology Authority
Office of Data Sales
404-463-2300 or 404-463-7212
datasales@gta.ga.gov

GTA is a state agency whose purpose is to deliver secure, reliable technology services and solutions, and provide guidance and oversight that lead to sound decisions for Georgia government. Learn more.... visit GTA on the web at <http://gta.georgia.gov/>

ON-LINE MORTGAGE APPLICATIONS & INFORMATION UPDATES

A reminder to all licensees and applicants—you can make many timely changes to your license record or check the status of a pending application on-line. The items noted below are those which you can handle on-line, and it is preferable that you use this system to ensure the information is entered exactly as you need it to be reflected.

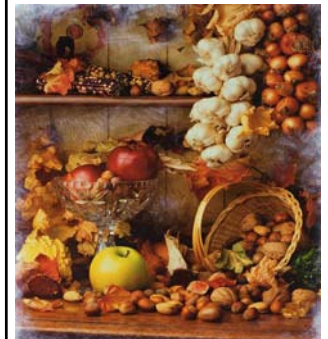
- ◆ Main Office Relocation/ Address Change
- ◆ Branch Office Relocation/ **Address** Change (**NOT** Branch Manager changes)
- ◆ Mailing Address Changes
- ◆ Office Closure Notification
- ◆ Contact Changes: Company, Complaint, Registered Agent
- ◆ Pending Application(s) - Status
- ◆ Fingerprint Card Requests
- ◆ On-Line \$6.50 Fee Payments
- ◆ Notificant Information Changes

Please utilize the options above to make timely notifications to the Department. If you have any suggestions, please e-mail the Department at:

dbfmort@dbf.state.ga.us



*Happy
Thanksgiving*



Governor Sonny Perdue has 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:

- ◆ **Larry Shelley—Supervisory Manager—Mortgage Regulation:** Larry received an e-mail this month from a customer saying: *"Your help is appreciated. Here is your gold star for being the first of all states to call me back. You are great!"*

CONGRATULATIONS AND GREAT JOB!!

FASTER. FRIENDLIER. EASIER.



The Department is the state agency that regulates and examines banks, credit unions, and trust companies chartered by the State. The Department also has regulatory and/or licensing authority over mortgage brokers, lenders, and processors, money service businesses, international banking organizations, and bank holding companies conducting business in Georgia.

Our **MISSION** is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our **VISION** is to be the best financial services industry regulator in the country – Progressive. Proactive. Service-Oriented.

CEASE AND DESIST ORDERS—ISSUED

- ◆ **Custom Home Loans, Inc., Las Vegas, NV** – Cease and Desist Order issued September 1, 2006 became final on October 2, 2006.
- ◆ **Diversified Home Mortgages, Inc., Atlanta, GA** – Cease and Desist Order issued September 15, 2006 became final on October 16, 2006.
- ◆ **Ferranti, Riccardo, Alpharetta, GA (license no. 19816)** – Cease and Desist Order issued August 31, 2006 became final on October 1, 2006.
- ◆ **Henderson, Corey E. dba YET-Worldwide Financial Group** – Cease and Desist Order issued September 1, 2006 became final on October 2, 2006.
- ◆ **Madson Mortgage Company, Douglas, GA (license no. 12854)** – Cease and Desist Order issued September 25, 2006 became final on October 25, 2006.
- ◆ **Nationwide Security Mortgage Corporation, Orange, CA (license no. 21028)** – Cease and Desist Order issued September 1, 2006 became final on October 3, 2006.
- ◆ **Painter, Amanda C., dba Continental Mortgage, Lake Park, GA (license no. 17138)** – Cease and Desist Order issued September 26, 2006 became final on October 26, 2006.
- ◆ **Park West Mortgage, Inc., Atlanta, GA (license no. 15698)** – Cease and Desist Order issued September 29, 2006 became final on October 31, 2006.
- ◆ **Pearson, Taisha, College Park, GA** – Cease and Desist Order issued May 10, 2005 became final on October 27, 2006.

CEASE AND DESIST ORDERS—LIFTED OR RESCINDED

- ◆ **AllState Equity Mortgage, Inc., Woodstock, GA (license no. 16936)** – Cease and Desist Order issued August 17, 2006 was rescinded on October 13, 2006.

FINAL CONSENT ORDERS —ISSUED

- ◆ **Park, Yong Rae, Atlanta, GA**—Consent Order issued October 11, 2006 and became final on October 11, 2006.
- ◆ **City Capital Mortgage, Atlanta, GA (license no. 19269)**—Consent Order issued October 11, 2006 and became final on October 11, 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

5 Licensees fined for Advertising Violations	2 Licensees fined for doing business w/ unlicensed entity
2 Licensees fined for Background Checks Violation	8 Licensees fined for Unapproved Branch
3 Licensees fined for Books & Records	4 Licensees fined for Unapproved Branch Manager
1 Licensee fined for Employment of a Felon	2 Licensees fined for Prohibited Acts
1 Licensee fined for Loan Files not properly maintained	1 Licensee fined 1099 Employees
1 Licensee fined for Check returned for Insufficient Fund	1 Licensee fined for Miscellaneous/Other

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN OCTOBER 2006							
ID#		CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REIN- STATED
20014	Novation Mortgage, LLC *	Marietta	GA	L	01-07-2005	10-06-2006	
21681	Mainstreet Mortgage Lending Enterprises, Inc.	Port St. Lucie	FL	B	10-06-2006	10-06-2006	
21703	Vestor Mortgage of Georgia, LLC	Sarasota	FL	B	10-06-2006	10-06-2006	
21785	First Capital & Mortgage, LLC	Atlanta	GA	B	10-06-2006	10-06-2006	
21833	Rational Citizens Mortgage Corp	Orlando	FL	B	10-06-2006	10-06-2006	
21842	Legends Mortgage Services, Inc.	Gainesville	GA	B	10-06-2006	10-06-2006	
21843	Waset Mortgage Group, Inc.	Boca Raton	FL	B	10-06-2006	10-06-2006	
21848	Rushing Enterprises, LLC	Indianapolis	IN	B	10-06-2006	10-06-2006	
21856	Barbara Butler	Savannah	GA	B	10-06-2006	10-06-2006	
21858	Global Residential Mortgage, Incorporated	Norcross	GA	B	10-06-2006	10-06-2006	
21861	Affordable Home Mortgage, Inc.	Tampa	FL	B	10-06-2006	10-06-2006	
21864	Metro Management Corporation	Atlanta	GA	B	10-06-2006	10-06-2006	
21870	Anclote Mortgage, LLC	Tarpon Springs	FL	B	10-06-2006	10-06-2006	
21884	West Coast Processing, LLC	Senoia	GA	L	10-06-2006	10-06-2006	
21891	Mortgages Unlimited, Inc.	Lawrenceville	GA	B	10-06-2006	10-06-2006	
21904	Atlantic Financial Funding, Inc.	Atlanta	GA	B	10-06-2006	10-06-2006	
17203	Hallmark Funding, LLC *	Atlanta	GA	L	04-12-2002	10-13-2006	
20509	Clayton Peters and Associates, Inc. *	Towson	MD	L	08-19-2005	10-13-2006	
21844	Central Funding, Inc. *	Duluth	GA	L	09-15-2006	10-13-2006	
21687	Starpointe Mortgage, LLC	Troy	MI	L	10-13-2006	10-13-2006	
21797	JBL Mortgage Network, LLC	Annapolis	MD	B	10-13-2006	10-13-2006	
21798	First United Mortgage Services Corp.	Fort Lauderdale	FL	L	10-13-2006	10-13-2006	
21824	Atlantic Mortgage Financing, Inc.	Woodstock	GA	B	10-13-2006	10-13-2006	
21831	Prime One Funding, Inc.	Los Angeles	CA	B	10-13-2006	10-13-2006	
21846	Dogwood Mortgage Services, LLC	Atlanta	GA	B	10-13-2006	10-13-2006	
21876	Optimized Financial Services, Inc.	Snellville	GA	B	10-13-2006	10-13-2006	
21877	Cornerstone Mortgage Company (Texas)	Houston	TX	L	10-13-2006	10-13-2006	
21882	Grand Prix Credit Corporation	Atlanta	GA	B	10-13-2006	10-13-2006	
21883	Lightell Loan Processing, Inc.	Cumming	GA	P	10-13-2006	10-13-2006	
21886	South Fulton Mortgage Company, Inc.	Fairburn	GA	B	10-13-2006	10-13-2006	
21894	Vulcan Financial Corp.	Pasadena	CA	L	10-13-2006	10-13-2006	
21559	Jonathan Bolnick	Atlanta	GA	P	10-20-2006	10-20-2006	
21722	All American Mortgages of Savannah, Inc.	Pooler	GA	B	10-20-2006	10-20-2006	
21804	Lewis Hunt Enterprises, Inc.	Troy	MI	L	10-20-2006	10-20-2006	

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN SEPTEMBER 2006

ID#	COMPANY NAME	CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REIN- STATED
21841	Premier Home Lending, Inc.	Tampa	FL	B	10-20-2006	10-20-2006	
21859	Prestige Funding, LLC	Waukegan	WI	B	10-20-2006	10-20-2006	
21890	Maryland Financial Resources, Inc.	Cockeysville	MD	B	10-20-2006	10-20-2006	
21892	Covenant Lenders, LLC	Gainesville	GA	B	10-20-2006	10-20-2006	
21908	Lawrence E. Haynes	Atlanta	GA	B	10-20-2006	10-20-2006	
21932	The Dunhill Mortgage Co., Inc.	Lakewood	CO	B	10-20-2006	10-20-2006	
21935	Mortgages By Prime, Inc.	Fayetteville	GA	B	10-20-2006	10-20-2006	
21936	Renovation Mortgage Plus, LLC	Alpharetta	GA	B	10-20-2006	10-20-2006	
21938	Leon Mortgage Lending, Corp.	Doral	FL	L	10-20-2006	10-20-2006	
21941	1st Advantage Mortgage, L.L.C. (Illinois)	Lombard	IL	L	10-20-2006	10-20-2006	
21951	Future Mortgage, LLC	Norcross	GA	B	10-20-2006	10-20-2006	
21957	Machelle Pellegrini	Duluth	GA	B	10-20-2006	10-20-2006	
20929	America's Lending Leader, LLC *	Atlanta	GA	L	12-16-2005	10-27-2006	
21799	Pacific Wholesale Mortgage, Inc.	Pasadena	CA	B	10-27-2006	10-27-2006	
21854	Empire Capital Group, Inc.	Atlanta	GA	B	10-27-2006	10-27-2006	
21857	RAM Capital Corporation	Jonesboro	GA	B	10-27-2006	10-27-2006	
21905	Shepard Mortgages and Financing, Co.	Nashville	GA	B	10-27-2006	10-27-2006	
21919	Equity Resources, Inc.	Newark	OH	L	10-27-2006	10-27-2006	
21920	Montgomery Mtg Capital	Parsippany	NJ	L	10-27-2006	10-27-2006	
21933	Richmond Community Home Mortgage, Inc.	Staten Island	NY	B	10-27-2006	10-27-2006	
21937	Superior Mortgage Corporation (Virginia)	South Hill	VA	B	10-27-2006	10-27-2006	
21939	Gemstarr Mortgage Services, Inc.	Cooper City	FL	B	10-27-2006	10-27-2006	
21950	Lender Lend, Inc.	Atlanta	GA	B	10-27-2006	10-27-2006	
21954	Seminole Moneytree, Inc.	Lake Mary	FL	L	10-27-2006	10-27-2006	
21961	AmeriDream Mortgage Group, Inc.	Dunwoody	GA	B	10-27-2006	10-27-2006	
21962	Atlas Capital Mortgage, Inc.	Ball Ground	GA	B	10-27-2006	10-27-2006	
21964	1st Advantage Mortgage, LLC	Roswell	GA	B	10-27-2006	10-27-2006	
21967	Brown Eyed Beauty, LLC	Jonesboro	GA	B	10-27-2006	10-27-2006	
21968	Asset Builders, LLC	Hollywood	FL	L	10-27-2006	10-27-2006	
14642	BNB & Associates, LLC	College Park	GA	B	05-21-1999	10-06-2006	10-06-2006
19588	Palmetto South Mortgage Corporation	Columbia	SC	L	08-27-2004	10-06-2006	10-06-2006
16936	Allstate Equity Mortgage, Inc.	Woodstock	GA	B	12-21-2001	10-13-2006	10-13-2006
19412	FMT Mortgage of America, LLC	Fort Myers	FL	B	08-06-2004	10-13-2006	10-13-2006
15616	DBSA Holdings, Inc.	San Diego	CA	L	05-05-2000	10-20-2006	10-20-2006

TOTAL: 68

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

ID#	COMPANY NAME	CODE	REVOKED	EXPIRED	SURRENDERED	WITHDRAWN	DENIED
11649	AAMES FUNDING CORP	LD				10-10-2006	
12854	MADSON MTG CO	BD		10-25-2006			
15698	PARK W MTG INC	BD		10-31-2006			
16993	HERITAGE LENDING GRP INC	LD				10-24-2006	
17138	PAINTER, AMANDA C	BD		10-26-2006			
17503	ALLIANCE FINANCING MTG CO	LD				10-06-2006	
17956	EZ LOAN, INC	BD				10-31-2006	
19158	AMERIFIRST FINL CORP	LD				10-11-2006	
19190	MMBA METRO MTG INC	BD				10-10-2006	
19269	CITY CAPITAL MORTGAGE, INC.	BD	10/11/2006				
19401	ACCURATE FINL SOLUTIONS	BD				10-12-2006	
19545	AAMES INV CORP	LD				10-25-2006	
19816	FERRANTI, RICCARDO	BD		10-01-2006			
21028	NATIONWIDE SECURITY MTG C	BD		10-03-2006			
21044	HOME LOANS PA LLC	BD				10-30-2006	
21839	R & J Mortgage Corp	BD					10-20-2006

TOTAL: 16

*	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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