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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

NO. C-08-275-09-CO01

AMERICAWEST FINANCIAL, LLC, AND
TERESA M. COLEMAN (AKA TRACY M.
COLEMAN), Loan Originator/Independent
Contractor,

CONSENT ORDER

Respondents.

9 COMES NOW the Director of the Department of Financial Institutions (Director), through his designee
10 Deborah Bortner, Division Director, Division of Consumer Services, and America West Financial, LLC
11 (hereinafter Respondent America West), Teresa M. Coleman, loan originator (hereinafter Respondent Coleman),
12 and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree
13 to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of
14 Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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AGREEMENT AND ORDER

17 The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents
18 have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-08-275-09-SC01
19 (Statement of Charges), entered November 26, 2008 (copy attached hereto). Pursuant to chapter 19.146 RCW,
20 the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondents
21 hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-
22 captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend
23 this Consent Order to fully resolve the Statement of Charges and agree that Respondents do not admit any
24 wrongdoing by its entry. Respondents are agreeing not to contest the Statement of Charges in consideration of the
25 terms of this Consent Order.

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Based upon the foregoing:

A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter of the activities discussed herein.

B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a hearing before an administrative law judge, and that they hereby waive their right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondents, by their signatures below, withdraw their appeals to the Office of Administrative Hearings.

C. **No Admission of Liability.** The parties intend this Consent Order to fully resolve the Statement of Charges and agree that Respondents do not admit to any wrongdoing by its entry.

D. **Fine.** It is AGREED that Respondents shall pay to the Department a fine of \$1,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

E. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an investigation fee of \$720, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

F. **Authority to Execute Order.** It is AGREED that the undersigned Respondents have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

G. **Non-Compliance with Order.** It is AGREED that Respondents understand that failure to abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In the event of such legal action, Respondents may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

H. **Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily entered into this Consent Order, which is effective when signed by the Director's designee.

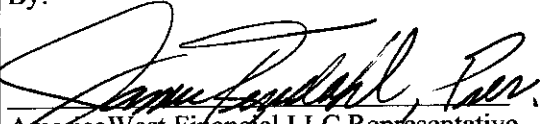
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I. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read this

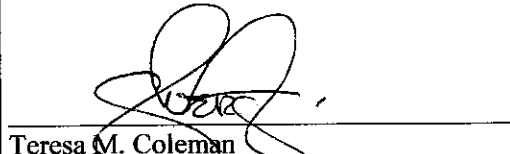
Consent Order in its entirety and fully understand and agree to all of the same.

RESPONDENTS:
AmericaWest Financial LLC
Teresa M. Coleman

By:


America West Financial LLC Representative
James Rendahl, President


10-29-09
Date


Teresa M. Coleman
Loan Originator

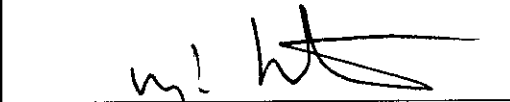
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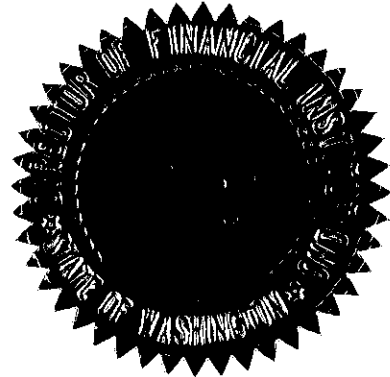
DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 4th DAY OF November, 2009.


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


WILLIAM HALSTEAD
Financial Legal Examiner



Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

AMERICAWEST FINANCIAL, LLC, AND
TERESA M. COLEMAN (AKA TRACY M.
COLEMAN), Loan Originator/Independent
Contractor,

Respondents.

NO. C-08-275-08-SC01

STATEMENT OF CHARGES and NOTICE OF
INTENTION TO ENTER AN ORDER TO IMPOSE
FINE, COLLECT INVESTIGATION FEE, AND
ASSESS PENALTY

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INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (Act)¹. After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of this Statement of Charges, the Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. **AmericaWest Financial LLC, (Respondent AmericaWest)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on July 18, 2006, and continues to be licensed to date.

B. **Teresa M. Coleman aka Tracy M. Coleman (Respondent Coleman)** is a loan originator affiliated with Respondent AmericaWest. Respondent Coleman was issued a Loan Originator license on April 3, 2007, and continued to be licensed until her license expired on December 31, 2007. Respondent Coleman renewed her license on January 15, 2008, and continues to be licensed to date.

¹ RCW 19.146 (2006).

1 **1.2 Untimely Renewal of Loan Originator License.** In order to continue conducting business as a loan
2 originator in 2008, Respondent Coleman was required to renew her loan originator license before January 1,
3 2008. Respondent Coleman did not timely renew her loan originator license and as a result could not conduct
4 the business of a loan originator until she renewed her license on January 15, 2008.

5 **1.3 Unlicensed Loan Originator Activity.** Respondent Coleman conducted the business of a loan
6 originator from 23725 230th Place SE Maple Valley, WA 98038 between January 1, 2008, and January 14,
7 2008. Respondent Coleman did not have a license from the Department to conduct business as a loan originator
8 between January 1, 2008, and January 14, 2008. Between January 1, 2008, and January 14, 2008, Respondent
9 Coleman assisted at least 2 borrowers in obtaining residential mortgage loans on property located in the State of
10 Washington.

11 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
12 Respondents continues to date.

14 II. GROUNDS FOR ENTRY OF ORDER

15 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-006,
16 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or
17 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential
18 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a
19 person in obtaining or applying to obtain a residential mortgage loan.

20 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10), "Loan Originator" means a natural
21 person who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or negotiates
22 terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect
23 compensation or gain.

24 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006, a "Borrower" is
25 defined as any person who consults with or retains a mortgage broker or loan originator in an effort to obtain or

1 seek advice or information on obtaining or applying to obtain a residential mortgage loan for himself, herself, or
2 persons including himself or herself, regardless of whether the person actually obtains such a loan.

3 **2.4 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in
4 apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a scheme, device or
5 artifice to defraud or mislead borrowers or lenders or any person, for engaging in an unfair or deceptive practice
6 toward any person, and for obtaining property by fraud or misrepresentation.

7 **2.5 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section
8 I above, Respondent Coleman is in apparent violation of RCW 19.146.200 for engaging in the business of a
9 loan originator without first obtaining and maintaining a license under the Act.

10 **2.6 Requirement to Timely Renew License and Refrain from Conducting Business.** Based on the
11 Factual Allegations set forth in Section I above, Respondent Coleman is in apparent violation of WAC 208-660-
12 350 (21) and (22) for continuing to conduct the business of a mortgage broker after failing to timely renew a
13 license under the Act.

14 **2.7 Liability of Mortgage Broker.** Based on the Factual Allegations set forth in Section I above,
15 Respondent AmericaWest is in apparent violation of RCW 19.146.245 and is liable for the conduct of
16 Respondent Coleman as a loan originator.

18 III. AUTHORITY TO IMPOSE SANCTIONS

19 **3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e), and (3)(a), the Director may impose
20 fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act for any
21 violations of RCW 19.146.0201(1) through (9) or (13), RCW 19.146.030 through RCW 19.146.080, RCW
22 19.146.200, RCW 19.146.205(4), or RCW 19.146.265, or any violation of the Act.

23 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC
24 208-660-550(5), upon completion of any investigation of the books and records of a licensee or other person subject
25 to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of

1 the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person
2 devoted to the investigation.

3 **3.3 Authority to Assess Penalty.** Pursuant to WAC 208-660-530, the Director may exercise discretion and by
4 order assess other penalties for a violation of the act.

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6 **IV. NOTICE OF INTENTION TO ENTER ORDER**

7 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
8 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
9 for the entry of an Order under RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223. Therefore, it is the
10 Director's intention to ORDER that:

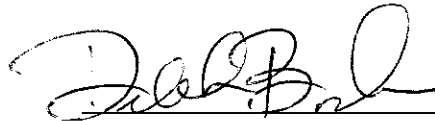
- 11 **4.1** Respondents AmericaWest Financial LLC and Teresa M. Coleman jointly and severally pay a fine of
12 \$1,400;
- 13 **4.2** Respondents AmericaWest Financial LLC and Teresa M. Coleman jointly and severally pay an
14 investigation fee, which as of the date of these charges is \$720 calculated at \$48 per hour for 15 staff hours
15 devoted to the investigation; and
- 16 **4.3** Respondents AmericaWest Financial LLC and Teresa M. Coleman jointly and severally pay a penalty
17 equivalent to the amount of fees earned by Respondents from conducting unlicensed business between
18 January 1, 2008, and January 14, 2008.

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1 **V. AUTHORITY AND PROCEDURE**

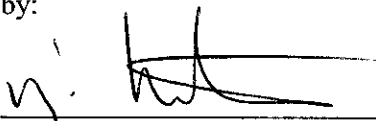
2 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine, Collect
3 Investigation Fee and Assess Penalty (Statement of Charges) is entered pursuant to the provisions of
4 RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions
5 of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a
6 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR
7 HEARING accompanying this Statement of Charges.

8 Dated this 26th day of November, 2008.

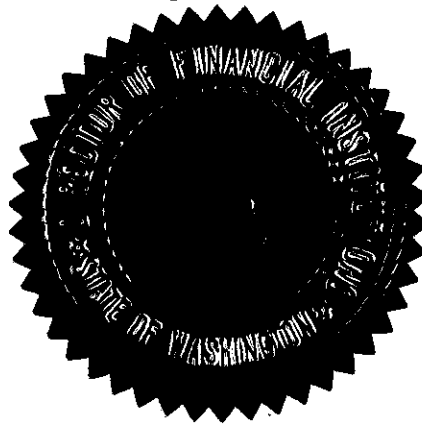
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10 DEBORAH BORTNER
11 Director Division of Consumer Services
12 Department of Financial Institutions

13 Presented by:

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15 WILLIAM HALSTEAD
16 Financial Legal Examiner



17 Approved by:

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19 JAMES R. BRUSSELBACK
20 Enforcement Chief