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**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCE AND CORPORATE SECURITIES**

**BEFORE THE DIRECTOR OF THE DEPARTMENT  
OF CONSUMER AND BUSINESS SERVICES**

In the Matter of:

Christian and Associates,

Respondent.

**Case No. DM-11-0053**

**ORDER TO CEASE AND DESIST,  
ORDER ASSESSING CIVIL PENALTY**

**ENTERED BY DEFAULT**

On July 22, 2011, Director of the Department of Consumer and Business Services for the State of Oregon (hereafter the “Director”), acting by and pursuant to the authority of the Oregon Mortgage Lending Law, ORS 86A.100 *et seq.*, and the Oregon Debt Management Service Providers Law, ORS 697.602 *et seq.*, issued Administrative Order No. DM-11-0053 to Cease and Desist Proposed Order Assessing Civil Penalty and Notice of Right to Hearing (hereinafter “the Order”) against Christian and Associates (hereinafter “Respondent”).

On July 25, 2011, Respondent was duly served with true copies of the Proposed Order by regular, first-class mail and by certified mail, postage prepaid, and addressed to Respondent at the following address: 2401 Katella Ave Ste 280, Anaheim, California, 92806. The copy of the order sent via regular U.S. mail has not been returned and is therefore presumed to have been delivered as addressed. Respondents have not made a written request for a contested case hearing in this matter and the time to do so has expired.

**NOW THEREFORE**, after consideration of the Investigation Report and accompanying exhibits submitted in this matter by Jason Weber, Enforcement Officer, the Director hereby issues the following Findings of Fact, Conclusions of Law, and Final Orders:

Division of Finance and Corporate Securities  
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:

### A. Respondent

1. Christian and Associates (hereinafter “Respondent”), lists its address as 2401 Katella Ave., Suite 280, Anaheim, California, 92806.

2. Respondent is not a licensed mortgage banker, broker, or loan originator in Oregon and is not registered as a debt management service provider in Oregon.

3. Respondent has not obtained a unique identifier from the Nationwide Mortgage Licensing System and Registry.

### B. JF transaction

4. At all times relevant to this matter, the individual consumer identified herein as “JF” was an Oregon resident. At all relevant times herein, JF was a party to a home mortgage loan secured by real estate located in Medford, Oregon.

5. On or about May 11, 2010, Respondent and JF entered into a contract whereby Respondent agreed to negotiate a loan modification for a loan secured by residential real property located in Medford, Oregon on behalf of JF in exchange for valuable consideration.

6. In total JF paid Respondent \$2,300. On May 11, 2010, JF paid Respondent \$1,000. On July 1, 2010, JF paid Respondent \$1,000. On July 13, 2010, JF paid Respondent \$300.

7. On information and belief, Respondent has not conducted any substantive conversations with JF’s mortgage lender that have resulted in a modification of JF’s residential real estate loan.

8. On or about March 2, 2011, the Division of Finance and Corporate Securities notified Respondent in writing that it was required to comply with the licensing requirements of the Oregon Mortgage Lender law or the registration requirements of the statutes regarding debt management service providers to collect and retain fees in exchange for offering to assist Oregon consumers in adjusting the terms of their residential real estate loans.



1 9. The Division requested, in writing, that Respondent refund the fees collected from JF  
2 within 21 days from March 2, 2010, because it did not perform its promise to obtain a  
3 modification of the terms of JF’s residential real estate loan.

4 10. As of the date of this order, Respondent has failed to refund the fees that it collected  
5 from JF.

6 **CONCLUSIONS OF LAW**

7 The Director CONCLUDES that:

8 11. Respondent acted as a “mortgage broker” as defined by ORS 86A.100(7)(a)(C) when  
9 they offered to negotiate the terms of JF’s mortgage loan in exchange for compensation.

10 12. Respondent engaged in a “residential mortgage transaction in this state” as defined by  
11 ORS 86A.103(2) when they offered to negotiate a home mortgage loan secured by real estate  
12 located in Oregon.

13 13. Respondent violated ORS 86A.103(1) when they engaged in a residential mortgage  
14 transaction in Oregon without first being licensed as either a mortgage banker or mortgage  
15 broker as described herein.

16 14. Respondent violated ORS 86A.154(2) when it knowingly made an untrue statement  
17 of material fact by telling JF that Respondent would attempt to negotiate JF’s residential real  
18 estate loan when in reality Respondent did not conduct any substantive conversations with JF’s  
19 mortgage lender that have resulted in a modification of JF’s residential real estate loan.

20 15. Respondent performed a “debt management service” as defined by ORS  
21 697.602(2)(c) when they offered to modify terms and conditions of an existing loan or obligation  
22 in exchange for compensation.

23 16. Respondent violated ORS 697.612(1)(a) when they performed a debt management  
24 service without first registering with the Director under ORS 697.632.

25 17. The \$2,300 fee collected by Respondent exceeded the amount permitted by ORS  
26 697.692(1).



1 18. Respondent violated ORS 697.662(7)(a) when it collected fees from JF that exceeded  
2 the amounts permitted by ORS 697.692(1).

3 19. Respondent violated ORS 697.662(4) when it offered to perform a debt management  
4 service without evaluating, as part of the budget analysis the debt management service provider  
5 must perform under ORS 697.652(2), whether the debt management service is or would be  
6 advantageous to the consumer.

7 20. Respondent violated ORS 697.662(5) when it performed a debt management service  
8 without having a good faith belief formed after conducting an evaluation described in ORS  
9 697.662(4) that the consumer can or will comply with the terms of the agreement described in  
10 ORS 697.652.

11 **ORDERS**

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

13 *Cease and Desist Order*

14 21. The Director, pursuant to his authority under ORS 86A.127 and ORS 697.825 hereby  
15 ORDERS Respondent to CEASE AND DESIST from violating Oregon’s Mortgage Lender law  
16 and Oregon’s Debt Management Service Providers law.

17 *Order Assessing Civil Penalty*

18 22. The Director, pursuant to ORS 86A.992, and ORS 697.832, may assess CIVIL  
19 PENALTIES of up to \$5,000 per violation against persons who violate the Oregon Mortgage  
20 Lender law and the Debt Management Service Providers law. Pursuant to these provisions, the  
21 Director, hereby proposes to ORDER Respondent to pay the State of Oregon a CIVIL  
22 PENALTY totaling \$20,000. This total civil penalty is calculated as follows: \$5,000 for  
23 unregistered and unlicensed loan modification activity in violation of ORS 86A.103(1) and ORS  
24 697.612(1); \$5,000 for mortgage fraud in violation of ORS 86A.154(2); \$5,000 for collecting  
25 excessive fees in violation of ORS 697.692(1) and ORS 697.662(7)(a); and \$5,000 for offering  
26 to perform a debt management service without a good faith belief that it would actually be

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1 beneficial to the consumer in violation of ORS 697.662(4) and ORS 697.662(5).

2 23. The entry of this Order in no way further limits remedies which may be available to  
3 the Director under Oregon law.

4 IT IS SO ORDERED.

5 Dated this 17<sup>th</sup> day of September, 2011, Nunc Pro Tunc July 22, 2011.

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SCOTT L. HARRA, Acting Director  
Department of Consumer and Business Services

/s/ David Tatman  
David C. Tatman, Administrator

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

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