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STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF MORTGAGE LENDING

\* \* \*

In re:  
Greenberry Financial Services, Inc.,  
formerly dba Franklin Financial,  
Respondent.

FINAL ORDER

The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter, the "Division"), having served the Respondent, Greenberry Financial Services, Inc, (hereinafter, "Respondent") on February 12, 2010, with its Notice of Intent to Impose Fine and Notice of Right to Request Hearing, attached hereto as Exhibit "1" and incorporated herein by reference, which notified Respondent that a final order would issue in this matter unless, within twenty (20) days of entry and receipt of said Order, Respondent requested a hearing to contest the charges against it, with said request to be made in writing, and;

Said Order having been sent to Respondent via certified mail and regular mail, and received by Respondent on February 18, 2010, and;

Respondent having failed to request a hearing in this matter, and good cause appearing:

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1 NOW, THEREFORE, **IT IS HEREBY ORDERED** that, pursuant to NRS 645E.750,  
2 Respondent will be subject to the administrative fines, fees and/or costs as set forth in the  
3 original Order attached hereto as Exhibit "1".

4 **IT IS FURTHER ORDERED** that the sum of said administrative fines, fees and/or costs  
5 be paid in full within **thirty (30) days** of entry of the Order;

6  
7 Dated this 10<sup>th</sup> day of March, 2010.  
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11 State of Nevada  
12 Department of Business and Industry  
13 Division of Mortgage Lending

14 By: Joseph L. Waltuch  
15 Joseph L. Waltuch, Commissioner  
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# **EXHIBIT “1”**

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**STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF MORTGAGE LENDING**

In re:

Greenberry Financial Services, Inc.,  
formerly doing business as Franklin  
Financial,

Respondent.

**NOTICE OF INTENT TO IMPOSE  
FINE AND NOTICE OF RIGHT TO  
REQUEST HEARING**

9 The licensing and regulation of mortgage brokers, mortgage bankers and escrow  
10 agencies in the State of Nevada is governed by Chapter 645B, Chapter 645E and Chapter  
11 645A of the Nevada Revised Statutes ("NRS"), respectively, and the regulations promulgated  
12 thereunder. The State of Nevada, Department of Business and Industry, Division of Mortgage  
13 Lending (hereinafter the "Division") has the general duty to exercise supervision and control  
14 over mortgage brokers, mortgage bankers and escrow agencies pursuant to these chapters.  
15 Pursuant to that authority, the Division makes the following Factual Allegations, Violations of  
16 Law, and Order, as follows:  
17

18 **FACTUAL ALLEGATIONS**

- 19 1. Christopher E. Hobson, Inc. (hereinafter "Hobson") is a California corporation.
- 20 2. Hobson conducted mortgage banker activity in the State of Nevada as a  
21 Category 6 exempt entity from approximately June 14, 2000 to June 11, 2004 under the name  
22 of Franklin Financial (hereinafter "Franklin Financial").
- 23 3. On June 11, 2004, Franklin Financial was issued a mortgage banker license by  
24 the Division pursuant to NRS Chapter 645E.
- 25 4. Based upon information and belief, on approximately September 16, 2009,  
26 Franklin Financial changed its name to Greenberry Financial Services, Inc., but continued to  
27 conduct business under the name Franklin Financial.  
28

1           5.       Based upon information and belief, from June 11, 2004 to date, Franklin  
2 Financial (hereinafter "Respondent") conducted and continues to conduct licensed mortgage  
3 banker activity in the State of Nevada out of its licensed offices at 5836 S. Pecos Road, Suite  
4 303, Las Vegas, Nevada 89120 (hereinafter "Las Vegas Principal Office") and 999 Corporate  
5 Drive, Suite 110, Ladera Ranch, California 92694 (hereinafter "Ladera Ranch Branch Office").

6           6.       Pursuant to NRS 645E.300, with limited exception, the Division is charged with  
7 conducting "an annual examination of each mortgage banker doing business in this State...."  
8 See, NRS 645E.300(2)(d).

9           7.       During an annual examination of Respondent's books and records which  
10 commenced on August 31, 2009, the Division discovered that, at all relevant times herein  
11 mentioned, Respondent conducted mortgage banker activity related to loans on properties in  
12 Nevada, including preparing three Uniform Residential Loan Applications ("1003s"), a Good  
13 Faith Estimate and a Truth-in-Lending Disclosure Statement, as Franklin Financial out of an  
14 office at 26060 Acero Street, Mission Viejo, California 92691 (hereinafter "Mission Viejo  
15 Office").  
16

17           8.       Pursuant to NRS 645E.200, "[if] a mortgage banker will conduct business in this  
18 State at one or more branch offices, the mortgage banker must apply for a license for each  
19 such branch office." See, NRS 645E.200(2).

20           9.       Pursuant to NRS 645E.900, "[it] is unlawful for any person to offer or provide any  
21 of the services of a mortgage banker or...otherwise to engage in, carry on or hold himself out  
22 as engaging in or carrying on the business of a mortgage banker...without first obtaining a  
23 license as a mortgage banker pursuant to this chapter..." unless the person is exempt from  
24 NRS Chapter 645E and complies with the requirements for that exemption.  
25

26           10.       Respondent's Mission Viejo Office has never been licensed by the Division  
27 pursuant to NRS Chapter 645E and is not exempt from licensure.  
28

1 11. Pursuant to NRS 645E, “[if] a person offers or provides any of the services of a  
2 mortgage banker...or otherwise engages in, carries on or holds himself out as engaging in or  
3 carrying on the business of a mortgage banker...and, if a the time...[t]he person was required  
4 to have a license pursuant to this chapter and the person did not have such a license...the  
5 Commissioner shall impose upon the person an administrative fine of not more than \$50,000  
6 for each violation and, if the person has a license, the Commissioner shall revoke it...”

7  
8 **VIOLATIONS OF LAW**

9 After investigation, the Division determined that, by conducting mortgage banker  
10 activity, including preparing three 1003s, a Good Faith Estimate and a Truth-in-Lending  
11 Disclosure Statement relating to loans on properties in Nevada, from Respondent's Mission  
12 Viejo Office, Respondent at all relevant times mentioned herein conducted unlicensed  
13 mortgage banker activity and failed to conduct its business in accordance with law, in violation  
14 of NRS 645E.200(2) and NRS 645E.900.

15 **ORDER**

16 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**  
17 pursuant to NRS 645E.750, that upon written application to the Division within **twenty (20)**  
18 **days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the  
19 contents of this Order referenced below. At that hearing the Division will seek:

20  
21 a. The imposition of an administrative fine against Respondent in the amount of Five  
22 Thousand Dollars and No Cents (\$5,000.00), payable to the Division on account of  
23 Respondent's multiple violations of Chapter 645E of NRS, the Division's administrative costs  
24 in the amount of One Hundred Eighty Dollars and No Cents (\$180.00) as well as the Division's  
25 attorney's fees, if any, incurred herein, each to be proven at the hearing; and

26  
27 b. Respondent's payment, in full, of the administrative fine, costs and fees to the Division  
28 within **thirty (30) days** of entry of the Final Order.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

Should Respondent not request a hearing within **twenty (20) days** of the date of this Order, the Division will enter a Final Order in this matter against Respondent, as otherwise required by law.

Dated this 12<sup>th</sup> day of February, 2010.

State of Nevada  
Department of Business and Industry  
Division of Mortgage Lending

By: Joseph L. Waltuch  
Joseph L. Waltuch, Commissioner