COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2005-AA-033

IN THE MATTER OF
LOVINA LEHR

ORDER TO CEASE AND DESIST

Statement of Facts/Allegations

The Office of Financial Institutions ("OFI") is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers in accordance with the provisions of KRS Chapter 294, the Mortgage Loan Company and Mortgage Loan Broker Act.

Ms. Lovina Lehr ("Ms. Lehr") is an individual not registered with OFI as a mortgage loan broker. However, she has in the past acted as a loan broker for VanDyk Mortgage ("VanDyk") despite not being registered. When this fact was brought to the attention of VanDyk, VanDyk closed the office where Ms. Lehr and other unregistered loan officers were working and terminated Ms. Lehr's employment.

On October 4, 2005, Ms. Laurel Yaroch of VanDyk contacted OFI, relating that Ms. Lehr and another unregistered loan officer were continuing to originate loans at 9612 Taylorsville Road, Jeffersontown, Kentucky 40299.

Statutory Authority

1. Pursuant to KRS 294.030(1)(c), it is unlawful for any loan officer, unless otherwise exempted, to originate mortgage loans in Kentucky if the loan officer is not registered in accordance with KRS 294.255.

2. Pursuant to KRS 294.030(3), any person who willfully transacts business in this state in violation of subsection (1) of this section shall have no right to collect, receive, or retain any interest or charges whatsoever on a loan contract, but the unpaid principal of the loan shall be paid in full.

3. Pursuant to KRS 294.190(2)(a), if it appears to the executive director that any mortgage loan company or mortgage loan broker has engaged in or is about to engage in any practice in violation of the law, the executive director may order a mortgage loan company or mortgage loan broker to cease and desist from the acts or practices by a formal written order.

Conclusions

Based upon the foregoing, the executive director has determined as follows:

1. Lovina Lehr is engaged in or has engaged in the business of a mortgage loan broker without bring registered in accordance with KRS 294.255, which is a violation of KRS 294.030(1)(a).

2. Because Lovina Lehr is or has been originating mortgage loans without bring registered in accordance with KRS 294.255, the executive director has determined that it is necessary to order Lovina Lehr to immediately cease and desist from originating

mortgage loans until such time as he is properly registered with the Office of Financial Institutions.

Order

Based upon the foregoing statement of facts/allegations, statutory authority and conclusions, the executive director HEREBY ORDERS as follows:

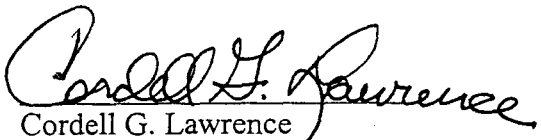
1. That Lovina Lehr immediately CEASE AND DESIST from originating mortgage loans in the Commonwealth of Kentucky.
2. That Lovina Lehr provide evidence to the Office of Financial Institutions that she has complied with the requirements of this Cease and Desist Order.

This ORDER shall become effective upon receipt.

Appeal Rights

Pursuant to KRS 294.190, you are hereby notified that you have the right to a hearing to appeal this Order of the Executive Director. If you choose to appeal, you must notify the Office of Financial Institutions in writing within twenty (20) days after the entry of this Order and, on receipt, OFI will schedule the matter for a hearing in accordance with KRS Chapter 13B.

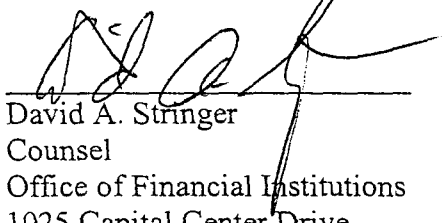
IT IS SO ORDERED on this the 28 day of Oct., 2005



Cordell G. Lawrence
Executive Director
Office of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601

Certificate of Service

I, David A. Stringer, hereby certify that a copy of the foregoing Order to Cease and Desist was sent on this the 7th day of November, 2005 by certified mail, return receipt requested, to Ms. Lovina Lehr at 9903 Futurity Springs Court, Louisville, Kentucky 40291 and 9612 Taylorsville Road, Jeffersontown, Kentucky 40299.



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