

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Mortgage Banker License
3 of:

No. 09F-BD037-BNK

4 **FIRSTLINE RESIDENTIAL, INC. and**
5 **MIKE N. RAFIPOOR, PRESIDENT**
6 29900 N. 121st Lane
7 Peoria, AZ 85383

CONSENT ORDER

8 Respondents.

9 On October 20, 2008, the Arizona Department of Financial Institutions
10 (“Department”) issued an Order of Summary Suspension and Notice of Hearing to
11 Revoke, alleging that Respondent had violated Arizona law. Wishing to resolve this
12 matter in lieu of an administrative hearing, Respondent admits to the following Findings of
13 Fact and Conclusions of Law, and consents to the entry of the following Order.

14 FINDINGS OF FACT

15 1. Respondent Firstline Residential, Inc., (“FRI”) is a Nevada corporation
16 authorized to transact business in Arizona as a mortgage banker, license number BK
17 0909795, within the meaning of A.R.S. §§ 6-941, *et seq.* The nature of FRI’s business is
18 that of making, negotiating, or offering to make or negotiate loans secured by Arizona real
19 property, within the meaning of A.R.S. § 6-941(5).

20 2. Respondent Mike N. Rafipoor (“Mr. Rafipoor”) is the President and one
21 hundred percent (100%) owner of FRI. Mr. Rafipoor is authorized to transact business in
22 Arizona as a mortgage banker within the meaning of A.R.S. § 6-943(F).

23 3. FRI, before conducting business as a mortgage banker, is required to have a
24 surety bond, deposited with the Superintendent, pursuant to A.R.S. § 6-943(H), in the
25 required amount pursuant to A.R.S. § 6-943(H).

26 4. On August 11, 2008, the Department received a Notice of Cancellation of
Bond from Hartford Fire Insurance Company, stating that Rafipoor Funding Group, Inc.’s

1 surety bond, number 83BSBEO0640, in the amount of twenty-five thousand dollars
2 (\$25,000.00), will be cancelled, effective September 17, 2008.

3 5. Department records reflect surety bond number 83BSBEO0640 is for
4 Firstline Residential, Inc.

5 6. On August 14, 2008, the Department sent a letter via certified mail to FRI,
6 informing them of the bond cancellation.

7 7. On August 14 2008, the Department contacted Hartford Fire Insurance
8 Company regarding the discrepancy in the principal on record with the Department for
9 bond number 83BSBEO0640 and the Notice of Cancellation of Bond the Department
10 received. The Department was provided a copy of a bond RIDER that was executed on
11 February 8, 2008 changing the name of the principal from Firstline Residential, Inc. to
12 Rafipoor Funding Group, Inc.

13 8. FRI completed a name change with the Arizona Corporation Commission on
14 May 12, 2008. FRI changed its name from Firstline Residential, Inc. to Rafipoor Funding
15 Group, Inc.

16 9. To date, FRI has not notified the Department of any change in its name.

17 10. FRI failed to provide documentation regarding the reinstatement of their
18 bond or documentation of a new surety bond.

19 11. FRI does not have the required surety bond in order to conduct business as a
20 mortgage banker.

21 12. The conduct described above constitutes an immediate threat to the public
22 health, safety, and welfare, warranting immediate suspension of Respondents' mortgage
23 banker license because Respondents are able to conduct business in Arizona as a licensed
24 mortgage banker and they do not have the required surety bond.

25 13. The mortgage banker license of FRI is suspended.
26

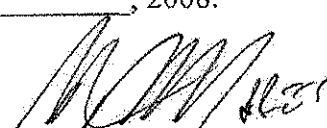
1 above in the Findings of Fact and Conclusions of Law.

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

6 6. Mike N. Rafipoor, on behalf of Firstline Residential, Inc., represents that he is
7 the President, and that, as such, has been authorized by Firstline Residential, Inc. to
8 consent to the entry of this Order on its behalf.

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

11 DATED this 24 day of 11, 2008.

12
13 By 
14 Mike N. Rafipoor, President
15 Firstline Residential, Inc.

16 ORIGINAL of the foregoing filed this 24
17 day of November, 2008, in the office
18 of:

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

24 COPY mailed/delivered same date to:

25 Robert D. Charlton, Assistant Superintendent
26 Richard Fergus, Division Manager Licensing
Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
Phoenix, Arizona 85018

1 AND COPY MAILED SAME DATE to:

2 Alyse C. Meislik.
3 Assistant Attorney General
4 1275 West Washington Street
5 Phoenix, Arizona 85007-2926
6 Attorneys for the Arizona Department of Financial Institutions

7 Herbert N. Niermann, Esq.
8 17310 Red Hill Avenue, Suite 250
9 Irvine, CA 92614
10 Attorney for Respondents

11 Firstline Residential, Inc.
12 Attn: Mike N. Rafipoor, President
13 17310 Redhill Ave., Suite 250
14 Irvine, CA 92614
15 Respondents

16 Paracorp Incorporated
17 Statutory Agent for Firstline Residential, Inc.
18 AKA Rafipoor Funding Group, Inc.
19 638 N. 5th Ave.
20 Phoenix, AZ 85003

21 By: 

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