

1 STATE OF NEVADA
2 DEPARTMENT OF BUSINESS AND INDUSTRY
3 DIVISION OF MORTGAGE LENDING

4 * * *

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

10 FINAL ORDER

11 The State of Nevada, Department of Business and Industry, Division of Mortgage
12 Lending (hereinafter, the "Division"), having served the Respondent, Greenberry Financial
13 Services, Inc, (hereinafter, "Respondent") on February 12, 2010, with its Notice of Intent to
14 Impose Fine and Notice of Right to Request Hearing, attached hereto as Exhibit "1" and
15 incorporated herein by reference, which notified Respondent that a final order would issue in
16 this matter unless, within twenty (20) days of entry and receipt of said Order, Respondent
17 requested a hearing to contest the charges against it, with said request to be made in writing,
18 and;
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20 Said Order having been sent to Respondent via certified mail and regular mail, and
21 received by Respondent on February 18, 2010, and;
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23 Respondent having failed to request a hearing in this matter, and good cause
24 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;

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7 Dated this 10th 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:
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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.
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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 8. Pursuant to NRS 645E.200, "[if] a mortgage banker will conduct business in this
17 State at one or more branch offices, the mortgage banker must apply for a license for each
18 such branch office." See, NRS 645E.200(2).

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

24 10. Respondent's Mission Viejo Office has never been licensed by the Division
25 pursuant to NRS Chapter 645E and is not exempt from licensure.
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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 VIOLATIONS OF LAW

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

14 ORDER

15 **NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS,**
16
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 a. The imposition of an administrative fine against Respondent in the amount of Five
21 Thousand Dollars and No Cents (\$5,000.00), payable to the Division on account of
22 Respondent’s multiple violations of Chapter 645E of NRS, the Division’s administrative costs
23 in the amount of One Hundred Eighty Dollars and No Cents (\$180.00) as well as the Division’s
24 attorney’s fees, if any, incurred herein, each to be proven at the hearing; and

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26 b. Respondent’s payment, in full, of the administrative fine, costs and fees to the Division
27 within **thirty (30) days** of entry of the Final Order.
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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 12th day of February, 2010.

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

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

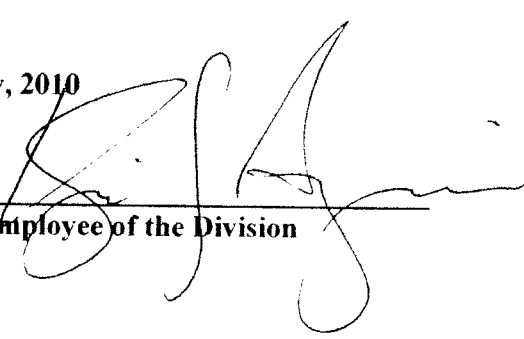
CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , February 17, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, **NOTICE OF INTENT TO IMPOSE FINE AND RIGHT TO REQUEST HEARING** for **GREENBERRY FINANCIAL SERVICES INC** , addressed as follows:

**Mark Stensgard
Greenberry Financial Services, Inc.
5836 S. Pecos Rd, Ste. 303
Las Vegas, NV 89120**

Certified Receipt Number: 7008 1830 0002 7959 5604

DATED this 16th day of February, 2010

By: 
Employee of the Division

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , March 11, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, FINAL ORDER for GREENBERRY FINANCIAL SERVICES INC, addressed as follows:

**Mark Stensgard
Greenberry Financial Services Inc.
5836 S. Pecos Rd, Ste. 303
Las Vegas, NV 89120**

Certified Receipt Number: 7008 1830 0002 7959 5710

DATED this 11th day of March, 2010

By: 
Employee of the Division