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: **Chelgren and Associates, Inc.** **NMLS # 278408** **Respondent.**	**M-13-0072** **Final Order to Cease and Desist, Order Assessing Civil Penalties, and Consent to Entry of Order**

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Chelgren and Associates, Inc. (hereinafter "Chelgren") and determined that Chelgren engaged in activities constituting a violation of 86A.100 et seq. and OAR 441-850-0005 through 441-885-0010 (hereinafter collectively cited as the "Oregon Mortgage Lender Law"); and

WHEREAS Chelgren wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Chelgren hereby **CONSENTS** to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter:

FINDINGS OF FACT

The Director FINDS that:

1. Chelgren is an Oregon corporation formed on July 17, 1993 with a principal place of business located at 1567 Oak Street, Eugene, OR 97401.

2. Chelgren first obtained an Oregon mortgage banker/broker license from the Oregon Division of Finance and Corporate Securities (hereinafter the "Division") on January 1, 1994, NMLS# 278408.

3. Chelgren held an Oregon license in 2012 and is currently licensed.

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350 Winter Street NE, Suite 410
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4. The Oregon Mortgage Lender Law requires licensed mortgage bankers and mortgage brokers to file an annual report with the Division concerning its residential mortgage lending activity.

5. The deadline for filing the annual report for 2012 mortgage lending activity was March 31, 2013.

6. On January 11, 2013, the Division made public a website https://www4.cbs.state.or.us/exs/dfcs/mlrpt/index.cfm that licensees were to use to file its annual reports. The Division posted a link to that website from the Division's mortgage lending home page along with information on the annual report requirements.

7. The Division's mortgage lending home page also included a prominent notice about the requirement.

8. On January 11, 2013, the Division sent an e-mail to the e-mail address of record for Chelgren, ron@ahfeugene.com, reminding them that an annual report was due, and the deadline was March 31.

9. On March 18, 2013, the Division sent an e-mail to the e-mail address of record for Chelgren reminding that Chelgren had not filed the annual report and that the deadline was March 31.

10. On April 3, 2013, the Division sent Chelgren a letter to its mailing address of record in NMLS, 1567 Oak Street, Eugene, OR 97401, notifying that it was required to file the 2012 annual report for Oregon. The letter warned that if Chelgren did not file by May 3, 2013, the matter would be referred for enforcement action and a civil penalty assessed.

11. On April 3, 2013, the Division also sent an email to Chelgren notifying of the missed deadline and warning of the enforcement action and civil penalty for failure to file by May 3, 2013.

12. Since Chelgren did not file its annual report by May 3, 2013, the matter was referred for enforcement on May 7, 2013.

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13. Chelgren successfully filed its annual report for 2012 activity June 20, 2013.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

1. By failing to file the annual report for 2012 mortgage lending activity by March 31, 2013, Chelgren violated ORS 86A.112(3) and OAR 441-865-0025.

ORDERS

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

The Director, pursuant to ORS 86A.127, hereby ORDERS Chelgren to cease and desist from violating Oregon's Mortgage Lender Law.

The Director, pursuant to ORS 86A.992, may assess civil penalties of up to $100 per day each day the report is not filed.

The Director, pursuant to ORS 86A.992(2), hereby orders Chelgren to pay a civil penalty of $1,000 for the violation of ORS 86A.112(3) and OAR 441-865-0025.

Dated this 29th day of July, 2013.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Administrator
Division of Finance and Corporate Securities

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ENTITY CONSENT TO ENTRY OF ORDER

I, Colin Hall, state that I am an officer of Chelgren, and I am authorized to act on its behalf. I have read the foregoing order and that I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Chelgren voluntarily and without any force or duress

consents to the entry of this order expressly waiving any right to a hearing in this matter. Chelgren understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Mortgage Lender Law. Chelgren will fully comply with the terms and conditions stated herein.

Chelgren further assures the Director that neither Chelgren, nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Mortgage Lender Law. Chelgren understands that this Consent Order is a public document.

Dated this 15th day of July, 2013.

By /s/ Colin Hall

President
Office Held

ENTITY ACKNOWLEDGMENT

There appeared before me this 15th day of July 2013,

Colin Hall, who was first duly sworn on oath, and stated that (s)he was and is an officer of Chelgren and that (s)he is authorized and empowered to sign this Consent to Entry of Order on behalf of Chelgren and to bind Chelgren to the terms hereof.

/s/ Emily Shaffer

Notary Public for the State of: Oregon
My commission expires: 2/6/2014

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