



Georgia Department of Banking & Finance

NON-DEPOSITORY FINANCIAL INSTITUTIONS

Monthly Summary of Mortgage Activities For the Period Ending January, 2006

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NEWS

On-Line Renewals

Renewal notices are going out by February 10, 2006. Please note the following:

ON-LINE ONLY!!

As noted, hardcopy renewal application forms **WILL NOT** be available. All renewals must be made through the on-line system. Local libraries provide free access to the Internet should you need alternate access. In the event you are absolutely unable to access the on-line renewal application, you should contact the Department.

WHERE & HOW TO FILE

Access will be available after the renewal notices have been mailed. A **RENEWAL** link will also be available from the main mortgage forms web page as noted at left.

ALL licensees will be responsible for the following **on-line**:

- ◆ Updating and correcting license information;
- ◆ Completing the Calendar Year 2005 operating information;
- ◆ Making fee and fine payments and attesting to the renewal information.

If any renewal requirements exist, such as an expired bond, outstanding judgments, or pending administrative actions or issues, the licensee will be notified by either e-mail or fax **only**. Make certain you enter a valid **e-mail** address when prompted on the renewal screens and make certain we have a valid fax number. Information required to clear exceptions **must** be provided before the renewal can be

approved.

Applicants who have no qualifying conditions to their renewal should receive no further notice from the Department after completion of the application until they receive their license.

AGAIN-NEW FEATURES

- ◆ **NO** hardcopy applications will be accepted.
- ◆ Payment must be made by ACH draft or credit card.
- ◆ Notification by e-mail or fax **ONLY** if there are outstanding issues.

SURETY BONDS or LOCs

AUDITS may no longer be used to qualify for licensing, and a surety bond or qualifying letter of credit **WILL BE REQUIRED** for renewal!

ON-Line Renewals

The on-line website is secure and requires a **USER ID** and **PASSWORD** for access. See site at:
http://www.state.ga.us/dbf/mortgage_forms.html

AUDITS

DO NOT SUBMIT YOUR AUDITED FINANCIALS TO THE DEPARTMENT!

BONDS OR LETTERS OF CREDIT ONLY MAY BE USED TO MEET THE FINANCIAL REQUIREMENTS FOR A LICENSE!

If you are still relying on an audit and the Department has not received your surety bond or irrevocable letter of credit in the appropriate amount (\$50,000 - Broker, \$150,000 - Lender) on the Department's form prior to renewal, the license will **not** be renewed. Once the license or registration expires, the licensee or registrant may be required to file an application for REINSTATEMENT, a process that could take eight weeks or more to complete.

LATE FILINGS

Renewals are due by the close of business April 1, 2006. Renewals can be completed on-line after April 1, 2006, but are considered **LATE** renewals, and the late renewal fine of \$300 will be automatically added to your renewal fee. The fine, along with any other outstanding fine, must be paid in order to renew your license.

OUTSTANDING ISSUES

All outstanding issues which exist or **may arise** prior to the license issue date (July 1, 2006), such as any new fines, fees, complaint issues, etc. arising after completing your renewal schedules on-line, must be resolved before your renewal license will be granted. You will be notified.

Licensees who do not resolve these issues in order to complete the renewal process by June 30, 2006 date will have their licenses expire, and will have to cease operations. Failure to properly RENEW a license will require a REINSTATEMENT of the license in order to conduct mortgage business.

QUESTIONS

You may contact the office at **Renewals** if you have any renewal questions. If for some reason you do not receive your renewal **notice**, the on-line system will allow you to apply for renewal if you are the appropriate person with the proper user ID and access code.

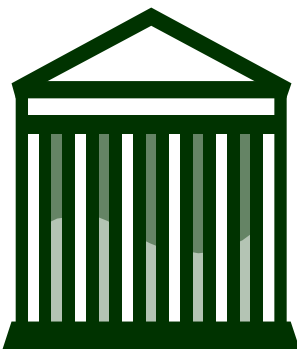
CONTINUING EDUCATION-BROKERS

The continuing education reporting requirement goes into effect with the **FY2008** licensing period.

Brokers must obtain 12 hours of continuing education credit in the period January 1, 2006 through March 1, 2007, the initial period in which to obtain continuing education credits, in order to renew for the FY2008 license.

NO continuing education credit reporting is required for the FY2007 renewal period. See additional information on the web at:

<https://bkgfin.dbf.state.ga.us/MortgageDocs/FY2007Renewal.html>



2990 Brandywine Rd.
Suite 200
Atlanta, GA 30341
Phone: 770.986.1269
Fax: 770.986.1029

ON-LINE ACCESS	https://bkgfin.dbf.state.ga.us/MortgageDocs/FY2007Renewal.html
User ID	Your License Number
Password	Your SSN or EIN on file with the Department

BACKGROUND CHECKS & INVESTIGATION FIRMS



The Department recently received information from a third party provider of criminal history background checks indicating that he was being told by licensees that they were unable to use his company's services. Specifically he referenced the changes made to the rules of the Department which became final August 15, 2005 to Regulation 80-11-1-.05 (1). Apparently licensees indicated that the change requires a licensed mortgage company to use a Georgia law enforcement agency to complete criminal history checks of employees to the exclusion of hiring properly licensed investigation companies. However, that assumption is incorrect.

The revised regulation requires that employers submit background information to law enforcement authorities. However, that submission may be completed through a properly licensed company authorized to obtain background information from the law enforcement agency, or directly to a law enforcement agency by the licensee. Either action is in compliance with the regulation and the requirements of the Georgia Residential Mortgage Act *as long as* the review is ultimately handled by the Georgia Crime Information Center pursuant to Code Section 35-3-34 and the rules and regulations of the Georgia Crime Information Center.

In addition, please note the following restrictions regarding background checks: **1)** the employer must submit the information to either the investigation company or directly to the law enforcement agency for review *within 10 business days of initial hiring of the employee*. The 10 days does not begin with the submission of information to the investigation company or law enforcement, but is based on the initial hiring date; **2)** the check must be unlimited in the number of years reviewed for criminal activity (i.e. no 7 or 10 year only checks) and; **3)** these cannot be "felony only" checks.

USE OF PROPERLY LICENSED INVESTIGATIONS COMPANIES TO RUN BACKGROUND CHECKS ON EMPLOYEES IS PERMISSIBLE, AS LONG AS THE CHECK MEETS THE CRITERIA NOTED.

"DOING BUSINESS AS" NAMES

Often licensees comment on the fact that the Department has permitted the use of a company name by another company that is similar to their company's name or d/b/a (fictitious) name.

Under Georgia law, O.C.G.A. 14-2-401 (profit) and 14-3-401 (nonprofit), issuance of a name by the Secretary of State means merely that the name is distinguishable for filing purposes from the names of other entities on the records of the Corporations Division.

Approval of a d/b/a name by the Mortgage Division for a corporation for a license properly approved by the Secretary of State to do business in Georgia does not necessarily give a person the exclusive right to use of that name. Subsection (e) of the code sections cited above provides that "this chapter does not control the use of fictitious or trade names" and that "issuance of a corporate name does not affect the commercial availability of the name."

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DBF On the Web.....

- ◆ **Web Page**
<http://www.state.ga.us/dbf/>
- ◆ **Administrative Actions**
<https://bkgfin.dbf.state.ga.us/WebAdmActions.html>
- ◆ **Staff:**
<http://www.state.ga.us/dbf/staff.html>

D/B/A (fictitious) names are granted by the Clerk of the Superior Court in the Georgia county in which a licensee is domiciled or operates an additional (branch) office. There are 159 counties in the State of Georgia and each county operates autonomously with respect to fictitious name approvals. Generally, however, the Department does endeavor to review all submitted d/b/a names to prevent confusion on the part of the public with regard to licensees. Yet, if names are significantly different in spelling or some other manner as to preclude the Department from rejecting the use of the name by the company, then the approval and use of the name is allowed as approved by the Court.

Therefore, licensees need to understand that approval of a corporate or d/b/a name by the Department as properly approved by the Secretary of State and the appropriate Court does not necessarily give a company exclusive right to the use of the name. Use of a fictitious name, however, must be approved by the Department in order for that name to be used in their mortgage business by the licensee, and as noted the Department endeavors to make distinctions where possible.

And... Real Estate and Mortgage Licensing Issues

Often the question arises as to whether or not an individual may have a mortgage license and also a real estate license and perform both functions.

For purposes of the Georgia Residential Mortgage Act ("GRMA"), there is no prohibition against an individual holding both licenses, although there may be concerns at the U. S. Department of Housing and Urban Development regarding company affiliations and proper disclosures regarding that relationship.

However, under the GRMA the manner by which a person is compensated under their licenses can be an issue, as follows:

- ◆ If a person is working for a mortgage licensee and **DOES NOT** have his or her

own license under the GRMA, then they must be a W-2 paid employee for their work for a mortgage licensee. Often the person will be compensated on a 1099 basis by the REAL ESTATE company they are working for – but they cannot be paid on a 1099 basis by the mortgage licensee.

- ◆ If a person is working for a mortgage licensee and **DOES** have his or her own license as a sole proprietor, then they can be compensated for their mortgage related work on a 1099 basis by that licensee as well as receive compensation under their real estate license in whatever form that company chooses to compensate its agents.

However, the one thing the

person cannot do is work for two **mortgage** licensees unless they have their own license as a sole proprietor.

In that case they can be paid on a 1099 basis or a W-2 basis by their mortgage licensee employer, and additionally originate loans under their own mortgage license, those being the two licenses for which they may work.

In no case can an individual, **without** their own **individual** mortgage license as a sole proprietor, work for more than one **mortgage** licensee and be paid by both **either** on a W-2 or a 1099 basis. The GRMA clearly states that to be exempt from licensing, an individual must work for only one licensee and be paid as an employee, which would require wages paid on a W-2 basis. An individual who holds a license in a **company** name would violate this act if they also worked for someone else.

CEASE AND DESIST ORDERS—ISSUED

- ◆ **ABC Mortgage Services, Inc., Augusta, GA (license no. 15290)** – Cease and Desist Order issued December 6, 2005 became final on January 5, 2006.
- ◆ **Barone-Wingate, Shana, Douglasville, GA** – Cease and Desist Order issued December 16, 2005 became final on January 16, 2006.
- ◆ **Brashears, James, d/b/a Semaj & Company, Inc., Conyers, GA** – Cease and Desist Order issued December 8, 2005 became final on January 8, 2006.
- ◆ **Consumer’s Choice Mortgage, Inc., Woodstock, GA (license no. 18619)** – Cease and Desist Order issued December 15, 2005 became final on January 13, 2006.
- ◆ **Council, Eugene, College Park, GA** – Cease and Desist Order issued June 2, 2005 became final January 11, 2006.
- ◆ **Davis, Rachel Mae, Dawsonville, GA (license no. 19932)** – Cease and Desist Order issued December 21, 2005 became final on January 20, 2006.
- ◆ **First City Mortgage Corp. (Atlanta), Milwaukee, WI (license no. 19050)** – Cease and Desist Order issued December 20, 2005 became final on January 19, 2006.
- ◆ **Fraire, Juan Carlos, Kennesaw, GA (license no. 19940)** – Cease and Desist Order issued December 7, 2005 became final on January 6, 2006.
- ◆ **Frank, Janice Clark, Columbus, GA (license no. 18374)** – Cease and Desist Order issued December 21, 2005 became final on January 20, 2006.
- ◆ **Le, Rocky, Dacula, GA** – Cease and Desist Order issued December 14, 2005 became final on January 3, 2006.
- ◆ **The Loan Page, Inc., San Francisco, CA (license no. 20445)** – Cease and Desist Order issued January 4, 2005 became final on January 27, 2006.
- ◆ **Morales, Evelin aka Evelyn Morales** – Cease and Desist Order issued December 20, 2005 became final on January 20, 2006.

CEASE AND DESIST ORDERS—ISSUED (Continued)

- ◆ **Thompson, Jon M., Duluth, GA (license no. 11390)** – Cease and Desist Order issued December 2, 2005 became final on January 1, 2006.
 - ◆ **Williams, Shalonne, Macon, GA (license 20232)** – Cease and Desist Order issued January 4, 2006 became final on January 27, 2006
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CEASE AND DESIST ORDERS—LIFTED

- ◆ **None**
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FINAL CONSENT ORDERS—ISSUED

- ◆ **First Place Home Loans, Norcross, GA (license no. 14974)** – Consent Order issued January 11, 2006 became final on January 11, 2006.
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SUPERIOR COURT INJUNCTIONS

- ◆ **None**
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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 Background Check Violations

1 Licensee fined for Books & Records

1 Licensee fined for Employer under C& D or Revocation

3 Licensees fined for Loan files not properly maintained

1 Licensee fined for \$6.50 fees not paid

1 Licensee fined for GaFLA violation

1 Licensee fined for Prohibited Acts

1 Licensee fined for Relocation of office w/o notice

1 Licensee fined for Miscellaneous/Other

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN JANUARY 2006

ID#	COMPANY NAME	CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REINSTATED
18855	Ocwen Finl Solutions Private	Bangalore		L	01-06-2006	01-06-2006	
20798	BLX Capital, LLC	New York	NY	L	01-06-2006	01-06-2006	
20799	Business Loan Center, LLC	New York	NY	L	01-06-2006	01-06-2006	
20841	TLS Mortgage Funding, Inc.	Conyers	GA	B	01-06-2006	01-06-2006	
20992	Free Home Mortgage, Inc.	Canton	GA	B	01-06-2006	01-06-2006	
20998	Oxford Mortgage Corporation,	Greenwood Village	CO	B	01-06-2006	01-06-2006	
21007	Lordsman, Inc.	Newport Beach	CA	B	01-06-2006	01-06-2006	
21031	Smart Mortgage, Inc.	Suwanee	GA	B	01-06-2006	01-06-2006	
21043	Advantage Family Protection,	Norcross	GA	B	01-06-2006	01-06-2006	
21047	Gary Leland Bailey, Jr.	Duluth	GA	B	01-06-2006	01-06-2006	
21048	The Aliso Pacific Company, LLC	Aliso Viejo	CA	L	01-06-2006	01-06-2006	
21062	Malcap Mortgage, LLC	Nashville	TN	B	01-06-2006	01-06-2006	
21066	AAA Worldwide Financial, Co.	Dallas	TX	L	01-06-2006	01-06-2006	
21070	South Coast Mortgage, Inc.	Savannah	GA	B	01-06-2006	01-06-2006	
21085	Dove Capital Corporation	Anaheim Hills	CA	L	01-06-2006	01-06-2006	
20700	Stecroft Holdings, Inc.	Aliso Viejo	CA	B	01-13-2006	01-13-2006	
20778	QuoteMatch, LLC	San Diego	CA	B	01-13-2006	01-13-2006	
20889	Patti Leigh Dixon	Snellville	GA	B	01-13-2006	01-13-2006	
20975	Sherwood Capital of WNC, Inc.	Waynesville	NC	L	01-13-2006	01-13-2006	
20978	Alliance Capital Mtg Corpora-tion	Duluth	GA	B	01-13-2006	01-13-2006	
21014	WebTreeloan.com, Inc.	Marietta	GA	L	01-13-2006	01-13-2006	
21015	Main Street Financial Mortgage,	Atlanta	GA	B	01-13-2006	01-13-2006	
21016	Prime Mortgage Lending, LLC	Doraville	GA	B	01-13-2006	01-13-2006	
21017	SouthCoast Mortgage Services, LLC	Savannah	GA	B	01-13-2006	01-13-2006	
21024	Park Place Reverse Mortgage,	Atlanta	GA	L	01-13-2006	01-13-2006	
21028	Nationwide Security Mtg Corpora-tion	Orange	CA	B	01-13-2006	01-13-2006	
21036	Neighbors Mortgage, LLC	Tucker	GA	B	01-13-2006	01-13-2006	
21057	Allstate Lending Group, Inc.	Atlanta	GA	L	01-13-2006	01-13-2006	
21058	Cassell-Fetherston Mortgage, LLC	Sharpsburg	GA	B	01-13-2006	01-13-2006	
21060	Resurgens Lending Group, Inc.	Marietta	GA	B	01-13-2006	01-13-2006	
21065	Little Penguin, LLC	Atlanta	GA	B	01-13-2006	01-13-2006	
21080	Executive Capital Mortgage,	Atlanta	GA	B	01-13-2006	01-13-2006	
21090	AIMS Financial, LLC	Atlanta	GA	B	01-13-2006	01-13-2006	
16081	LenderLive Network Inc. +	Glendale	CO	B	10-06-2000	01-20-2006	

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN JANUARY 2006

ID#	COMPANY NAME	CITY	ST	MB CODE	ORIGINAL APPROVAL	RENEWAL	REINSTATED
20329	SBBnet, Inc.	Evergreen	CO	B	01-20-2006	01-20-2006	
20908	Americor Lending Group, Inc.	Irvine	CA	L	01-20-2006	01-20-2006	
20921	Coldstream Financial Services,	Cincinnati	OH	B	01-20-2006	01-20-2006	
20966	DB Structured Products, Inc.	New York	NY	L	01-20-2006	01-20-2006	
21000	Mortgage Hunters, LLC	Stone Mountain	GA	B	01-20-2006	01-20-2006	
21008	American Home Loan Lenders, LLC	Suwanee	GA	B	01-20-2006	01-20-2006	
21044	Home Loans of Pennsylvania, LLC	Pittsburgh	PA	B	01-20-2006	01-20-2006	
21061	Smartloanlender.com, Inc.	Conyers	GA		01-20-2006	01-20-2006	
21068	Ko-Am Finance, Inc.	Suwanee	GA	B	01-20-2006	01-20-2006	
21075	Select Home Mortgage, LLC	Duluth	GA	B	01-20-2006	01-20-2006	
21079	Olympia, Inc.	Marietta	GA	B	01-20-2006	01-20-2006	
21088	Desiree A. Perez	Columbus	GA	B	01-20-2006	01-20-2006	
21091	Thomas Augustus Hunter	Dawsonville	GA	B	01-20-2006	01-20-2006	
21102	Norma Jenkins	Atlanta	GA	B	01-20-2006	01-20-2006	
21106	Avery Mortgage, Inc.	Atlanta	GA	B	01-20-2006	01-20-2006	
21117	Melissa L. Storey	Rome	GA	B	01-20-2006	01-20-2006	
20988	Earl F. Johnson	Redding	CA	B	01-27-2006	01-27-2006	
21045	Christensen Financial, Inc.	Longwood	FL	L	01-27-2006	01-27-2006	
21046	Eastern Finl Home Loans Corp	Miami Lakes	FL	L	01-27-2006	01-27-2006	
21081	Emcore Mortgage, LLC	Atlanta	GA	B	01-27-2006	01-27-2006	
21087	James Richard Morrow	Atlanta	GA	B	01-27-2006	01-27-2006	
21101	Greenlink Financial Services, LLC	Lilburn	GA	B	01-27-2006	01-27-2006	
21103	Chartraw Mortgage, LLC	Columbus	GA	B	01-27-2006	01-27-2006	
21113	Advisors of Southern Lending, LLC	Buford	GA	B	01-27-2006	01-27-2006	
21114	Capital Management Mortgage, LLC	Atlanta	GA	B	01-27-2006	01-27-2006	
21119	J R Financial & Capital, Inc.	Roswell	GA	B	01-27-2006	01-27-2006	
21139	First Alliance Mtg Corp of Delaware	Hollywood	FL	L	01-27-2006	01-27-2006	
21156	Alexander Bradley	Atlanta	GA	B	01-27-2006	01-27-2006	
16917	Tommie J. Black	Bogart	GA	B	11-30-2001	01-06-2006	01-06-2006

TOTAL: 63

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

ID#	NAME	CODE	REVOKED	EXPIRED	SURRENDERED	WITHDRAWN	DENIED
6329	GA EQUITY MTG INC	BD				01-04-2006	
6347	WALKER, JAMES RANDALL	BD				01-04-2006	
11390	THOMPSON, JON M	BD		01-01-2006			
12468	FIDELITY MTG INC	LD				01-24-2006	
14974	1ST PLACE HM LOANS	BD			01-11-2006		
15012	RBC MTG CO	RD				01-10-2006	
15136	FIN AMERICA LLC	LD				01-04-2006	
15290	ABC MTG SVCS INC	BD		01-05-2006			
18243	HIGHLAND MTG GRP LLC	BD				01-18-2006	
18374	FRANK, JANICE CLARK	BD		01-20-2006			
18619	CONSUMERS CHOICE MTG INC	BD		01-13-2006			
18665	LAKE VIEW MTG INC	BD				01-24-2006	
18671	GEORGIA SOUTHERN MTG	PD				01-10-2006	
19050	1ST CITY MTG CORP	BD		01-19-2006			
19135	ISLANDS MTG INC	BD				01-18-2006	
19166	HOMEQUEST CAP FUNDING	LD				01-30-2006	
19531	ABETTERWAYHOME FIN LLC	LD				01-30-2006	
19532	ABETTERWAYHOME FIN LLC	LD				01-30-2006	
19737	GREESON MTG CO	BD				01-30-2006	
19932	DAVIS, RACHEL MAE	BD		01-20-2006			
19940	FRAIRE, JUAN CARLOS	BD		01-06-2006			
20135	CITI GRP FINL MTG CORP	BD	01-04-2006				
20197	FIDELITY MTG CTR LLC	BD				01-30-2006	
20232	WILLIAMS, SHALONNE	BD		01-27-2006			
20445	LOAN PAGE INC	BD		01-27-2006			

TOTAL: 25
MB CODES
B = BROKER
L = LENDER
R = REGISTRANT

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