

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES
ENFORCEMENT SECTION

BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES

In the Matter of

M-06-0014

RON OGLE, an individual,

ORDER TO CEASE AND DESIST
ENTERED BY DEFAULT

Respondent.

On June 13, 2006, the Director of the Department of Consumer and Business Services for the State of Oregon (hereafter "the Director"), acting by and pursuant to the authority of the Oregon Securities Law, Oregon Revised Statutes ("ORS") Chapter 59, and other applicable authority, issued Administrative Order No. M-06-0014 ORDER TO CEASE AND DESIST AND NOTICE OF RIGHT TO A PUBLIC HEARING ("the Proposed Order") against Respondent Ron Ogle.

On or about June 16, 2006, Respondent Ron Ogle was duly served with a true copy of the Proposed Order by United States Certified Mail, postage prepaid, and first class mail addressed to Ron Ogle, 784 Foots Creek Road, Gold Hill, Oregon 97525.

The mailing was not returned.

Respondent Ron Ogle did not made a written request for a contested case hearing in this matter and time for doing so has now expired.

NOW THEREFORE, after consideration of the Investigation Report and accompanying exhibits submitted in this matter by Margaret V. Green, Investigator, the Director hereby issues the following Findings of Fact, Conclusions of Law, and Final



1 Order.

2 **FINDINGS OF FACT**

3 The Director **FINDS** that:

4 1. Ron Ogle ("Ogle" or "Respondent") is an Oregon resident currently
5 residing at 784 Foots Creek Road, Gold Hill, Oregon 97525.

6 2. Pac West Mortgage and Investment Ltd. was an Oregon domestic
7 corporation doing business as a residential mortgage broker from offices located at 776
8 Rogue River Hwy., Grants Pass, Oregon 97527. The company held mortgage license
9 number ML-2469. Ogle was the president, secretary, and registered agent of the
10 corporation. Ogle was also registered with the Director as the owner and experienced
11 person for Pac West. The company began business on December 10, 1999. Ogle was
12 registered as a loan originator for Pac West on August 5, 2002. Pac West's mortgage
13 bond was canceled on January 22, 2004. Ogle's registration with the Director lapsed at
14 the same time. Pac West's corporate registration was administratively dissolved on
15 February 6, 2004.

16 3. In January 2003, Bill Leep ("Leep"), a Jacksonville, Oregon real estate
17 agent, was working with two investors, J ■ C ■ ("C ■") and A ■ M ■
18 ("M ■"), on a private housing development project. Leep brought Ogle into the
19 project to disburse the loan funds to the construction contractor as needed to move the
20 project along. Ogle was entrusted with and given control of \$525,000 that was loaned
21 by C ■ and M ■ for the project. These funds were intended to be used for
22 initial construction costs.

23 When the building contractor, Kevin Shawhan ("Shawhan"), contacted
24 Ogle to receive the first draw on the loan funds to pay for the engineered drawings,
25 Ogle told Shawhan that he would not release the funds until Shawhan paid him
26 \$50,000. When Shawhan refused, Ogle lowered his demand to \$20,000. When



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1 Shawhan continued to refuse to pay money to Ogle for disbursing the construction
2 funds, Ogle threatened to sue Shawhan.

3 Ogle maintained control of the loan funds. On advice of counsel,
4 Shawhan refused to make interest payments on the loan. At one time, Ogle had told
5 the investors that Shawhan had received the loaned funds. He subsequently admitted
6 that he had not paid the loan funds to Shawhan. Ogle paid interest payments to the
7 investors either out of his own pocket or out of the loan funds.

8 After it became apparent that Ogle had not released the loan funds to the
9 contractor, one of the investors, M [REDACTED], asked to be repaid. C [REDACTED] instructed Ogle
10 to pay M [REDACTED] \$125,000. Ogle wrote M [REDACTED] a check for that amount, but the
11 check bounced. Ogle wrote a second check, and it too bounced.

12 4. Ogle converted or misappropriated to his own use the funds loaned by
13 C [REDACTED] and M [REDACTED]. Ogle did not repay C [REDACTED] or M [REDACTED].

14 **CONCLUSIONS OF LAW**

15 The Director **CONCLUDES** that:

16 5. Ogle's actions in converting or misappropriating the loan funds to his own
17 use were dishonest, fraudulent or illegal practices or conduct performed in a business or
18 profession.

19 6. Ogle's actions in converting or misappropriating the loan funds to his own
20 use are grounds for the denial, suspension, conditioning or revocation of Ogle's
21 mortgage broker license pursuant to ORS 59.865(2).

22 **ORDER**

23 7. Pursuant to the authority of ORS 59.865(2) and 59.885(4), the Director
24 hereby **ORDERS** Ron Ogle to **CEASE AND DESIST** from engaging in dishonest,
25 fraudulent or illegal practices or conduct in any business or profession.

26 The entry of this Order in no way limits further remedies which may be available

1 to the Director under Oregon law.

2 Dated this 24th day of August, 2006 at Salem, Oregon NUNC PRO

3 TUNC June 13, 2006.

4 CORY STREISINGER, Director
5 Department of Consumer and Business Services

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7 David C. Tatman, Administrator
8 Division of Finance and Corporate Securities

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