

ORDER SUMMARY
Consumer Services Division Case Number C-21-3148

Final Orders resolve investigations where companies or individuals have been charged and then the Department has imposed sanctions.

Once DFI serves the Final Order on the individual or company, the company or individual has 30 days to petition (formally ask) the Director of DFI to reconsider. The company or individual can appeal in superior court.

Name	Joshua Allen Behrens, NMLS # 173841
Order Number	C-21-3148-23-FO01
Date issued	March 8, 2023

What does this Final Order require?

- Joshua Allen Behrens must pay a fine of \$7,500.
- Joshua Allen Behrens must pay an investigation fee of \$619.20 (Investigation fees cover the cost of DFI staff time working on the investigation).
- Joshua Allen Behrens isn't allowed to participate in the affairs of any mortgage broker or consumer loan company subject to licensure by DFI until March 8, 2028.
- Joshua Allen Behrens's Mortgage Loan Originator license is revoked.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or cseforcecomplaints@dfi.wa.gov. Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

3 IN THE MATTER OF DETERMINING
4 Whether there has been a violation of the
5 Mortgage Broker Practices Act of Washington by:
6 JOSHUA ALLEN BEHRENS, NMLS # 173841,
Respondent.

No.: C-21-3148-23-FO01

FINAL ORDER

7 I. DIRECTOR'S CONSIDERATION

8 A. Default. This matter has come before the Director of the Department of Financial
9 Institutions of the State of Washington (Director), through his designee, Division of Consumer
10 Services Director Lucinda Fazio (Director's designee), pursuant to RCW 34.05.440(1). On January
11 20, 2023, the Director, through the Director's designee, issued a Statement of Charges and Notice of
12 Intention to Enter an Order to Revoke License, Prohibit from Industry, Impose Fine, Collect
13 Investigation Fee, and Recover Costs and Expenses (Statement of Charges) against Joshua Allen
14 Behrens (Respondent). A copy of the Statement of Charges is attached and incorporated into this
15 order by this reference. The Statement of Charges was accompanied by a cover letter dated January
16 23, 2023, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application
17 for Adjudicative Hearing for Respondent (collectively, accompanying documents).

18 On January 23, 2023, the Department served Respondent with the Statement of Charges and
19 accompanying documents by First-Class mail and Federal Express overnight delivery to
20 Respondent's last known address, provided by Respondent via the Nationwide Multistate Licensing
21 System and Registry (NMLS). On February 10, 2023, the documents sent by Federal Express
22 overnight delivery were returned to the Department as undeliverable. The documents sent by First-
23 Class mail were not returned to the Department by the United States Postal Service.

1 Respondent did not request an adjudicative hearing within twenty calendar days after the
2 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for
3 in WAC 208-08-050(2).

4 B. Record Presented. The record presented to the Director's designee for his review and
5 for entry of a final decision included the Statement of Charges, cover letter dated January 23, 2023,
6 Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for
7 Adjudicative Hearing for Respondent, with documentation for service, and Respondent's NMLS
8 Individual Snapshot.

9 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the
10 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

11 II. FINAL ORDER

12 Based upon the foregoing, and the Director's designee having considered the record and being
13 otherwise fully advised, NOW, THEREFORE:

14 A. IT IS HEREBY ORDERED, That:

- 15 1. Respondent Joshua Allen Behrens's license to conduct the business of a loan
16 originator is revoked.
- 17 2. Respondent Joshua Allen Behrens is prohibited from participation in the conduct
18 of the affairs of any mortgage broker or consumer loan company subject to
19 licensure by the Director, in any manner, for a period of five (5) years.
- 20 3. Respondent Joshua Allen Behrens pay a fine of \$7,500.00.
- 21 4. Respondent Joshua Allen Behrens pay an investigation fee of \$619.20.

22 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a
23 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
24 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,

1 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
2 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
3 Reconsideration a prerequisite for seeking judicial review in this matter.

4 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the
5 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a
6 written notice specifying the date by which it will act on a petition.

7 C. Stay of Order. The Director's designee has determined not to consider a Petition to
8 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
9 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

10 D. Judicial Review. Respondent has the right to petition the superior court for judicial
11 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for
12 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

13 E. Non-compliance with Order. If you do not comply with the terms of this order,
14 **including payment of any amounts owed within 30 days of receipt of this order**, the Department
15 may seek its enforcement by the Office of the Attorney General to include the collection of the fines
16 and fees imposed herein. The Department also may assign the amounts owed to a collection agency
17 for collection.

18 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial
19 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
20 attached hereto.

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1 DATED this 8th day of March, 2023.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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/s/
LUCINDA FAZIO, Director
Division of Consumer Services

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

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

6 JOSHUA ALLEN BEHRENS, NMLS # 173841,
7
8

Respondent.

No. C-21-3148-23-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO REVOKE LICENSE, PROHIBIT
FROM INDUSTRY, IMPOSE FINE,
COLLECT INVESTIGATION FEE, and
RECOVER COSTS AND EXPENSES

9 INTRODUCTION

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

16 I. FACTUAL ALLEGATIONS

17 **1.1 Respondent Joshua Allen Behrens** (Respondent) was licensed by the Department to
18 conduct business as a loan originator on or about October 29, 2014, and continues to be licensed
19 to date. Pacific Mortgage Planning, LLC (PMP) sponsored Respondent's loan originator license
20 from March 1, 2019, until October 19, 2020.

21 **1.2 Prohibited Practices, Failure to Disclose Material Facts, and Failure to Use**

22 **Reasonable Care.** On or about September 8, 2020, a Washington borrower (Borrower) contacted
23 Respondent via text message to obtain a mortgage loan. Between September 8, 2020, and
24 September 20, 2020, Respondent obtained information from Borrower via text message,

1 including, but not limited to, Borrower's name, proof of monthly income, social security number,
2 the property address, an estimate of the value of the property, and the mortgage loan amount
3 sought. Respondent issued a pre-approval letter on or about September 21, 2020. The pre-
4 approval stated, "[t]his pre-approval is based upon the facts set forth in your application, and is
5 subject to an appraisal, a properly executed purchase and sale agreement, adequate funds to close,
6 documentation of the facts provided in the application and final approval from the lender."
7 Relying on the pre-approval letter, Borrower entered a Purchase and Sale Agreement with seller
8 (Seller)

9 Between September 21, 2020, and October 19, 2020, Borrower, Seller, and Seller's agent
10 contacted Respondent for updates regarding the status of the loan application. Respondent
11 provided assurances that the application was progressing. On or about October 11, 2020,
12 Respondent stated closing would occur "[i]n very late October or early November." On or about
13 October 16, 2020, Respondent texted Borrower and stated, "[y]ou have been approved. I'm
14 waiting to see if we can cover the appraisal upfront to save you money." On or about October 18,
15 2020, Respondent texted Borrower and stated, "[m]oving full speed ahead and I will have an
16 appraisal update by this afternoon."

17 On or about October 19, 2020, Respondent's sponsorship with PMP ended. Respondent
18 intended to pursue employment with Northwest Funding Group, Inc. d/b/a Shields Family Home
19 Loans (NWFG). On or about October 19, 2020, Respondent transferred the application to loan
20 originator Brian Shields at NWFG. However, upon review, Mr. Shields determined Borrower did
21 not qualify for a loan, and issued a Notice of Credit Denial on or about October 20, 2020.

22 On or about January 12, 2021, the Department sent a Directive to Provide Documents and
23 Explanation to PMP and NWFG regarding the application. Chad Olafson, the President of PMP
24 stated PMP never started an application for Borrower. In addition, NWFG confirmed Respondent

1 had not submitted the application to a lender for approval at the time the application transferred to
2 NWFG.

3 On or about February 9, 2021, Respondent provided an explanation to the Department.
4 Respondent stated, "I spoke to [Borrower] in depth about what would be needed to get her to an
5 approved status. From the onset I was upfront about the challenges due to her large student loan
6 payments and relatively high debt-to-income ratio." In addition, Respondent stated, "It is true
7 that a full file was not started with Pacific Mortgage Planning, although it was started in Point and
8 I was communicating for weeks with the client while still working with PMP." Respondent failed
9 to explain why Respondent told Borrower that the application was approved, when according to
10 Respondent, PMP and NWFG an application had not been started, nor submitted to a lender for
11 approval.

12 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of
13 the Act by Respondent continues to date.

14 II. GROUNDS FOR ENTRY OF ORDER

15 **2.1 Definition of Borrower.** Pursuant to RCW 19.146.010(2), "Borrower" means any person
16 who consults with or retains a mortgage broker or loan originator in an effort to obtain or seek
17 advice or information on obtaining or applying to obtain a residential mortgage loan, or
18 residential mortgage loan modification, for himself, herself, or persons including himself or
19 herself, regardless of whether the person actually obtains such a loan.

20 **2.2 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14), "Mortgage Broker"
21 means any person who for direct or indirect compensation or gain, or in the expectation of direct
22 or indirect compensation or gain (a) assists a person in obtaining or applying to obtain a
23 residential mortgage loan or performs residential mortgage loan modification services or (b) holds

1 himself or herself out as being able to assist a person in obtaining or applying to obtain a
2 residential mortgage loan or provide residential mortgage loan modification services.

3 **2.3 Prohibited Acts.** Based upon the Factual Allegations set forth in Section I above,
4 Respondent is in apparent violation of RCW 19.146.0201(2), (7) and (8) for directly or indirectly
5 engaging in an unfair or deceptive practice toward any person; making, in any manner, any false
6 or deceptive statement or representation with regard to the rates, points, or other financing terms
7 or conditions for a residential mortgage loan; and negligently making a false statement or
8 knowingly and willfully making an omission of material fact in connection with any reports filed
9 by a licensee or in connection with an investigation conducted by the Department.

10 **2.4 Fiduciary Duty to Disclose Material Facts.** Based upon the facts set forth in
11 Section I above, Respondent is in apparent violation of RCW 19.146.095(1)(c) and (d) for failing
12 to disclose to the borrower all material facts of which the mortgage broker has knowledge that
13 might reasonably affect the borrower's rights, interests, or ability to receive the borrower's
14 intended benefit from the residential mortgage loan; and failing to use reasonable care in
15 performing duties.

16 **III. AUTHORITY TO IMPOSE SANCTIONS**

17 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2), the Director may revoke
18 licenses for: violations of orders, including cease and desist orders; false statements or omission
19 of material information on the application that, if known, would have allowed the Director to
20 deny the application for the original license; failure to pay a fee required by the Director or
21 maintain the required bond; failure to comply with any directive, order, or subpoena of the
22 Director; or any violation of the Act.

23 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director
24 may issue orders removing from office or prohibiting from participation in the conduct of the

1 affairs of a licensed mortgage broker, or both, any officer, principal, employee, or loan originator
2 of any licensed mortgage broker or any person subject to licensing under the Act for: any
3 violation of the Act; false statements or omission of material information on the application that,
4 if known, would have allowed the Director to deny the application for the original license;
5 conviction of a gross misdemeanor involving dishonesty or financial misconduct or a felony after
6 obtaining a license; or failure to comply with any directive or order of the Director.

7 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose
8 fines against a licensee, employees, independent contractors, agents of licensees, or other persons
9 subject to the Act for: violations of orders, including cease and desist orders; false statements or
10 omission of material information on the application that, if known, would have allowed the
11 Director to deny the application for the original license; failure to pay a fee required by the
12 Director or maintain the required bond; failure to comply with any directive, order, or subpoena
13 of the Director; or any violation of the Act.

14 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-
15 660-520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars
16 per hour for an examiner's time devoted to an investigation.

17 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the
18 Director may recover the state's costs and expenses for prosecuting violations of the Act.

19 **IV. NOTICE OF INTENT TO ENTER ORDER**

20 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660
21 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to
22 Impose Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW
23 19.146.221, and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

- 1 **4.1** Respondent Joshua Allen Behrens' license to conduct the business of a loan
2 originator be revoked.
- 3 **4.2** Respondent Joshua Allen Behrens be prohibited from participation in the conduct
4 of the affairs of any mortgage broker or consumer loan company subject to
5 licensure by the Director, in any manner, for a period of five (5) years.
- 6 **4.3** Respondent Joshua Allen Behrens pay a \$7,500.00 fine.
- 7 **4.4** Respondent Joshua Allen Behrens pay an investigation fee. As of the date of this
8 Statement of Charges, the investigation fee totals \$619.20.
- 9 **4.5** Respondent Joshua Allen Behrens pay the Department's costs and expenses for
10 prosecuting violations of the Act in an amount to be determined at hearing or by
11 declaration with supporting documentation in event of default by Respondent.

12 **V. AUTHORITY AND PROCEDURE**

13 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220,
14 RCW 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of
15 chapter 34.05 RCW (the Administrative Procedure Act). Respondent may make a written request
16 for a hearing as set forth in the NOTICE OF OPPORTUNITY FOR ADJUDICATIVE HEARING
17 AND TO DEFEND accompanying this Statement of Charges.

18 Dated this 20th day of JANUARY, 2023.



21 /s/
22 LUCINDA FAZIO, Director
23 Division of Consumer Services
24 Department of Financial Institutions

Presented by:

Approved by:

23 /s/
24 AMANDA B. STARNES
Financial Legal Examiner

/s/
JACK McCLELLAN
Enforcement Chief