

1                                    **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**  
2                                    **DIVISION OF FINANCE AND CORPORATE SECURITIES**  
3                                    **ENFORCEMENT SECTION**  
4                                    **BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

5 **In the Matter of:**

**M-05-0047-3**

6 **Sehat Enterprises Inc,**  
7                                    **Respondent.**

**FINAL ORDER TO CEASE AND DESIST**  
**and**  
**ORDER ASSESSING CIVIL PENALTIES**  
**BY DEFAULT**

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9  
10            On August 24, 2006, the Director of the Department of Consumer and Business  
11 Services for the State of Oregon (hereafter the "Director"), acting by and pursuant to the  
12 authority of Oregon Securities Law, Chapter 59 of the Oregon Revised Statutes, and  
13 other applicable authority, issued Administrative Order No. M-05-0047-3 entitled Order  
14 to Cease and Desist, Order Imposing Civil Penalties and Notice Of Right To Hearing  
15 (hereafter "the Order") against Sehat Enterprises, Inc. (hereinafter "Respondent").

16            On September 7, 2006, Respondent was duly served with a true copy of the  
17 Order and Notice by United States Mail, mail certified and postage prepaid, and  
18 addressed to Babak "Bob" Sehat of Sehat Enterprises, Inc. at the following last known  
19 address of Respondent's registered agent as recorded with the Oregon Secretary of  
20 State, Corporation Division: 14330 SW Cougar Ridge Drive in Beaverton, Oregon  
21 97008. The mailing was returned, marked "Forward Time Exp Rtn to Send" along with  
22 the address for Bob Sehat with Sehat Entertainment at 11550 SW 72<sup>nd</sup> Avenue, in  
23 Tigard, Oregon 97223.

24            On April 3, 2007, Respondent was duly served with a true copy of the Order and  
25 Notice by United States Mail, mail certified and postage prepaid, and addressed to  
26 Babak "Bob" Sehat of Sehat Enterprises, Inc. in care of Sehat Entertainment at the

Division of Finance and Corporate Securities  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4140





1 following last known address for Respondent as provided by the United States Post  
2 Office: 11550 SW 72<sup>nd</sup> Avenue, Tigard, Oregon 97223. The mailing was returned,  
3 marked "Not Deliverable as Addressed, Forwarding Order Expired."

4 On April 3, 2007, Respondent was duly served with a true copy of the Order and  
5 Notice by United States Mail, mail certified and postage prepaid, and addressed to  
6 Babak "Bob" Sehat of Sehat Enterprises, Inc. at the following last known address for  
7 Respondent as listed with the Oregon Secretary of State, Corporation Division and with  
8 the Director: 11580 SW 72<sup>nd</sup> Avenue, Tigard, Oregon 97223. The mailing was  
9 returned, marked "Not Deliverable as Addressed, Forwarding Order Expired."

10 Respondent has not made a written request for a contested case hearing in this  
11 matter and the time to do so has expired.

12 **NOW THEREFORE**, after consideration of the Investigation Report and  
13 accompanying exhibits submitted in this matter by Kirsten Anderson, Enforcement  
14 Officer, the Director hereby issues the following Findings of Fact, Conclusions of Law,  
15 and Final Order:

16 **FINDINGS OF FACT**

17 The Director **FINDS** that:

18 1. At all times material herein, Town & Country Home Loans, Inc. (hereinafter,  
19 "Town & Country"), an Oregon corporation, engaged in residential mortgage  
20 transactions in Oregon or on Oregon real property in expectation of compensation. At  
21 all times hereto, Town & Country was licensed as a residential mortgage lender in the  
22 State of Oregon. The Oregon mortgage lender license number for Town & Country is  
23 ML-2380.

24 2. At all times material herein, Charles Arnell was the president and owner of  
25 Town & Country.

26 3. From April 27, 2003 through the date of this Order, Town & Country had



1 notified the Director that Babak Sehat was employed to act as a loan originator for Town  
2 & Country.

3 4. Respondent is an Oregon corporation formed on March 14, 2003.

4 5. At all times material herein, Babak Sehat was the President, Secretary and  
5 owner of Respondent.

6 6. At all times material herein, Respondent was not licensed as a residential  
7 mortgage lender in the State of Oregon.

8 7. For each loan completed by Babak Sehat, Town & Country completed a file  
9 closeout form accounting for the money received in connection with the loan by Town &  
10 Country and the various fees in connection with the loan such as an "admin/broker fee,"  
11 a file audit fee and third-party costs associated with the loan including appraisal fees.

12 8. On each form, the various fees were subtracted from the amount of money  
13 received in connection with the loan to obtain the balance of remaining money  
14 (hereinafter "the balance").

15 9. From approximately June 2003 through February 2004, the balance was paid  
16 to Respondent as compensation for loan origination services.

17 10. Between April 2004 and April 2005, Respondent would submit an invoice to  
18 Town & Country outlining various management, processing and advertising fees  
19 payable in connection with each loan, which Town & Country would pay from the  
20 balance.

21 11. If there were any funds left over from the balance of remaining money after  
22 Respondent's invoice was paid, those funds would be paid directly to Babak Sehat as  
23 income with appropriate withdrawals for taxes, social security and other employment  
24 related items.

25 12. There were no invoices submitted by Respondent other than in connection  
26 with the close of a loan through Town & Country and all invoices submitted by

1 Respondent were paid in connection with the close of a loan originated by Babak Sehat  
2 through Town & Country.

3 13. At least some of the loans from which Respondent received payment were  
4 residential mortgage loans, including loans originated for Shams Bonakdar that were  
5 secured by residential property located in Oregon.

6 14. In 2003, Respondent received payments totaling \$101,601.56 in connection  
7 with the close of 51 loans.

8 15. In 2004, Respondent received payments totaling \$86,970.03 in connection  
9 with the close of 22 loans.

10 16. Through April 2005, Respondent received payments totaling \$21,766.60 in  
11 connection with the close of 6 loans.

## 12 CONCLUSIONS OF LAW

13 The Director **CONCLUDES** that:

14 1. From June 2003 through April 2005, Respondent was a mortgage broker as  
15 defined by ORS 59.840(7) because Respondent received compensation for indirectly  
16 making or negotiating mortgage loans.

17 2. Respondent violated ORS 59.845(1) by acting as a mortgage broker without a  
18 license in connection with each of the 79 loans from which Respondent received  
19 payment.

20 3. Respondent's violation of ORS 59.845(1) continued from June 2003 through  
21 April 2005.

## 22 ORDER

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

24 The Director, pursuant to ORS 59.885(4) hereby **ORDERS** that Respondent will  
25 **CEASE AND DESIST** from violating any provision of Oregon Mortgage Lender Law,  
26 OAR 441-850-0005 through 441-885-0010 and any rule, order or policy issued by the



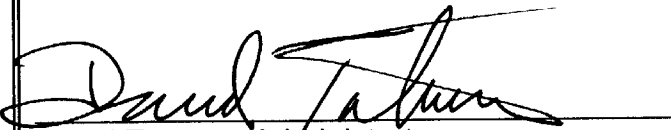
1 Division.

2 The Director, pursuant to ORS 59.996 hereby **ORDERS** Respondent to pay the  
3 State of Oregon a civil penalty of \$20,000 for a continuing violation of ORS 59.845(1)  
4 from June 2003 through April 2005.

5 IT IS SO ORDERED.

6 Dated this 1<sup>st</sup> day of May, 2007, **Nunc Pro Tunc August 24, 2006.**

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

9 

10 David Tatman, Administrator  
11 Division of Finance and Corporate Securities

12 **NOTICE: You are entitled to judicial review of this Order. Judicial review may be**  
13 **obtained by filing a petition with the Court of Appeals in Salem, Oregon within 60**  
14 **days from the service of this Order. Judicial review is pursuant to the provisions**  
15 **of ORS 183.482 to the Oregon Court of Appeals.**

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