

1 STATE OF OREGON
2 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
3 DIVISION OF FINANCE AND CORPORATE SECURITIES
4 ENFORCEMENT SECTION
5 BEFORE THE DIRECTOR OF THE DEPARTMENT
6 OF CONSUMER AND BUSINESS SERVICES

6 In the Matter of:

M-05-0084

7 JIM W. BROWN
8 DBA BROWN MORTGAGE,

ORDER TO CEASE AND DESIST
ORDER ASSESSING CIVIL PENALTY
and
CONSENT TO ENTRY OF ORDER

9 Respondent.

10
11 WHEREAS the Director of the Department of Consumer and Business
12 Services (hereinafter, "Director") has conducted an investigation of certain business
13 activities conducted by Jim W. Brown dba Brown Mortgage and has determined that
14 Jim W. Brown dba Brown Mortgage engaged in residential mortgage transactions in
15 Oregon in violation of the Oregon Mortgage Lender Law;

16 WHEREAS Jim W. Brown dba Brown Mortgage wishes to resolve and settle this matter
17 with the DIRECTOR;

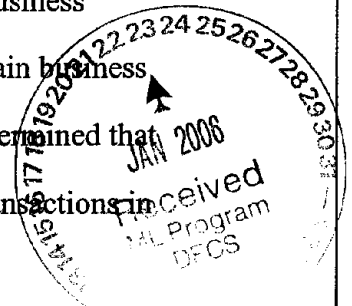
18 NOW THEREFORE, as evidenced by the authorized signatures subscribed on this
19 Order, Jim W. Brown dba Brown Mortgage hereby CONSENTS to entry of this Order to Cease
20 and Desist upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

21
22 FINDINGS OF FACT

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24 The Director FINDS that:

25 1. Jim W. Brown dba Brown Mortgage is a mortgage broker with a principal place of
26 business at 1136 NW Hoyt Street #240, Portland OR 97214. Jim W. Brown dba Brown

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



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1 Mortgage is a mortgage broker licensed by the Oregon Division of Finance and Corporate
2 Securities (hereinafter, "DFCS"). The Oregon mortgage broker license number for
3 Jim W. Brown dba Brown Mortgage is #ML-3507, and that license became effective
4 January 7, 2005.

5 2. From October 7, 2002, through October 16, 2004, Jim W. Brown dba Brown
6 Mortgage was licensed as a mortgage broker by DFCS, and that mortgage broker license number
7 was #ML-2712. Jim W. Brown failed to renew license #ML-2712, and DFCS canceled it on
8 October 16, 2004.

9 3. From October 17, 2004, to January 6, 2005, Jim W. Brown was not licensed by DFCS
10 as a mortgage broker.

11 4. On or about December 17, 2004, Jim W. Brown dba Brown Mortgage faxed, or
12 caused to be faxed, a copy of a document that he represented to be his mortgage broker license
13 #ML-2712 to American Mortgage Network. The license date and expiration date on that copy
14 had been altered or forged, and Jim W. Brown knew they were incorrect when he sent it to
15 American Mortgage Network.

16 5. On or about December 17, 2004, Jim W. Brown dba Brown Mortgage was trying to
17 close a loan, as a mortgage broker, involving American Mortgage Network. American Mortgage
18 Network requested a copy of his mortgage broker license, and Jim W. Brown sent the altered
19 document to American Mortgage Network in response to the request for a copy of his license.

20 6. On or about December 17, 2004, Jim W. Brown dba Brown Mortgage, for
21 compensation, or in the expectation of compensation, either directly or indirectly made,
22 negotiated, or offered to make or negotiate a mortgage loan.

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1 **CONCLUSIONS OF LAW**

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3 The Director **CONCLUDES** that:

4 1. Between October 17, 2004, and January 17, 2005, Jim W. Brown dba Brown
5 Mortgage engaged in one or more residential mortgage transactions in Oregon as a mortgage
6 broker without a license, in violation of ORS 59.845.

7 2. On or about December 17, 2004, in connection with the conduct of a mortgage
8 broker business, Jim W. Brown dba Brown Mortgage engaged in an act, practice or course of
9 business which operated as fraud or deceit upon a person, in violation of ORS 59.930(3).

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11 **ORDER**

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13 **NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:**

14 1. The Director, pursuant to ORS 59.885(4), hereby **ORDERS** Respondent Jim W.
15 Brown dba Brown Mortgage to **CEASE AND DESIST** from: (1) engaging in residential
16 mortgage transactions in Oregon as a mortgage broker without a license, in violation of ORS
17 59.845; (2) engaging in any act, practice or course of business which operates or would operate
18 as a fraud or deceit upon any person, in connection with conduct of a mortgage broker business,
19 in violation of ORS 59.930(3); and (3) violating any other provision of the Oregon Mortgage
20 Lender Law.

21 2. Pursuant to the authority of ORS 59.996(1), the **DIRECTOR** hereby **ASSESSSES** a
22 **CIVIL PENALTY** in the amount of \$10,000 (ten thousand dollars) against Respondent Jim W.
23 Brown dba Brown Mortgage, for violations of ORS 59.845 and ORS 59.930(3). The Director
24 will **SUSPEND** \$5,000 (five thousand dollars) of the civil penalty so long as Jim W. Brown dba
25 Brown Mortgage complies with all terms of this Order; **PROVIDED HOWEVER**, that the
26 suspended portion of the civil penalty shall be immediately due and payable upon a

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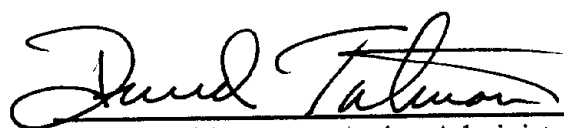


1 determination by the Director that Jim W. Brown dba Brown Mortgage has violated any term of
2 this Order, or any provision of the Oregon Mortgage Lender Law. Respondent Jim W. Brown
3 dba Brown Mortgage will pay \$5,000 (five thousand dollars) of the civil penalty at the time of
4 execution of this Order.

5 The entry of this Order in no way limits further remedies which may be available to the
6 Director under Oregon law upon discovery of additional information or violation.

7 Dated this 2nd day of February, 2006, at Salem, Oregon.

8 CORY STREISINGER, Director
9 Department of Consumer and Business Services

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11 David Tatman, Acting Administrator
12 Division of Finance and Corporate Securities

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14 **CONSENT TO ENTRY OF ORDER**

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I, Jim W. Brown, state that I am a resident of the State of Oregon, that I have
read the foregoing Order and that I know and fully understand the contents hereof; that the
factual allegations stated herein are true and correct; that I have been advised of my right to a
hearing; that I voluntarily consent to the entry of this Order without any force or duress,
expressly waiving any right to a hearing in this matter; that 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 Mortgage Lender Law by me; and that I
will fully comply with the terms and conditions stated herein.

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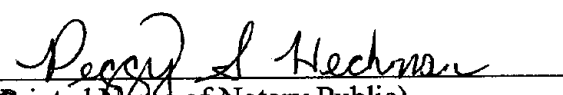
1 I further assure the Director that I will not engage in the activities of mortgage banker or
2 mortgage broker unless such activities are in full compliance with Chapter 59 of the Oregon
3 Revised Statutes.

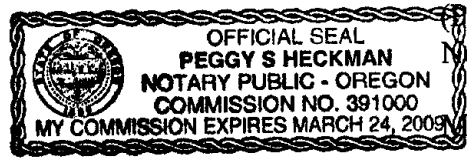
4 I understand that this Consent Order is a public document.

5 Dated this 20th day of January, 2006.

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7 
8 Jim W. Brown

9 SUBSCRIBED AND SWORN to before me this 20 day of January, 2006.

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12 (Printed Name of Notary Public)
13 Notary Public for the State of: OR
14 My commission expires: 3/24/09

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