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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:

1st AMERICAN MORTGAGE, OREGON LLC;
and
YVONNE MCNEIL, DESIGNATED BROKER
AND OWNER,

Respondents.

NO. C-05-176-08-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Deborah Bortner, pursuant to RCW 34.05.440(1). On February 8, 2008, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Prohibit from Industry, Collect Annual Assessment, Impose Fine, and Collect Investigation Fee (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 February 11, 2007, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil. The Department served the Statement of Charges, cover letter dated February 11, 2007, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents 1st American Dream

1 Mortgage, Oregon LLC and Yvonne McNeil on February 11, 2008, by first class mail and Federal
2 Express overnight delivery. On February 12, 2008, the documents sent via Federal Express overnight
3 delivery were delivered to Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne
4 McNeil. The documents sent via first class mail were not returned to the Department by the United
5 States Post Office.

6 Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil did not
7 request an adjudicative hearing within twenty calendar days after the Department served them with
8 the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for in WAC 208-08-
9 050(2).

10
11 B. Record Presented. The record presented to the Director's designee for her review
12 and for entry of a final decision included the following documents:

- 13 1. Statement of Charges;
- 14 2. Cover Letter dated February 11, 2008;
- 15 3. Notice of Opportunity to Defend and Opportunity for Hearing;
- 16 4. Blank Applications for Adjudicative Hearing for 1st American Dream Mortgage,
17 Oregon LLC and Yvonne McNeil;
- 18 5. Documentation of Service.

19 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
20 Director's designee hereby adopts the Statement of Charges, which is attached hereto.
21

22 II. FINAL ORDER

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

1 A. IT IS HEREBY ORDERED, That:

- 2 1. Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil's
3 license to conduct the business of an Mortgage Broker is revoked; and
- 4 2. Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil
5 jointly and severally pay the delinquent main office Annual Assessment fee of
6 \$530.86; and
- 7 3. Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil
8 jointly and severally pay a fine of \$3,000; and
- 9 4. Respondent 1st American Dream Mortgage, Oregon LLC is banned from
10 participation in the conduct of the affairs of any mortgage broker subject to
11 licensure by the Director, in any manner, for a period of five years; and
- 12 5. Respondent Yvonne McNeil is banned from participation in the conduct of the
13 affairs of any mortgage broker subject to licensure by the Director, in any manner,
14 for a period of five years; and
- 15 6. Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil
16 jointly and severally pay an investigation fee of \$860.04; and
- 17 7. Respondents 1st American Dream Mortgage, Oregon LLC and Yvonne McNeil
18 jointly and severally maintain records in compliance with the Act and provide the
19 Department with the location of the books, records, and other information relating
20 to Respondents' mortgage broker business, and the name, address, and telephone
21 number of the individual responsible for maintenance of such records in
22 compliance with the Act.

23 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file

24 a Petition for Reconsideration stating the specific grounds upon which relief is requested. The
25 Petition must be filed in the Office of the Director of the Department of Financial Institutions by
26 courier at 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200,
27 Olympia, Washington 98504-1200, within ten days of service of the Final Order upon Respondents.
28 The Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
29 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

7 D. Judicial Review. Respondents have the right to petition the superior court for
8 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the
9 requirements for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

10 E. Non-compliance with Order. If you do not comply with the terms of this order,
11 the Department may seek its enforcement by the Office of Attorney General to include the collection
12 of the fines, fees and restitution imposed herein. Financial obligations are due within 30 days.

13 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
14 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
15 attached hereto.
16

17 DATED this 15th day of April, 2008.



18
19 STATE OF WASHINGTON
20 DEPARTMENT OF FINANCIAL INSTITUTIONS

21 Handwritten signature of Deborah Bortner in cursive script.

22 DEBORAH BORTNER
23 DIRECTOR
24 DIVISION OF CONSUMER SERVICES

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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:

1st AMERICAN DREAM MORTGAGE,
OREGON, LLC; and
YVONNE MCNEIL, DESIGNATED BROKER
AND OWNER,

Respondents.

NO. C-05-176-07-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO PROHIBIT FROM INDUSTRY,
COLLECT ANNUAL ASSESSMENT, IMPOSE
FINE, AND COLLECT INVESTIGATION FEE

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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 the date 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.

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A. **1st American Dream Mortgage, Oregon LLC**, was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on July 18, 2002, and continued to be licensed until the Department received a Mortgage Broker Office Closure/License Surrender Form on June 24, 2005. The Respondents were licensed to conduct the business of a mortgage broker at one (1) location:

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24
25

17114 SE Shadow Ct
Milwaukie, OR 97262

¹ RCW 19.146 (1994)

1 B. **Yvonne McNeil** (McNeil) is the Designated Broker and Owner of record for 1st American
2 Dream Mortgage, Oregon LLC. Respondent McNeil was appointed as Designated Broker on July 22, 2002.

3 **1.2 Failure to Pay Annual Assessments.** Pursuant to RCW 19.146.228(1), and WAC 208-660-060(3), an
4 annual assessment was due on or before July 31, 2005, in the amount of \$530.86. Respondents have failed to
5 pay this annual assessment.

6 **1.3 Failure to Respond to Directives.** On August 18, 2005, the Department served a Requirement and
7 Directive via certified mail, for the Respondents failure to pay the 2005 annual assessment fee. On August 24,
8 2005, delivery of the certified mail was confirmed as return receipt was received by the Department from the
9 United States Postal Service (USPS). The return receipt is signed by Y.McNeil, and date of this signature is
10 listed as August 22, 2005. The Respondents did not comply with the directive or otherwise respond.

11 On March 19, 2007, the Department issued a directive to Respondents via overnight mail for failure to
12 respond to the Department's directive and for failure to pay the annual assessment fee. On March 21, 2007,
13 delivery of the Department's directive to Respondents was confirmed by Federal Express. The Respondents did
14 not comply with the directive or otherwise respond.

15 **1.4 Significant Developments.** The Respondents' corporate license, maintained with the State of
16 Washington Secretary of State, expired on April 30, 2005. Prior to June 24, 2005, the Respondents did not
17 notify the Department of this change in standing with the State of Washington Secretary of State.

18 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
19 Respondents continues to date.

20 II. GROUNDS FOR ENTRY OF ORDER

21 **2.1 Requirement to Pay Annual Assessment.** Based on the Factual Allegations set forth in Section I
22 above, Respondents are in apparent violation of RCW 19.146.228(1), WAC 208-660-060(3), and
23 WAC 208-660-061 for failing to pay to the Director an annual assessment fee no later than the last business day
24 of the month in which the anniversary date of the issuance of the mortgage broker's license occurs.

25

1 **2.2 Failure to Comply with Directives.** Based upon the Factual Allegations set forth in Section I above,
2 Respondents are in apparent violation RCW 19.146.235, for failing to respond to the Department's directives.

3 **2.3 Requirement to Notify Department of Significant Developments.** Based on the Factual Allegations
4 set forth in Section I above, Respondents are in apparent violation of WAC 208-660-150(3)(f) for failing to
5 notify the Director in writing within five days after a change in standing with the State of Washington Secretary
6 of State.

7 **III. AUTHORITY TO IMPOSE SANCTIONS**

8 **3.1 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e)(iv), the Director may
9 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
10 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
11 or any person subject to licensing under the Act for failure to comply with a directive or order of the Director.

12 **3.2 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 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(c)(ii) and WAC 208-660-165, the Director
17 may impose fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act
18 for failure to comply with a directive or order of the Director.

19 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-060(4), and
20 WAC 208-660-061, the Department may collect the cost of any investigation. The investigation charge will be
21 calculated at the rate of forty-seven dollars and seventy-eight cents (\$47.78) per hour that each staff person
22 devoted to the investigation.

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

24 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
25 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis

1 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and RCW 19.146.223. Therefore, it is the

2 Director's intention to ORDER that:

3 **4.1** Respondents 1st American Dream Mortgage, Oregon LLC, and Yvonne McNeil jointly and severally pay
4 the delinquent main office annual assessment fee of \$530.86; and

5 **4.2** Respondents 1st American Dream Mortgage, Oregon LLC, and Yvonne McNeil jointly and severally pay a
6 fine of \$3,000; and

7 **4.3** Respondents 1st American Dream Mortgage, Oregon LLC, be prohibited from participation in the conduct
8 of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of
9 five (5) years; and

10 **4.4** Respondent Yvonne McNeil be prohibited from participation in the conduct of the affairs of any mortgage
11 broker subject to licensure by the Director, in any manner, for a period of five (5) years; and

12 **4.5** Respondents 1st American Dream Mortgage, Oregon LLC, and Yvonne McNeil jointly and severally pay
13 an investigation fee in the amount of \$860.04 calculated at \$47.78 per hour for the eighteen (18) staff hours
14 devoted to the investigation to date; and

15 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the location of
16 the books, records and other information relating to Respondents' mortgage broker business, and the name,
17 address and telephone number of the individual responsible for maintenance of such records in compliance
18 with the Act.

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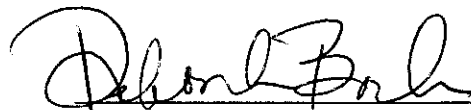
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1 **V. AUTHORITY AND PROCEDURE**

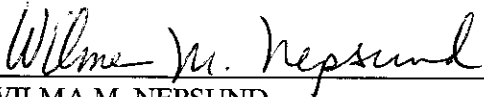
2 This Statement of Charges and Notice of Intention to Enter an Order to PROHIBIT FROM
3 INDUSTRY, COLLECT ANNUAL ASSESSMENT, IMPOSE FINE, AND COLLECT INVESTIGATION
4 FEE (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221,
5 RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The
6 Administrative Procedure Act). Respondent may make a written request for a hearing as set forth in the
7 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
8 Statement of Charges.

9
10 Dated this 8th day of February, 2008.

11 

12 DEBORAH BORTNER
13 Director
14 Division of Consumer Services
Department of Financial Institutions

15 Presented by:

16 

17 WILMA M. NEPSUND
18 Financial Examiner

19
20 Approved by:

21 

22 James R. Brusselback
23 Program Manager and Enforcement Chief

