

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2
3 In the Matter of the Mortgage Broker License of: No. 09F-BD019-BNK
4 **RIDGE MORTGAGE SERVICES, INC. and** **CONSENT ORDER**
5 **WILLIAM J. RIDGE, PRESIDENT,**
6 8075 E. Morgan, Suite 1
7 Scottsdale, Arizona 85258

8 Respondents.

9 On September 23, 2008, the Arizona Department of Financial Institutions
10 ("Department") issued an Order of Summary Suspension and Notice of Hearing to Revoke,
11 alleging that Respondents had violated Arizona law. Wishing to resolve this matter in lieu of an
12 administrative hearing, Respondents admit to the following Findings of Fact and Conclusions of
13 Law, and consent to the entry of the following Order.

14 FINDINGS OF FACT

15 1. Respondent Ridge Mortgage Services, Inc., ("RMSI") is an Oregon corporation
16 authorized to transact business in Arizona as a mortgage broker, license number MB 0909709,
17 within the meaning of A.R.S. §§ 6-901, *et seq.* The nature of RMSI's business is that of
18 making, negotiating, or offering to make or negotiate loans secured by Arizona real property,
19 within the meaning of A.R.S. § 6-901(6).

20 2. Respondent William J. Ridge ("Mr. Ridge"), is the President and one hundred
21 percent (100%) owner of RMSI. Mr. Ridge is authorized to transact business in Arizona as a
22 mortgage broker within the meaning of A.R.S. § 6-903(E).

23 3. RMSI, before conducting business as a mortgage broker, is required to have a
24 surety bond, deposited with the Superintendent, pursuant to A.R.S. § 6-903(G), in the required
25 amount pursuant to A.R.S. § 6-903(H).

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1 4. On February 8, 2008, the Department received a Notice of Cancellation or
2 Nonrenewal from Great American Insurance Company, stating that RMSI's surety bond,
3 number 2376262, in the amount of fifteen thousand dollars (\$15,000.00), is cancelled, effective
4 March 7, 2008.

5 5. On February 8, 2008, the Department sent a letter via certified mail to RMSI,
6 informing them of the bond cancellation.

7 6. RMSI failed to provide documentation of regarding the reinstatement of their
8 bond or documentation of a new surety bond.

9 7. RMSI does not have the required surety bond in order to conduct business as a
10 mortgage broker.

11 8. The conduct described above constitutes an immediate threat to the public health,
12 safety, and welfare, warranting the revocation of Respondents' mortgage broker license because
13 Respondents are able to conduct business in Arizona as a licensed mortgage broker and they do
14 not have the required surety bond.

15 9. The mortgage broker license of RMSI is suspended, effective as of September
16 23, 2008.

17 10. The conduct described above constitutes grounds for revocation of Respondents'
18 mortgage broker license.

19 **CONCLUSIONS OF LAW**

20 A. Pursuant to A.R.S. Title 6, Chapter 9, the Superintendent has the authority and
21 duty to regulate all persons engaged in the mortgage broker business and with the enforcement
22 of statutes, rules, and regulations relating to mortgage brokers.

23 B. By the conduct set forth above in the Complaint, RMSI and Mr. Ridge violated
24 A.R.S. § 6-903(G) by failing to maintain the required surety bond.

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26 . . .

1 C. Respondents have not conducted business in accordance with the law and
2 violated Title 6, Chapter 9 and the rules relating to this chapter, which are grounds for the
3 suspension or revocation of Respondents' license pursuant to A.R.S. § 6-905(A)(3).

4 D. The violations, set forth above, constitute grounds for the pursuit of any other
5 remedy necessary or proper for the enforcement of statutes and rules regulating mortgage
6 brokers in Arizona pursuant to A.R.S. §§ 6-123 and 6-131.


7 E. Pursuant to A.R.S. § 6-132, Respondents' violations of the aforementioned
8 statutes are grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for
9 each violation for each day.

10 **ORDER**

11 1. Mortgage Broker License, No. MB 0909709, issued in the name of Ridge
12 Mortgage Services, Inc., is hereby immediately revoked and shall immediately be surrendered to
13 the Department upon execution of this Consent Order.

14 2. The provisions of this Order shall be binding upon RMSI and Mr. Ridge, and
15 their employees, agents, and other persons participating in the conduct of the affairs of RMSI.

16 SO ORDERED this 23 day of October, 2008.

17 By: 
18 Robert D. Charlton
19 Assistant Superintendent of Financial Institutions

20 **CONSENT TO ENTRY OF ORDER**

21 1. Respondents acknowledges that they has been served with a copy of the foregoing
22 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the
23 same, are aware of their right to an administrative hearing in this matter, and have waived the
24 same.

25 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry
26 of the foregoing Findings of Fact, Conclusions of Law, and Order.

1 3. Respondents state that no promise of any kind or nature has been made to induce
2 them to consent to the entry of this Order, and that they have done so voluntarily.

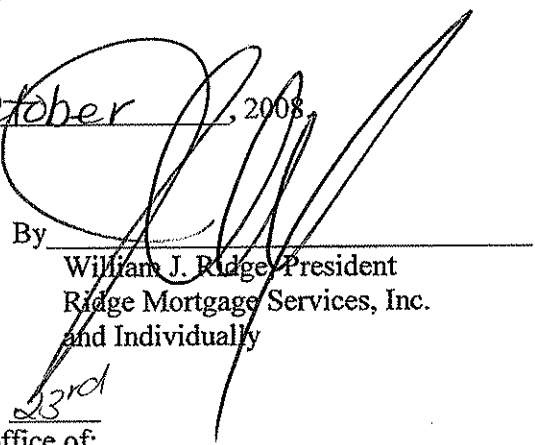
3 4. Respondents agree to cease from engaging in the violative conduct set forth above
4 in the Findings of Fact and Conclusions of Law.

5 5. Respondents acknowledge that the acceptance of this Agreement by the
6 Superintendent is solely to settle this matter and does not preclude this Department, any other
7 agency or officer of this state or subdivision thereof from instituting other proceedings as may be
8 appropriate now or in the future.

9 6. William J. Ridge, on behalf of Ridge Mortgage Services, Inc., and himself
10 represents that he is the President, and that, as such, has been authorized by Ridge Mortgage
11 Services, Inc., to consent to the entry of this Order on its behalf.

12 7. Respondents waive all rights to seek judicial review or otherwise to challenge or
13 contest the validity of this Order.

14 DATED this 17th day of October, 2008.

15
16 
17 By _____
18 William J. Ridge, President
19 Ridge Mortgage Services, Inc.
20 and Individually

19 ORIGINAL of the foregoing filed this 23rd
20 day of October, 2008, in the office of:

21 Felecia Rotellini
22 Superintendent of Financial Institutions
23 Arizona Department of Financial Institutions
24 ATTN: Susan Longo
25 2310 N. 44th Street, Suite 310
26 Phoenix, Arizona 85018

25 ...
26 ...

1 COPY mailed/delivered same date to:

2 Robert D. Charlton, Assistant Superintendent
3 Richard Fergus, Division Manager Licensing
4 Arizona Department of Financial Institutions
5 2910 N. 44th Street, Suite 310
6 Phoenix, Arizona 85018

7 Liane C. Kido
8 Consumer Protection and Advocacy Division
9 1275 W. Washington Street
10 Phoenix, Arizona 85007

11 William J. Ridge, President
12 Attn: Vanessa Gerberg
13 Ridge Mortgage Services, Inc.
14 10230 SW Hall Blvd.
15 Tigard, Oregon 97223

16 By: *Susan Longo*

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