

Terms Completed

ORDER SUMMARY – Case Number: C-04-146

Name(s): Dunn & Cage Real Estate Services Inc
Willie James Dunn

Order Number: C-04-146-05-FO01

Effective Date: March 1, 2005

License Number: DFI: 19325
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect: Revoked

Not Apply Until: March 1, 2005

Not Eligible Until: _____

Prohibition/Ban Until: March 1, 2005

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

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

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

NO. C-04-146-05-FO01

DUNN & CAGE REAL ESTATE SERVICES, INC.
AND WILLIE JAMES DUNN, DESIGNATED
BROKER AND OWNER

FINAL ORDER

Respondents.

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I. DIRECTOR'S CONSIDERATION

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A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director) pursuant to RCW 34.05.440(2). On July 30, 2004, the Director through her designee Consumer Services Division Director and Enforcement Chief Chuck Cross, entered a Statement of Charges and Notice of Intention to Enter an Order to Revoke License and Prohibit from Participation in the Industry (Statement of Charges). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated August 2, 2004, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Dunn & Cage Real Estate Services, Inc. ("Dunn & Cage") and Willie James Dunn, the owner and designated broker of Dunn & Cage. The Department of Financial Institutions of the State of Washington (Department) served the Statement of Charges, cover letter dated August 2, 2004, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Dunn & Cage and Willie James Dunn on Respondents by Federal Express on August 3, 2004. On August 18, 2004, Respondent Dunn replied by letter to the Department claiming that his license had been put "on hold" by his attorney. On August 20, 2004, the Department answered Mr. Dunn

1 explaining his need to request a hearing to assert his defenses. On September 7, 2004, Respondent
2 Willie James Dunn filed an application for adjudicative hearing.

3 On September 14, 2004, the Department made a request to the Office of Administrative Hearings
4 (“OAH”) to assign an Administrative Law judge to schedule and conduct a hearing on the Statement
5 of Charges. On October 12, 2004, the Office of Administrative Hearings issued an Order for
6 Telephonic Prehearing Conference for a prehearing conference on Tuesday, November 2, 2004, at
7 1:00 p.m. That Order contained an instruction to the parties as follows: **The parties shall notify the**
8 **Office of Administrative Hearings with an appropriate telephone number where they can be**
9 **reached for the conference.** On October 12, 2004, OAH sent notice of the November 2, 2004,
10 prehearing conference to the address in Respondent’s Application for Adjudicative Hearing.

11 On November 2, 2004, the prehearing conference was convened by ALJ Neil Gorrell. Respondent
12 Willie James Dunn failed to appear or to provide the Office of Administrative Hearings with a viable
13 telephone number where he could be reached for the prehearing conference. ALJ Gorrell attempted to
14 contact Mr. Dunn but received only a recorded message that the number was disconnected or no longer
15 in service. The Department moved for an order of default based upon the Respondent’s failure to
16 appear. ALJ Gorrell issued an Order of Default and ordered that the Department’s Statement of
17 Charges be affirmed. On November 4, 2004, OAH sent the Order of Default to the address in
18 Respondent’s Application for Adjudicative Hearing.
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20 Under RCW 34.05.440(3) Respondent had seven days from the date the order was mailed to request
21 the Order of Default be vacated. Respondent did not make a request to vacate during the statutory
22 period.
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24 B. Record Presented. The record presented to the Director for her review and for entry of
25 a final decision included the following:

FINAL ORDER –
DUNN & CAGE REAL ESTATE SERVICES, INC. and
WILLIE JAMES DUNN
C-04-146-05-FO01

1. Statement of Charges, and cover letter dated August 2, 2004
2. Notice of Opportunity to Defend and Opportunity for Hearing
3. Documentation of service for Statement of Charges, Notice of Opportunity to Defend and Opportunity for Hearing and cover letter.
4. Correspondence between Willie Dunn and the Department (letters dated August 17, 2004 and August 20, 2004)
5. Applications for Adjudicative Hearing from Willie James Dunn, Owner and Designated Broker
6. Request to OAH for Assignment of Administrative Law Judge
7. Order for Telephonic Prehearing Conference with documentation of service
8. Order of Default with documentation of service

C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(2), the Director hereby adopts the Statement of Charges, which is attached hereto.

II. FINAL ORDER

Based upon the foregoing, and the Director having considered the record and being otherwise fully advised, NOW, THEREFORE:

A. IT IS HEREBY ORDERED, That:

1. Respondent Dunn & Cage's license to conduct the business of a Mortgage Broker is revoked; and
2. Respondent Willie J. Dunn is prohibited from participation in the conduct of the affairs of any licensed mortgage broker, in any manner, for a period of five (5) years; and
3. Respondents maintain records in compliance with the Act and immediately provide the Department with the location of the books, records and other information relating to Respondent Dunn & Cage's mortgage broker business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

1 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
2 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
3 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
4 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
5 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
6 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
7 Reconsideration a prerequisite for seeking judicial review in this matter.

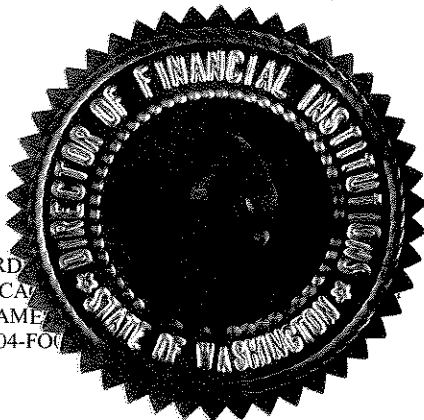
8 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
9 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
10 notice specifying the date by which it will act on a petition.

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

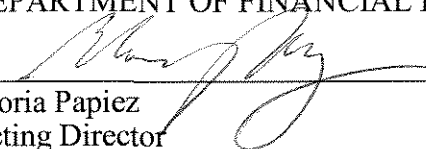
14 D. Judicial Review. Respondents have the right to petition the superior court for
15 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
16 for filing a Petition for Judicial Review, see RCW 34.050.510 and sections following.

17 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
18 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
19 attached hereto.
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21 DATED this 1st day of March, 2005.



22 STATE OF WASHINGTON
23 DEPARTMENT OF FINANCIAL INSTITUTIONS

24 
25 Gloria Papiez
Acting Director

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8795

FINAL ORDER
DUNN & CALVERT
WILLIE JAMES
C-04-146-04-FO

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

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

DUNN & CAGE REAL ESTATE SERVICES,
INC. AND WILLIE JAMES DUNN,
DESIGNATED BROKER AND OWNER

Respondents.

NO. C-04-146-04 SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE, AND
PROHIBIT FROM PARTICIPATION IN THE
INDUSTRY,

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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). The referenced statutes (RCW) and rules (WAC) are attached, in pertinent part. After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as of June 24, 2004, the Director institutes this proceeding and finds as follows:

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I. FACTUAL ALLEGATIONS

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1.1 Respondents:

A. **Dunn & Cage Real Estate Services, Inc. (Respondent Dunn & Cage)** is known to have conducted the business of a mortgage broker at the following locations:

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1. 500 108th Ave NE, Suite 730
Bellevue, WA 98124-0211

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2. 1516 South 9th
Tacoma, WA 98405

B. **Willie James Dunn (Respondent Dunn)** is known to be the Designated Broker, and owner of Respondent Dunn & Cage. Respondent Dunn was named Designated Broker on August 13, 1996, and has continued as Designated Broker to date.

1 **1.2 License: Main Office:** Respondent Dunn & Cage's main office, at 500 108th Ave NE, Suite 730,
2 Bellevue, WA 98124, was licensed by the Department of Financial Institutions of the State of Washington
3 (Department) to conduct business as a mortgage broker on August 13, 1996, and Respondent Dunn & Cage has
4 continued to be licensed to date.

5 **1.3 Failure to Pay Annual Assessments:** An annual assessment fee for each license is due to the
6 Department no later than the last business day of August for the year then ended. To date, the Department has
7 not received the following annual assessments due from Respondents, totaling \$1575.85:

- 8 A. Payment of the annual assessment of \$513.95 for the year beginning August 2000 was due to
9 the Department no later than the last business day of August 2001.
- 10 B. Payment of the annual assessment of \$530.95 for the year beginning August 2001 was due to
11 the Department no later than the last business day of August 2002.
- 12 C. Payment of the annual assessment of \$530.95 for the year beginning August 2002 was due to
13 the Department no later than the last business day of August 2003.

14 In addition, payment of the annual assessment of \$530.86 for the year beginning August 2003 will be due to the
15 Department no later than the last business day of August 2004.

16 **1.4 Failure to Maintain Bond:** On July 2, 2004, the Department received notice from Near North
17 Insurance Brokerage, Inc. that Respondent Dunn & Cage's surety bond would be cancelled, effective August 2,
18 2004, if no payment was made within that time.

19 **1.5 Failure to Submit Continuing Education Certificates:** A certificate of satisfactory completion of an
20 approved continuing education course by a licensee's Designated Broker is due to the Department no later than
21 the last business day of August of each year. To date, the Department has not received the required certificates
22 from Respondent Dunn for the year ended August 2003.

23 **1.6 Failure to Respond to Directives:** On October 16, 2002, the Department successfully served a
24 directive on Respondents by certified mail notifying Respondents of their failure to pay the August 2001
25 assessments. On June 28, 2004 the Department again successfully served a directive on Respondents by
certified mail notifying Respondents that they had failed to pay their assessments and to provide the certificates
of completion for the continuing education of Respondent Dunn. To date, the Department has not received a
response to these directives.

1 **1.7 Failure to Notify Department of Significant Developments:**

- 2 A. Respondent Dunn & Cage’s corporate license, maintained with the State of Washington
3 Secretary of State, expired on July 31, 2003. To date, Respondents have not notified the
4 Department of this change in standing with the State of Washington Secretary of State.
- 5 B. Respondent Dunn & Cage ’s Master Business License account, maintained with the
6 Washington State Department of Licensing, was dissolved on October 20, 2003. To date,
7 Respondents have not notified the Department of this change in Respondent Dunn & Cage ’s
8 State Master Business License.

9 **1.8 On-Going Investigation:** The Department’s investigation into the alleged violations of the Act by
10 Respondents continues to date.

11 **II. GROUNDS FOR ENTRY OF ORDER**

12 **2.1 Requirement to Pay Annual Assessments:** Based on the Factual Allegations set forth in Section I
13 above, Respondents are in apparent violation of RCW 19.146.228(1), WAC 208-660-060(3) and WAC 208-
14 660-061 for failing to pay to the Director an annual assessment fee no later than the last business day of the
15 month in which the anniversary date of the issuance of the mortgage broker’s license occurs.

16 **2.2 Requirement to Maintain Surety Bond:** Based on the Factual Allegations set forth in Section I
17 above, Respondents are in apparent violation of RCW 19.146.205(4)(a) and WAC 208-660-080(1) for failing to
18 file and maintain a surety bond or approved alternative with the Department.

19 **2.3 Requirement to Submit Certificate of Completion of Continuing Education:** Based on the Factual
20 Allegations set forth in Section I above, Respondent Dunn is in apparent violation of RCW 19.146.215 and
21 WAC 208-660-042 for failing to complete the annual continuing education requirement and file a certificate of
22 satisfactory completion no later than the last business day of the month in which the anniversary date of the
23 issuance of the licensee’s license occurs.

24 **2.4 Requirement to Notify Department of Significant Developments:** Based on the Factual Allegations
25 set forth in Section I above, Respondents are in apparent violation of WAC 208-660-150(3)(e) and (f) for

1 failing to notify the Director in writing within five days after a change in its State master business license or
2 standing with the state of Washington Secretary of State.

3 **2.5 Requirement to Maintain Accurate and Current Books and Records:** Pursuant to RCW
4 19.146.060 and WAC 208-660-140, a mortgage broker shall make accurate and current books and records
5 readily available to the Department until at least twenty-five months have elapsed following the effective period
6 to which the books and records relate.

7 **2.6 Authority to Revoke License:** Pursuant to RCW 19.146.220(2)(b)(ii), (iii) and (iv), and WAC 208-
8 660-160(1), (2), (8) and (13), the Director may revoke a license if a licensee fails to pay a fee required by the
9 Director, fails to maintain the required bond, or fails to comply with any directive or order of the Director.

10 **2.7 Authority to Impose Fine:** Pursuant to RCW 19.146.220(2)(c) and WAC 208-660-165, the Director
11 may impose fines on a licensee that fails to maintain the required bond or fails to comply with any directive or
12 order of the Director.

13 **2.8 Authority to Prohibit from the Industry:** Pursuant to RCW 19.146.220(2)(e)(i) and (iv), the Director
14 may prohibit from participation in the conduct of the affairs of a licensed mortgage broker, any officer,
15 principal, employee, or loan originator of any licensed mortgage broker or any person subject to licensing under
16 the Act that fails to comply with any directive or order of the Director.

17 **2.9 Authority to Charge Investigation Fee:** Pursuant to RCW 19.146.228(2), WAC 208-660-060(4) and
18 WAC 208-660-061, upon completion of any investigation of the books and records of a licensee, the Department
19 will furnish to the licensee a billing to cover the cost of the investigation. The investigation charge will be
20 calculated at the rate of forty-seven dollars and seventy-eight cents (\$47.78) per hour that each staff person devoted
21 to the investigation.

22 **III. NOTICE OF INTENTION TO ENTER ORDER**

23 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
24 in the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the entry of an Order under

1 RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223. Therefore, it is the Director's intention to ORDER
2 that:

- 3 3.1 Respondent Dunn & Cage's license to conduct the business of a Mortgage Broker be revoked; and
- 4 3.2 Respondent Willie J. Dunn be prohibited from participation in the conduct of the affairs of any licensed mortgage broker, in any manner, for a period of five (5) years; and
- 5 3.3 Respondents maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondent Dunn & Cage's mortgage broker business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

7 **IV. AUTHORITY AND PROCEDURE**

8 This Statement of Charges and Notice of Intention to Enter an Order to Revoke License and Prohibit from
9 Participation in the Industry is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW
10 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative
11 Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF
12 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of
13 Charges and Notice of Intention to Enter an Order to Revoke license and Prohibit from Participation in the
14 Industry.

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16 Dated this 30th day of July, 2004.

17 Presented by:
18 Deborah Bortner
19 Financial Legal Examiner

17 /s
CHUCK CROSS
Director and Enforcement Chief
Division of Consumer Services
Division of Consumer Services
Department of Financial Institutions