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

In the Matter of: DANCO HOMES, LLC, an administraively dissolved Limited Liability Company, DALLAS MOBILE VILLAGE LLC, an administratively dissolved Limited Liability Company, and SUSAN DANIELL dba DANCO HOMES dba DALLAS VILLAGE MOBILE HOME PARK, an Individual, Respondents.	Case No. MSD-19-0045 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, ORDER REINSTATING CIVIL PENALTIES, ORDER OF DISQUALIFICATION, AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") 446.661 et seq. and Oregon Administrative Rules ("OAR") 441-446-0100 through 441-446-0300 (collectively, the "Oregon Manufactured Structure Dealers and Dealerships Law"), conducted an investigation into the activities of Danco Homes, LLC ("Danco"), Dallas Mobile Village LLC ("Dallas"), and Susan Daniell dba Danco Homes dba Dallas Village Mobile Home Park ("Daniell") (collectively, "Respondents") and determined that Respondents engaged in activities constituting violations of the Oregon Manufactured Structure Dealers and Dealerships Law.

Respondents, without admitting or denying the Director's findings of fact or conclusions of law, wish to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

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Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Danco is a limited liability company that administratively dissolved on June 2, 2016. Daniell continued to conduct business as Danco following its dissolution.[1]

2. Dallas is a limited liability company that administratively dissolved on June 23, 2016. Daniell and her husband, Robert Daniell, were Dallas's members.

3. Daniell registered the similarly-named Dallas Mobile Village, LLC ("DMVL") on July 22, 2016. There is no meaningful difference between DMVL and Dallas.[2] DMVL maintains a mailing address of 117 SW Taylor St., Suite 300, Portland, OR 97204.

4. Danco and Daniell maintain a mailing address of P.O. Box 389, Clackamas, Oregon 97015.[3]

5. On August 11, 2006, Danco was issued an Oregon manufactured structure dealer license ("License").

6. From on or around April 3, 2014, Daniell has been Danco's sole member.[4]

7. On August 31, 2015, Danco's License expired.

8. At no time have Dallas, DMVL, and/or Daniell held a License.

9. On November 9, 2015, Danco, Daniell, and Robert Daniell entered into a consent order pursuant to Division of Finance and Corporate Securities ("Division")[5] case number MSD-15-0055 ("Consent Order"). The Consent Order found that:

A. Daniell and/or Robert Daniell were the managing members of six mobile home parks in Oregon, including Colonial and Dallas Village Mobile Home

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[1] Daniell owned and operated the similarly-named Danco Management Group LLC, which administratively dissolved on June 21, 2013, and Danco Property Management, LLC, which administratively dissolved on March 3, 2016. She currently conducts business through the assumed business name of Danco Property Management.
[2] Daniell is DMVL's owner and sole managing member.
[3] This is also the mailing address Daniell maintains in her capacity as member of Colonial Oaks Mobile Home Park, LLC ("Colonial"), an active limited liability company.
[4] Robert Daniell served as Danco's managing member until on or around November 15, 2013.
[5] The Division has since been renamed the Division of Financial Regulation.

Park LLC ("DVMHP");[6]

B. Danco, Daniell, and Robert Daniell sold eight manufactured structures without sufficient licensure;[7] and

C. Danco, Daniell, and Robert Daniell failed to maintain complete records for the manufactured structures they managed and/or owned.

10. Under the Consent Order, the Director assessed $125,000 in civil penalties against Danco, Daniell, and Robert Daniell. The Director suspended the penalties in their entirety, provided Danco, Daniell, and Robert Daniell:

A. Did not violate any provision of the Oregon Manufactured Structure Dealers and Dealerships Law;

B. Engaged in no activities that required a License; and

C. Did not occupy a position of similar status, or perform similar functions, of an owner, partner, officer, director, or manager for a manufactured structure dealer operating in Oregon.

Dallas Home ID ("HID") 219775, Space 61

11. On or around April 14, 2016, Daniell sold this mobile home to HD/DR for $5,000 in cash. HD paid Daniell an additional $55 to transfer title of the home to HD/DR. Daniell dba DVMHP owned the home at the time of sale.[8]

12. At the time of sale, Daniell failed to inform HD/DR in writing that the home was subject to two years of back property taxes.

13. Daniell failed to inform Dallas' property managers that HD/DR had purchased the home. Consequently, the property managers made repeated attempts to collect monthly

[6] DVMHP administratively dissolved on November 16, 2012. Daniell owned and operated the similarly-named Dallas Mobile Home Village LLC, which administratively dissolved on September 12, 2014. These are all essentially the same entity, operating as the same mobile home park, as Dallas and DMVL.

[7] Each of the sales required Danco, Daniell, and/or Robert Daniell to hold limited or temporary licenses in additional to Danco's License. *See* ORS 446.701 and ORS 446.706.

[8] Again, DVMHP administratively dissolved on November 16, 2012.

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rent payments from HD/DR on the home they had purchased.

14. Daniell failed to transfer ownership of the home to HD/DR. Daniell dba DVMHP remains the home's owner of record.

Dallas HID 162791, Space 68

15. On or around May 7, 2016, Daniell, acting on behalf of Danco, sold this mobile home to AV for $7,200 under the terms of a rent-to-own agreement. Daniell signed the agreement. Danco owned the home at the time of sale.

Dallas HID 160813, Space 52

16. On or around June 15, 2016, Daniell, acting on behalf of Dallas, sold this mobile home to SH for $5,000 in cash. Daniell signed the purchase agreement. Dallas owned the home at the time of sale.

17. At the time of sale, the home was located at Sunnyside Mobile Home Park ("Sunnyside"). Daniell failed to inform SH that:

A. Dallas had breached two contracts with Sunnyside by failing to remove the home from Sunnyside's property by specified dates;

B. As of April 2016, following the second breach, Sunnyside was refusing to allow Daniell and/or Dallas to remove the home from its property;

C. As of May 2016, Sunnyside was refusing Daniell and Dallas' offers of additional rent, upon the advice of counsel; and/or

D. SH's claim to the mobile home may be subject to Sunnyside's interest in it.[9]

18. Daniell did not transfer ownership of the home to SH until on or around September 26, 2016.

19. SH was unable to take possession of the home until around this time.

[9] In fact, on or around June 15, 2016, Sunnyside filed a landlord's lien on the home pursuant to ORS 87.162. This matter became the subject of arbitration between Sunnyside, Dallas and Daniell.

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Dallas HID 164747, Space 64

20. On or around July 22, 2016, Daniell dba DVMHP sold this mobile home to RM/CN for $9,000 under the terms of a rent-to-own agreement. Daniell signed the agreement. Daniell dba Danco owned the home at the time of sale.[10]

Dallas HID 191095, Space 47

21. On or around September 3, 2016, Daniell dba Danco sold this mobile home to CH for approximately $7,000 under the terms of a rent-to-own agreement. Daniell dba Danco owned the home at the time of sale.

Dallas HID 208443, Space 72

22. On or around April 12, 2013, Daniell, acting on behalf of Danco, sold this mobile home to JH/SH for $7,000 under the terms of a rent-to-own agreement.

23. At the time of sale, Daniell claimed that Danco owned the home. In fact, former Dallas tenant CP was the home's owner of record. Daniell claims CP sold the home to tenant DV, who sold it to tenant KV, who abandoned it prior to JH/SH taking possession, and that none of these transactions were recorded by the Director.

24. On or around April 30, 2015, JH/SH made their final payment under the agreement. They repeatedly contacted Daniell and asked her to transfer the home's title to them. Daniell failed to do so.

25. On or around July 9, 2015, Daniell dba DVMHP filed an abandonment certification with the Director to have ownership of the home transferred to Danco, whom she claimed purchased the home from DVMHP on July 2, 2015.[11] Daniell signed the certification.

26. JH/SH were living in the home when Daniell filed the abandonment certification. They continued to live in the home, and pay monthly rent on it, through at

[10] Again, Danco administratively dissolved on June 2, 2016.
[11] Nothing of value was exchanged pursuant to this alleged transaction.

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least December 2015.

27. Daniell never transferred ownership of the home to JH/SH. Daniell dba Danco is the home's current owner of record.

Daniell Deposition

28. On December 5, 2017, the Oregon Department of Justice conducted a deposition of Daniell in connection with the foregoing activities.

29. In the deposition, Daniell:

A. Denied playing any role in managing the abandonment process for Dallas/DMVL/DVMHP from 2015 through 2017; and

B. Claimed that property manager Sterling Properties, LLC ("Sterling") made each of the 2016 Dallas mobile home sales on behalf of Danco, and that Sterling CEO Scott Hess signed the purchase agreements.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

30. Each of the mobile homes identified in this Notice Order is a "manufactured structure" as defined by ORS 446.561(1).

31. Daniell acted as a manufactured structure dealer, in violation of ORS 446.671(1)(a), by selling:

A. HID 219775 to HD/DR;

B. HID 164747 to RM/CN; and

C. HID 191095 to CH.

32. Daniell acted as a manufactured structure dealer, in violation of ORS 446.671(1)(c), by:

A. Acting as Danco's agent to sell HID 162791 to AV; and

B. Acting as Dallas's agent to sell HID 160813 to SH.

33. Danco acted as a manufactured structure dealer by selling HID 162791 to AV,

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in violation of ORS 446.671(1)(a).

34. Dallas acted as a manufactured structure dealer by selling HID 160813 to SH, in violation of ORS 446.671(1)(a).

35. Daniel engaged in the following acts and practices that operated as a fraud and deceit, in violation of ORS 446.741(1)(i):

A. Failing to inform HD/DR that HID 219775 was subject to two years of back property taxes at the time of sale;

B. Allowing her property managers to attempt to collect rent payments from HD/DR after they purchased HID 219775;

C. Failing to transfer ownership of HID 219775 to HD/DR;

D. Failing to inform SH of the facts identified in Paragraph (17), which prevented SH from obtaining ownership or possession of HID 160813 until approximately three months after she purchased it;

E. Falsely claiming to JH/SH that Danco owned HIC 208443 at the time of sale;

F. Failing to transfer ownership of HID 208443 to JH/SH;

G. Filing abandonment certification for HID 208443 when JH/SH were still living in the home;[12] and

H. Filing abandonment certification which claimed that DVMHP had sold HID 208443 to Danco, because:

(a) DVMHP no longer existed and was operating as an assumed business name of Daniell;

(b) Danco was a single-person LLC owned and operated by Daniell; and

[12] *See* ORS 90.425(2) and ORS 90.675(2) for the circumstances under which the abandonment process may be initiated.

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(c) Daniell alleged this fictitious transaction to give Danco, her company, a stronger claim to title of the home that JH/SH had already purchased.

36. Daniell knowingly made the following untrue statements of material facts in her deposition, in violation of ORS 446.741(1)(j):

A. That she had played no role in managing the abandonment process for Dallas/DMVL/DVMHP from 2015 through 2017, when she filed the abandonment certification for HID 208443 on or around July 9, 2015;

B. That Sterling had made the 2016 Dallas mobile home sales on behalf of Danco, when she made those sales on behalf of Danco, Dallas, and herself; and

C. That Hess had signed the purchase agreements for the sales, when she signed the purchase agreements for HID 162791, HID 160813, and HID 164747.

37. Because Daniell engaged in the foregoing violations of ORS 446.741(1)(i) and (j), the Director may disqualify her, for up to seven years, from obtaining a license as a manufactured structure dealer and/or working in an administrative or managerial capacity for a manufactured structure dealer, under ORS 446.741(5)(a) and (b).

38. The Director may reinstate the suspended civil penalties from Division case number MSD-5-0055 against Daniell and Danco because:

A. Daniell and Danco committed the foregoing violations of the Oregon Manufactured Structure Dealers and Dealerships Law;

B. Daniell and Danco engaged in the foregoing sales, which require a License; and

C. By making the foregoing sales, Daniell has performed similar functions of an owner, partner, director, and manager for a manufactured structure dealer operating in Oregon.

39. Because the Director has reason to believe that Respondents have engaged in

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violations of the Oregon Manufactured Structure Dealers and Dealerships Law, the Director may issue an order to Respondents to cease and desist from such violations, under ORS 446.748(1).

40. The Director may impose a civil penalty in an amount not to exceed $5,000 for each manufactured structure improperly sold, brokered or exchanged, against a person that violates a provision of ORS 446.661 to ORS 446.756 if the person does not possess a license required by ORS 446.671 or by rule pursuant to ORS 446.666, under ORS 446.995(2).

ORDERS

Now therefore, the Director issues the following Orders:

41. As authorized by ORS 446.748(1), the Director ORDERS:

A. Respondents to CEASE AND DESIST from violating ORS 446.671(1)(a); and

B. Daniell to CEASE AND DESIST from violating ORS 446.671(1)(c), ORS 446.741(1)(i), and ORS 446.741(1)(j).

42. As authorized by the Consent Order, the Director hereby ORDERS that the $125,000 in suspended CIVIL PENALTIES from Division case number MSD-15-0055 be REINSTATED, jointly and severally, against Daniell and Danco because:

A. Daniell and Danco violated ORS 446.671(1)(a);

B. Daniell violated ORS 446.741(1)(c), ORS 446.741(1)(i), and ORS 446.741(1)(j);

C. Daniell sold HID 219775, HID 164747 and HID 191095, and acted as an agent for the sale of HID 162791 and 160813, without a License;

D. Danco sold HID 162791 without a License; and

E. Daniell has performed similar functions of an owner, partner, director, and manager for a manufactured structure dealer operating in Oregon.

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43. As authorized by ORS 446.995(2), the Director hereby ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of $30,000 for violating ORS 446.671(1) in six instances.

44. The Director hereby suspends payment of $80,000 of the CIVIL PENALTY, provided Respondents:

A. Pay the remaining $75,000 of the CIVIL PENALTY pursuant to the terms of this Order;

B. Comply with all other terms of this Order; and

C. Commit no further violations of the Oregon Manufactured Structure Dealers and Dealerships Law.

45. The non-suspended CIVIL PENALTY ($75,000) is due and payable as follows:

A. $20,000 at the time Respondents return this signed Order to the Director; and

B. $1,000 a month for 55 months thereafter. The first monthly payment shall be due on July 1, 2021 and subsequent payments shall be due on the first business day of each month.

46. As authorized by ORS 446.741(5)(a) and (b), the Director hereby DISQUALIFIES Daniell from obtaining a license as a manufactured structure dealer and/or working in an administrative or managerial capacity for a manufactured structure dealer for SEVEN YEARS for violating ORS 446.741(1)(i) and (j).

47. Within TWO WEEKS from the date this Order is executed, Daniell shall:

A. Identify all manufactured structures subject to active rent-to-own agreements with her, or any entity she owns and/or operates, and report them to the Division; and

B. Identify all manufactured structures whose titles need to be transferred from her, or any entity she owns and/or operates, and report them to the Division.

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48. Within SIX MONTHS from the date this Order is executed, Daniell shall take the following actions to transfer titles on the manufactured structures identified in Paragraph (47)(B), including HID 219775, Space 61:

A. Pay all unpaid property taxes that accrued for each manufactured structure identified in this Order through the date title was transferred to the purchaser;

B. Submit all required documentation, including tax certifications; and

C. Pay all required fees, including title transfer fees.

49. Daniell shall provide the Division with documentation to confirm that she performed the actions set forth in Paragraph (48). These title transfers shall not be considered sales in violation of the Oregon Manufactured Structure Dealers and Dealerships Law and/or this Order.

50. For all active rent-to-own agreements with Oregon consumers, Respondents shall:

A. Utilize a third-party management company to:

(a) Provide the consumers with monthly billing statements; and

(b) Collect all payments from consumers.[13]

B. Transfer the title of the manufactured structure that is the subject of the rent-to-own agreement within 20 days of the consumers' fulfillment of the terms of the rent-to-own agreements. These title transfers shall not be considered sales in violation of the Oregon Manufactured Structure Dealers and Dealerships Law and/or this Order.

51. Respondents are PROHIBITED from selling manufactured structures, including through rent-to-own agreements, except as set forth in this Order.

[13] Respondents are PROHIBITED from collecting payments directly from consumers under these agreements.

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52. For a period of TEN YEARS from the date this Order is executed, Respondents, and any entity owned and/or operated by Respondents, shall be PROHIBITED from utilizing the abandonment certification process[14] to transfer ownership of manufactured structures without the assistance of an Oregon-licensed attorney. During this period, Respondents shall notify the Division, in writing, before utilizing the abandonment certification process.

53. Respondents may not sell manufactured structures, including through rent-to-own agreements, unless such sales are pursuant to a consignment agreement with an Oregon-licensed manufactured structure dealer. The manufactured structure dealer shall supervise all aspects of such sales.

54. For sales conducted pursuant to Paragraph (53), Respondents shall release any security interest they hold in the manufactured structure(s) within 20 DAYS of the consumer's fulfilment of the terms of such sale agreements.

55. Within THREE DAYS from the execution of this Order, Respondents shall execute a Confession of Judgment for the entirety of civil penalties assessed and/or reinstated in this matter ($155,000). The Director shall not record the Confession of Judgment unless Respondents violate this Order, in which case the Director shall provide Respondents with written notice of the violation and ten days in which to cure the defect(s). The Confession of Judgment shall provide that Respondents will receive credit for civil penalty payments made prior to filing of the Confession of Judgment.

56. This Order is binding upon Respondents' successors and assigns.

57. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law, including, but not limited to, the Director's authority to enforce this Order or take action against Respondents for violations of this Order or violations in

[14] The abandonment certification process is set forth in ORS Chapter 90.

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this Order that are discovered after the date of this Order.

SO ORDERED this 18th day of May, 2021.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Susan Daniell state that I was a member of Danco and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Danco's right to a hearing and right to be represented by counsel in this matter. Danco voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Danco understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Manufactured Structure Dealers and Dealerships Law with the terms and conditions stated herein.

Danco understands that this Consent Order is a public document.

Signature: /s/ Susan Daniell

Position Held: Member

State of Oregon

County of Clackamas

Signed or attested before me on this 19th day of May, 2021

by Susan Daniell.

/s/ Misty D. Winkler
Notary Public

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ENTITY CONSENT TO ENTRY OF ORDER

I, Susan Daniell state that I was a member of Dallas and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Dallas's right to a hearing and right to be represented by counsel in this matter. Dallas voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Dallas understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Manufactured Structure Dealers and Dealerships Law with the terms and conditions stated herein.

Dallas understands that this Consent Order is a public document.

Signature: /s/ Susan Daniell

Position Held: Member

State of Oregon

County of Clackamas

Signed or attested before me on this 19th day of May, 2021

by Susan Daniell.

/s/ Misty D. Winkler
Notary Public

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CONSENT TO ENTRY OF ORDER

I, Susan Daniell, state that I have read the foregoing Order and that I know and fully understand the contents hereof. I have been advised of my right to a hearing and of my right to be represented by counsel in this matter. I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Manufactured Structure Dealers and Dealerships Law by me. I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Signature: /s/ Susan Daniell

State of Oregon

County of Clackamas

Signed or attested before me on this 19th day of May, 2021

by Susan Daniell.

/s/ Misty D. Winkler
Notary Public

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