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Utah Div. Of Corp. & Comm. Code

BEFORE THE UTAH RESIDENTIAL MORTGAGE REGULATORY
COMMISSION

In the Matter of
CC Brown Law Offices

STIPULATION & ORDER

CASE NO. 46896

The Real Estate Division of the Department of Commerce of the State of Utah (the Division), by and through its counsel, Traci Gundersen, and CC Brown Law Offices (Respondent), a Utah licensed Law Office, by and through its counsel Philip Danielson, hereby stipulates and agrees as follows:

STIPULATION

1. Respondent is not currently a licensee of the Division.
2. Respondent, for purposes for settlement only, admits the jurisdiction of the Utah Residential Mortgage Regulatory Commission (the Commission) over Respondent and over the subject matter of this action.
3. A cease and desist order in this matter has been brought and filed pursuant to the provisions of Utah Code Ann. § 61-2c-402(2)(e) (2009). Respondent specifically waives the right to confront adverse witnesses, to present evidence or call witnesses on its own behalf, and to the right to a hearing pursuant to U.C.A. Section 61-2-1, et seq., (2005 as amended) and the rules promulgated there under. Respondent and the Division hereby express their

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intent that this matter be resolved expeditiously through stipulation as contemplated in Utah Code Ann. § 63G-4-102(4) (2008).

4. The Division and the Respondent recognize and agree that this Stipulation alone shall not be binding upon the Commission or the Director of the Division of Real Estate (Director). If the Commission or the Director do not concur in the disciplinary action proposed herein, this Stipulation shall be null and void and a hearing shall be scheduled for this matter; and the Respondent waives any claim of bias or prejudgment which the Respondent might otherwise have with regard to the Commission and Director by virtue of the Commission and the Director having reviewed this Stipulation, and this waiver shall survive any such nullification.

5. Respondent acknowledges that when this Stipulation is presented to the Commission and Director, the Commission and the Director may ask the Division investigative staff questions about the facts underlying this Stipulation or about the terms of this Stipulation. Respondent agrees that the investigative staff may answer such questions. Respondent will have the right to be present when the Stipulation is presented and to address the Commission and the Director about this Stipulation or the facts underlying it. If the Respondent desires to be present to address the Commission and Director, the Respondent may contact Renda Christensen at the Division by calling (801) 530-6750 for information about the date, time and place of the meeting at which this Stipulation will be presented to the Commission and the Director.

6. Respondent acknowledges that upon approval by the Commission and the Director, this Stipulation shall be made a part of the attached final Order, and shall be the final compromise and settlement of this matter.

7. Respondent affirms that the Respondent enters into this Stipulation voluntarily, and the only promises or understandings the Respondent has obtained from the Division, or any member, officer, agent or representative of the Division, regarding this Stipulation are contained herein.

8. Division Investigators received a complaint concerning an internet website that was advertising and soliciting for loan modifications by a law office. The website was operated by the law office of CC Brown Law Offices. Upon review of the website, the law firm indicated that they offered to negotiate loan modifications.

9. Charles C. Brown met with the Division Investigator Marv Everett to discuss the law firm's website and Mr. Brown stated that their office was negotiating loan modifications. The Division directed Mr. Brown to remove any reference to soliciting loan modifications on their website. It is the Division's position that CC Brown Law Offices was being "principally engaged in the business of negotiating residential loans" by the firm's potential clients, that it was not exempted from licensure under the law, and that CC Brown Law Offices needed to have a Utah mortgage license to conduct such business.

10. It was later discovered that the CC Brown Law Offices' website had been revised but still advertised loan modifications. A call was placed to CC Brown Law Offices. An employee named Reid answered the phone and confirmed that the law office was still negotiating loan modifications.

11. An Order was mailed from the Division to CC Brown Law Offices instructing them to cease and desist from negotiating loan modifications.

12. A representative of CC Brown Law Offices met with Division staff and indicated a willingness to comply with the Division's position by refraining from soliciting and performing loan modifications without a Utah mortgage license, unless the Respondent is not being principally engaged by the potential client in the business of negotiating residential loans.

13. While Respondent does not admit to a violation of any state statutes, it does admit that it was soliciting for and providing loan modifications.

14. U.C.A. Section 61-2c-201 (Effective 01/01/10). Licensure required of person engaged in the business of residential mortgage loans -- Mortgage officer -- Principal lending manager. Specifically, Respondent will comply with the following:

61-2c-201(1) Unless exempt from this chapter under Section 61-2c-105, a person may not transact the business of residential mortgage loans without obtaining a license under this chapter.

61-2c-201(2) For purposes of this chapter, a person transacts business in this state if:

- (a) (i) the person engages in an act that constitutes the business of residential mortgage loans; and
- (ii) (A) the act described in Subsection (2)(a)(i) is directed to or received in this state; and
- (B) the real property that is the subject of the act described in Subsection (2)(a)(i) is located in this state; or
- (b) a representation is made by the person that the person transacts the business of residential mortgage loans in this state.

15. CC Brown Law Offices agrees that it shall not become principally engaged to negotiate a loan modification at any time unless licensed with the Division.

16. Respondent acknowledges that it has been informed of the right to be represented by legal counsel and that if the Respondent has waived this right, the Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so.

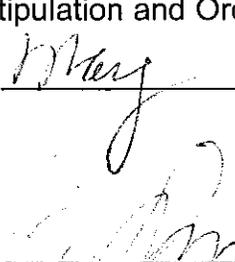
17. As full settlement of all the issues raised in this Stipulation, Respondent agrees as follows:

- a. Respondent will pay a \$5,000.00 civil penalty to the Division of Real Estate.
- b. Respondent will pay the above \$5,000.00 to the Division within 60 days after the date the Commission and the Director of the Division sign the final Order in this matter;

18. This document and all other documents incorporated herein by reference constitute the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or affect this agreement.

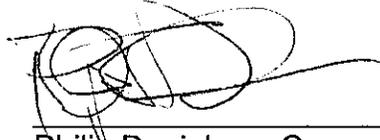
19. Respondent acknowledges that this Stipulation and Order, once adopted, will be classified as a public document and may be issued to the public upon request. Respondent acknowledges that the Division may inform other persons, entities, and state and federal agencies of the action taken on the Respondent's license and the contents of this Stipulation and Order.

DATED this 4th day of May, 2010.



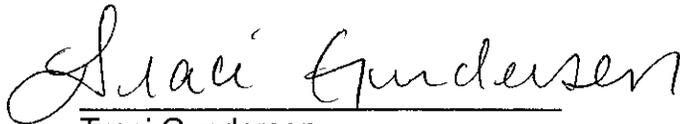
Charles Craig Brown, Owner
RESPONDENT

DATED this 4th day of May, 2010.



Philip Danielson, Counsel for Respondent

DATED this 4th day of MAY, 2010.



Traci Gundersen,
ASSISTANT ATTORNEY GENERAL

ORDER

The Commission and the Director approve and adopt the foregoing Stipulation of the parties. Based upon the foregoing Stipulation and for good cause appearing, the Commission and the Director order as follows, effective on the date of this Order:

In lieu of holding a hearing on the matter, the Respondent agrees:

1. Respondent will pay a \$5,000.00 civil penalty to the Division of Real Estate.
2. Respondent will pay the above \$5,000.00 to the Division within 60 days after the date the Commission and the Director of the Division sign the final Order in this matter;

SO ORDERED THIS 5 day of May, 2010.

UTAH RESIDENTIAL MORTGAGE REGULATORY COMMISSION:


LANCE MILLER, CHAIR


MARALEE JENSEN, VICE CHAIR

Absent
RODNEY "BUTCH" DAILEY


BRIGG LEWIS


HOLLY CHRISTENSEN

The undersigned concurs with the foregoing Order this 14 day of

May, 2010.



DEANNA D. SABEY, DIRECTOR
DIVISION OF REAL ESTATE