



1 4. The Oregon Mortgage Lender Law requires licensed mortgage bankers and
2 mortgage brokers to file an annual report with the Division concerning their residential
3 mortgage lending activity.

4 5. The deadline for filing the annual report for 2011 mortgage lending activity was
5 March 31, 2012.

6 6. On January 3, 2012, the Division made public a website
7 <https://www4.cbs.state.or.us/exs/dfcs/mlrpt/index.cfm> that licensees were to use to file their
8 annual reports. The Division posted a link to that website from the Division's mortgage lending
9 home page along with information on the annual report requirements.

10 7. The Division's mortgage lending home page also included a prominent notice about
11 the requirement.

12 8. On January 9, 2012, the Division sent an e-mail to the e-mail address of record for
13 Baseline, info@baselinemortgage.com, reminding that Baseline had not filed the annual report
14 and the deadline was March 31.

15 9. On March 16, 2012, the Division sent an e-mail to the e-mail address of record
16 reminding that Baseline had not filed the annual report and the deadline was March 31.

17 10. On March 21, 2012, the Division issued the Spring 2012 edition of the Mortgage
18 Regulation News which included an article about the requirement to file the 2011 annual report
19 and the deadline to file. This newsletter was emailed to Baseline.

20 11. On April 2, 2012, the Division sent Baseline a letter to the address of record in
21 NMLS notifying that they are required to file the 2011 annual report for Oregon. The letter
22 warned that if Baseline did not file by May 2, 2012, the matter would be referred for
23 enforcement action and a civil penalty assessed.

24 12. On April 2, 2012, the Division also sent an email to Baseline notifying of the missed
25 deadline and warning of the enforcement action and civil penalty for failure to file by May 2,
26 2012.

1 13. Since Baseline did not file its annual report by May 2, 2012 the matter was
2 referred for enforcement on May 7, 2012.

3 14. Baseline filed its annual report with the Division on July 2, 2012.

4 **CONCLUSIONS OF LAW**

5 The Director CONCLUDES that:

6 1. By failing to file the annual report for 2011 mortgage lending activity by March 31,
7 2012, Baseline violated ORS 86A.112(3) and OAR 441-865-0025.

8 **ORDERS**

9 NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

10 The Director, pursuant to ORS 86A.127, hereby ORDERS Baseline to Cease and Desist
11 from violating Oregon's Mortgage Lender Law.

12 The Director, pursuant to ORS 86A.992(2), may assess civil penalties of up to \$100 per
13 day each day the report is not filed. The Director, pursuant to ORS 86A.992(2), hereby
14 ORDERS Baseline to pay a civil penalty of \$1,000 for the violation of ORS 86A.112(3) and
15 OAR 441-865-0025.

16 Dated this 30th day of July, 2012 at Salem, Oregon.

17
18 PATRICK M. ALLEN, Director
19 Department of Consumer and Business Services

20 /s/ David Tatman
21 David C. Tatman, Administrator
22 Division of Finance and Corporate Securities

23 **ENTITY CONSENT TO ENTRY OF ORDER**

24 I, Arturo Chavez, state that I am an officer of Baseline, and I am authorized to act on its
25 behalf. I have read the foregoing order and that I know and fully understand the contents
26 hereof. I have been advised of the right to a hearing and of the right to



1 be represented by counsel in this matter. Baseline voluntarily and without any force or duress
2 consents to the entry of this order expressly waiving any right to a hearing in this matter.
3 Baseline understands that the Director reserves the right to take further actions to enforce this
4 order or to take appropriate action upon discovery of other violations of the Oregon Mortgage
5 Lender Law. Baseline will fully comply with the terms and conditions stated herein.

6 Baseline further assures the Director that neither Baseline, nor its officers, directors,
7 employees, or agents will effect mortgage transactions in Oregon unless such activities are in
8 full compliance with the Oregon Mortgage Lender Law. Baseline understands that this
9 Consent Order is a public document.

10 Dated this 19th day of July, 2012, at Salem, Oregon.

11 By /s/ Art Chavez

12 Managing Member
13 Office Held

14 **ENTITY ACKNOWLEDGMENT**

15 There appeared before me this 19th day of July, 2012,
16 Arturo Javier Chavez, who was first duly sworn on oath, and stated that (s)he was and is an
17 officer of Baseline and that (s)he is authorized and empowered to sign this Consent to Entry of
18 Order on behalf of Baseline and to bind Baseline to the terms hereof.

19 /s/ Wendy J. Deatherage
20 Notary Public for the State of: Oregon
21 My commission expires: 12/12/2015

