

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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CASE NO. C-10-142

ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

C-10-142-10-OR01

COMMUNITY HOME
FINANCIAL SERVICES, INC.
NMLS&R NO. 117310

RESPONDENT

CONSENT ORDER

This Consent Order ("Order") is entered pursuant to the Arkansas Fair Mortgage Lending Act, Ark. Code Ann. §§ 23-39-501 through 23-39-518 ("Act"), the Rules of the Arkansas Securities Commissioner ("Rules"), promulgated under the Act, and the Arkansas Administrative Procedures Act ("Procedures"), codified at Ark. Code Ann. §§ 25-15-201 through 25-15-219 in accordance with an agreement by and between the Staff of the Arkansas Securities Department and Community Home Financial Services, Inc. ("Community Home") in full and final settlement of all claims that could be brought against Community Home by the Staff on the basis of the facts set forth herein.

Community Home admits to the jurisdiction of the Act and the Arkansas Securities Commissioner ("Commissioner"), waives its rights to a formal hearing, consents to the entry of this order, and agrees to abide by its terms.

FINDINGS OF FACT

1. Community Home Financial Services, Inc., ("Community Home") is a corporation organized and existing under the laws of Delaware, with its principal place of business located at 234 East Capitol Street, Suite 200, Jackson, Mississippi. Community Home has been licensed as a mortgage banker and mortgage servicer by the Arkansas Securities Department ("Department") since October 28, 2003. Community Home's mortgage banker and mortgage servicer license is scheduled to expire on December 31, 2010.

2. Each mortgage banker licensed by the Department is required to file an annual report with the Department by March 31 of each year. Community Home failed to file its annual report by the deadline.

3. The Staff contacted Community Home through the NMLS&R on April 14, 2010, and by certified mail May 18, 2010, concerning the failure of Community Home to file its annual report of mortgage activity in Arkansas by the March 31, 2010.

4. Pursuant to Ark. Code Ann. § 23-39-514(b)(1)-(2), the Commissioner may impose a civil penalty against Community Home that shall not exceed \$10,000.00 for each violation under the Act.

LEGAL AUTHORITY AND CONCLUSIONS OF LAW

5. The acts by Community Home described in ¶¶ 2-3 constitutes a violation of Ark. Code Ann. § 23-39-506(a)(2)(A), Rule 5006-2 of the Rules of the Fair Mortgage Lending Act, and Order No. G-10-037-10-OR01, titled In The Matter of: Arkansas Fair Mortgage Lending Act, Ark Code Ann. § 23-39-506(a)(2), which ordered that each mortgage banker licensed under the Act must file an annual report of mortgage activity directly with the Department by March 31, 2010. In addition, said acts warrant the entry of an order under Ark. Code Ann. § 23-39-514(a)(2)(B) with the appropriate civil penalty against Community Home as authorized by Ark. Code Ann. § 23-39-514(b).

6. Pursuant to Ark. Code Ann. § 23-39-514(a)(1) the entry of this order is in the public interest.

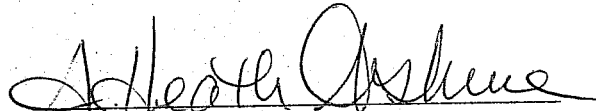
7. The Commissioner by order may impose a civil penalty that shall not exceed \$10,000.00 for each violation by a mortgage banker upon a licensee or partner, officer, director, member, manager, or other person occupying a similar status or performing a similar function on behalf of a licensee for any violation of the Act. Ark. Code Ann. § 23-39-514(b)(1) and (2).

ORDER

By agreement and with the consent of the Staff and the authorized representative of Community Home, it is hereby ordered that Community Home shall be responsible for the payment

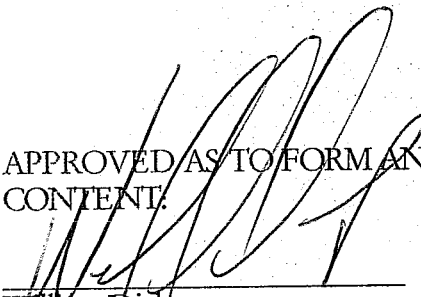
of a civil penalty in the amount of \$250.00 to the Arkansas Securities Department. The payment of the civil penalty shall be made by Community Home within thirty days of the entrance of this Consent Order.

WITNESS MY HAND AND SEAL on this 9th day of November, 2010.


A. Heath Abshire
Arkansas Securities Commissioner

APPROVED AS TO FORM AND
CONTENT:

By:

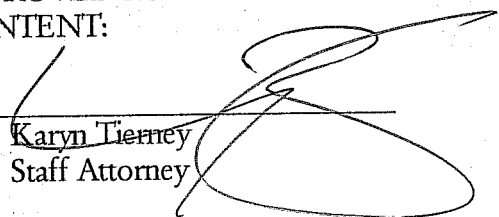

William Dickson
President; Community Home Mortgage
Company

Date:

11-8-10

APPROVED AS TO FORM AND
CONTENT:

By:


Karyn Tierney
Staff Attorney

Date:

11-9-10