

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. S-16-0256

JEFFREY W. GEIGER,
DOUGLAS J. GEIGER, and
99 CROSSINGS, LLC,

Respondents.

FINAL ORDER TO CEASE AND DESIST,
FINAL ORDER ASSESSING CIVIL PENALTIES,
FINAL ORDER DENYING USE OF EXEMPTIONS,
ENTERED BY DEFAULT AS TO
99 CROSSINGS, LLC ONLY

On July 2, 2019, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), by and through the Division of Financial Regulation ("Division"), properly served Orders to Cease and Desist, Proposed Order Revoking Insurance Producer License, Proposed Order Assessing Civil Penalties, Proposed Order Denying Use of Exemptions, and Notice of Right to Hearing ("the Notice Order") on Jeffrey W. Geiger, Douglas J. Geiger, and 99 Crossings, LLC (collectively, "Respondents").

The Notice Order offered Respondents an opportunity for a hearing, if requested within 20 days from the service of the Notice Order. The Notice Order designated the relevant portions of the Director's file on this matter, including all materials submitted by a party, as the record for purposes of default. The Notice further informed Respondents that if a hearing was not conducted because a respondent did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by a party in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive a hearing request from 99 Crossings, LLC filed by a person licensed to practice law in Oregon or ratified, in writing, by a person allowed to practice law in Oregon, and the Director did not conduct a hearing.



1 NOW THEREFORE, after considering the relevant portions of the Division's
2 file relating to this matter, the Director enters the following Final Order, entered by
3 default, as to 99 Crossings, LLC only.

4 FINDINGS OF FACT

5 The Director FINDS that:

6 *99 Crossings Development Project*

7 1. 99 Crossings, LLC ("99 Crossings") was an Oregon limited liability company
8 formed October 15, 2009 and administratively dissolved on December 16, 2011.

9 2. The purported business purpose of 99 Crossings, LLC was commercial real
10 estate development.

11 3. Douglas J. Geiger ("Doug Geiger") and Jeffrey W. Geiger ("Jeff Geiger")
12 were managers of 99 Crossings. Doug Geiger is Jeff Geiger's father.

13 4. Doug Geiger and Jeff Geiger, by and through 99 Crossings, raised a total of
14 \$65,000 during May and June of 2010 from five investors who reside in Oregon ("the
15 Oregon investors"), purportedly to be used for a retail development project called 99
16 Crossings.

17 5. Respondents' plans for the 99 Crossings project included construction and
18 development of a 40,000 square foot, retail space at 2797 Roosevelt Boulevard in
19 Eugene, Oregon, located at the corner of Highway 99 and Roosevelt Boulevard.

20 6. In exchange for the funds they invested, the Oregon investors received
21 promissory notes ("Notes") signed by Doug Geiger. The stated loan period of the notes
22 was 36 months. The promised interest rates on the Notes were "100% return on
23 investment first 12 months or 112% return on investment 13 to 24 months or 125% return
24 on investment 25 to 36 months."

25 7. The Oregon investors did not have any control over the use of funds they
26 invested after they provided their funds to Respondents.





1 8. The Oregon investors were passive, in that they did not have an active role in
2 the business operations of 99 Crossings and relied solely on the efforts and expertise of
3 Doug Geiger and Jeff Geiger to realize a return on their investments.

4 9. Respondents sent \$15,000 of the Oregon investor funds to Remington
5 Financial Group ("Remington"). Remington was a purported finance company, based in
6 Arizona, that charged upfront fees to potential borrowers, including 99 Crossings,
7 purportedly to conduct due diligence and arrange lenders and/or investors ready to
8 provide financing for the borrowers' projects.

9 10. Remington was in fact a fraudulent enterprise that operated an upfront fee
10 scam that defrauded more than 1,900 victims out of more than \$26 million. The founder
11 of Remington was sentenced in March 2014 to serve an 18-year federal prison sentence
12 for money laundering, conspiracy to commit mail and wire fraud, filing false tax returns,
13 and other crimes.

14 11. Respondents were not able to obtain financing for the 99 Crossings retail
15 project, and the development never got off the ground.

16 12. The Notes became due on June 1, 2013. Respondents defaulted on the Notes.

17 13. In connection with the sales of the Notes to the investors, Respondents made
18 the following representations to the Oregon investors before they invested:

19 A. The Respondents would use the Oregon investor funds for fees, permits and
20 operating expenses to develop a 40,000 square foot retail space located at the corner of
21 Highway 99 and Roosevelt Boulevard in Eugene, Oregon.

22 B. Respondents owned the land at 2797 Roosevelt Boulevard in Eugene, Oregon,
23 where the retail development was to be built.

24 C. Investing in 99 Crossings was an easy way for the Oregon investors to double
25 their money.

26 D. The Geiger family was investing an equal amount in 99 Crossings to ensure



1 the success of the development.

2 14. None of the representations listed in paragraph 13 above were true when the
3 investments were made.

4 15. In connection with the sales of the Notes to the Oregon investors,
5 Respondents did not disclose the following to the Oregon investors before they invested:

6 A. The actual use of investor funds. Unbeknownst to the Oregon investors,
7 Respondents used most of the Oregon investor funds to pay Jeff Geiger's personal living
8 expenses.

9 B. Respondents did not own the land at 2797 Roosevelt Boulevard in Eugene,
10 Oregon when the investments were made.

11 C. The risks of the investments. Respondents did not provide the Oregon
12 investors financial statements or risk disclosures regarding the financial condition,
13 experience, or history of 99 Crossings, Remington Financial, or regarding the control
14 persons of 99 Crossings or Remington Financial.

15 16. At no time has Doug Geiger or Jeff Geiger held an Oregon securities
16 salesperson license, or otherwise been licensed with the Director to sell securities in
17 Oregon pursuant to ORS 59.165.

18 17. At no time were the Notes registered with the Director pursuant to ORS
19 59.055.

20 CONCLUSIONS OF LAW

21 The Director CONCLUDES that:

22 18. The Notes issued by 99 Crossings and sold to the Oregon investors by Jeff
23 Geiger and Doug Geiger are notes, evidence of indebtedness, or investment contracts,
24 and therefore, are "securities" as defined by ORS 59.015(19)(a).

25 19. Jeff Geiger and Doug Geiger each acted as a "salesperson" as defined by ORS
26 59.015(18)(a), by representing 99 Crossings in effecting transactions in securities with



1 the Oregon investors.

2 20. By transacting business in Oregon as securities salespersons without holding
3 an Oregon securities salesperson license, or otherwise being licensed with the Director to
4 sell securities in Oregon, Doug Geiger and Jeff Geiger violated ORS 59.165(1) in five
5 instances.

6 21. By selling unregistered securities to the Oregon investors, Respondents
7 violated ORS 59.055 in five instances.

8 22. In connection with the Notes, Respondents directly and indirectly made untrue
9 statements of material fact in violation of ORS 59.135(2) as follows:

10 A. Respondents would use the Oregon investor funds for fees, permits and
11 operating expenses to develop at 40,000 square foot retail space located at the corner of
12 Highway 99 and Roosevelt Boulevard in Eugene, Oregon;

13 B. Respondents owned the land at 2797 Roosevelt Boulevard in Eugene, Oregon,
14 where the retail development was to be built;

15 C. Investing in 99 Crossings was an easy way for the Oregon investors to double
16 their money; and

17 D. The Geiger family was investing an equal amount in 99 Crossings to ensure
18 the success of the development.

19 23. In connection with the Notes, Respondents directly and indirectly omitted to
20 state material facts in violation of ORS 59.135(2) as follows:

21 A. Respondents would use most of the Oregon investor funds to pay Jeff
22 Geiger's personal living expenses;

23 B. Respondents did not own the land at 2797 Roosevelt Boulevard in Eugene,
24 Oregon when the investments were made; and

25 C. The risks of the investments. Respondents did not provide the Oregon
26 investors financial statements or disclose risks regarding the financial condition,



1 experience, or history of 99 Crossings, Remington Financial, or regarding the control
2 persons of 99 Crossings or Remington Financial.

3 24. Respondents engaged in an act, practice or course of business which operated
4 as fraud or deceit upon the Oregon investors, and violated ORS 59.135(3), as follows:

5 A. By failing to disclose to the Oregon investors that Respondents would use
6 most of the Oregon investor funds to pay Jeff Geiger's living expenses;

7 B. By failing to disclose to the Oregon investors that Respondents did not own
8 the land where the retail development was to be built; and

9 C. By engaging in a course of business that resulted in most of the Oregon
10 investor funds being spent on Jeff Geiger's living expenses.

11 25. Because the Director has reason to believe that Respondent have engaged, are
12 engaging, or are about to engage in violations of the Oregon Securities Law, the Director
13 may issue an order to Respondents to cease and desist from violations of the Oregon
14 Securities Law under ORS 59.245(4).

15 26. Because the Director has reason to believe that Respondents have engaged or
16 are about to engage in violations of the Oregon Securities Law, or that the use of any
17 exemption by Respondents would work as a fraud or imposition on purchasers, the
18 Director may deny Respondents the use of exemptions to the securities registration
19 requirements under ORS 59.045(2).

20 27. According to ORS 59.995, any person who violates or who procures, aids or
21 abets in the violation of the Oregon Securities Law may be subject to a civil penalty in an
22 amount not to exceed \$20,000 per violation, and every violation is a separate offense.

23 ORDERS

24 The Director issues the following ORDERS:

25 28. As authorized by ORS 59.245(4), the Director hereby ORDERS 99 Crossings
26 to CEASE AND DESIST from violating ORS 59.055, ORS 59.135(2) and ORS 59.135(3).


1 29. As authorized by ORS 59.045(2), the Director hereby DENIES 99 Crossings,
2 and any business entity owned, operated or controlled by 99 Crossings, the use of any
3 exemptions that would otherwise be available under ORS 59.025 and ORS 59.035,
4 concerning securities and transactions exempt from the registration requirements of the
5 Oregon Securities Law.

6 30. As authorized by ORS 59.995(1), the Director hereby ORDERS 99 Crossings
7 to pay CIVIL PENALTIES totaling \$50,000 as follows:

- 8 A. \$10,000 for violations of ORS 59.055;
9 B. \$20,000 for violations of ORS 59.135(2); and
10 C. \$20,000 for violations of ORS 59.135(3).

11 SO ORDERED this 14th day of January, 2020.

12 LOUIS SAVAGE, Acting Director
13 Department of Consumer and Business Services

14 
15 Dorothy Bean, Chief of Enforcement
16 Division of Financial Regulation

17 NOTICE OF RIGHT TO JUDICIAL APPEAL

18 You are entitled to judicial review of this order in accordance with ORS 183.482.
19 You may request judicial review by filing a petition with the Court of Appeals in Salem,
20 Oregon, within sixty (60) days from the service of this Final Order.

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