

Terms Completed

ORDER SUMMARY – Case Number: C-07-032

Name(s): Mortgage Options Financial Inc
Ramzy Mous Sabbara

Order Number: C-07-032-08-CO01

Effective Date: January 14, 2009

License Number: DFI: 27617 [NMLS: 2012]
DFI: 39894 [NMLS: 3485]

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: n/a

Not Apply Until: N/A

Not Eligible Until: _____

Prohibition/Ban Until: N/A

Investigation Costs	\$690	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$10,000	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$1,222.87	Due	Paid <input checked="" 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: Exam Fee: \$8,462.37 -paid

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

6 IN THE MATTER OF DETERMINING
7 Whether there has been a violation of the
8 Consumer Loan Act of Washington by:

NO. C-07-032-08-CO01

9 MORTGAGE OPTIONS FINANCIAL, INC,
10 and
11 RAMZY MOUS SABBARA, President
12 and Owner,

CONSENT ORDER

13 Respondents.

14 COMES NOW the Director of the Department of Financial Institutions (Director), through his
15 designee Deborah Bortner, Division Director, Division of Consumer Services, and Mortgage Options
16 Financial, Inc., and Ramzy Mous Sabbara, President and Owner, (hereinafter collectively Respondents),
17 by and through their attorney Dale L. Crandall, and finding that the issues raised in the captioned matter
18 may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order
19 is entered pursuant to chapter 31.04 of the Revised Code of Washington (RCW), and RCW 34.05.060 of
20 the Administrative Procedure Act, based on the following:

21 **AGREEMENT AND ORDER**

22 The Department of Financial Institutions, Division of Consumer Services (Department) and
23 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No.
24 C-07-032-08-SC01 (Statement of Charges), entered May 2, 2008, (copy attached hereto). Pursuant to
25 chapter 31.04 RCW, the Consumer Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure
Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the

CONSENT ORDER
C-07-032-08-CO01
Mortgage Options Financial, Inc., and
Ramzy Mous Sabbara

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 issues raised in the above captioned matter may be economically and efficiently settled by entry of this
2 Consent Order. The parties intend this Consent Order to fully resolve the Statement of Charges.
3 Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this
4 Consent Order.

5 Based upon the foregoing:

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

8 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
9 hearing before an administrative law judge, and that they have waived their right to a hearing and any and
10 all administrative and judicial review of the issues raised in this matter, or of the resolution reached
11 herein. Accordingly, Respondents agree to withdraw their appeal and to inform the Office of
12 Administrative Hearings in writing of their withdrawal.

13 C. **No Admission of Liability.** It is AGREED that Respondents do not admit to any
14 wrongdoing by entry of this Consent Order.

15 D. **Fine.** It is AGREED that Respondents shall pay to the Department a fine of \$10,000.00 in the
16 form of a cashier's check made payable to the "Washington State Treasurer" upon entry of this Consent
17 Order.

18 E. **Investigation Fee.** It is AGREED that Respondents shall pay to the Department an
19 investigation fee of \$690.00 in the form of a cashier's check made payable to the "Washington State
20 Treasurer," upon entry of this Consent Order.

21 F. **Examination Fee.** It is AGREED that Respondents shall pay to the Department an
22 examination fee of \$8,462.37 in the form of a cashier's check made payable to the "Washington State
23

1 Treasurer” upon entry of this Consent Order. Respondents make pay the above fine and fees together in a
2 single cashier’s check made payable to the “Washington State Treasurer” upon entry of this Consent
3 Order.

4 **G. Restitution.** It is AGREED that Respondents shall pay total restitution of \$1,222.87 to the
5 borrowers set forth in Appendix A of the Statement of Charges prior to the Department’s entry of this
6 Consent Order. Respondents shall pay the restitution in the form of cashier’s checks made payable to the
7 individual borrowers and sent to addresses to be specified by the Department. Respondents will
8 immediately notify the Department if any check is returned as undeliverable and will cooperate with the
9 Department’s attempts to locate the borrowers and deliver the checks. Respondents understand that this
10 Consent Order shall not be entered by the Department until after the Department confirms that restitution
11 has been received by the intended recipients.

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

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

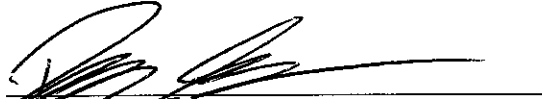
19 **J. Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily
20 entered into this Consent Order, which is effective when signed by the Director’s designee.

21 **K. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read
22 this Consent Order in its entirety and fully understand and agree to all of the same.

1 **RESPONDENTS:**

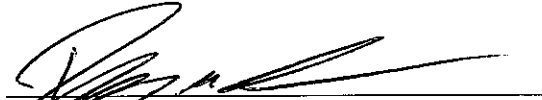
2 **Mortgage Options Financial, Inc.**

3 By:

4 

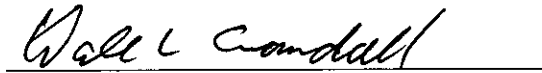
5 Ramzy Mous Sabbara
6 President and Owner

1/7/2009
Date

7 

8 Ramzy Mous Sabbara
9 Individually

1/7/2009
Date

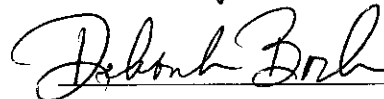
10 

11 Dale L. Crandall, WSBA #32168
12 Attorney at Law
13 Attorney for Respondents

Jan. 8/2009
Date

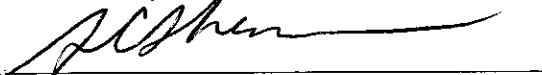
14 **DO NOT WRITE BELOW THIS LINE**

15 THIS ORDER ENTERED THIS 14th DAY OF January, 2009.

16 

17 DEBORAH BORTNER
18 Director
19 Division of Consumer Services
20 Department of Financial Institutions

21 Presented by:

22 

23 STEVEN C. SHERMAN
24 Financial Legal Examiner

25 Approved by:



JAMES R. BRUSSELBACK
Enforcement Chief



1
2
3
4
5
6
7
8
9

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

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

MORTGAGE OPTIONS FINANCIAL, INC,
and
RAMZY MOUS SABBARA, President
and Owner,

Respondents.

NO. C-07-032-08-SC01

STATEMENT OF CHARGES AND
NOTICE OF INTENTION TO ENTER
AN ORDER TO MAKE RESTITUTION,
IMPOSE FINE, COLLECT COSTS OF
EXAMINATION, AND COLLECT COSTS OF
INVESTIGATION

INTRODUCTION

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an examination and investigation pursuant to RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the Director, by and through his designee Division of Consumer Services Director Deborah Bortner, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. **Mortgage Options Financial, Inc.**, (Respondent Mortgage Options) was licensed by the Department of Financial Institutions of the State of Washington (Department) on or about April 4, 2005, to conduct business as a Consumer Loan Company. Respondent Mortgage Options continues to be licensed to date.

1 mortgage loan, but the initial GFE states the loan as "Pick a Pay A100." Also, the initial TIL shows a
2 payment stream for a variable rate mortgage, but the variable rate feature check box was not checked,
3 suggesting a fixed rate loan. Similarly, the final application reflects that the loan was a conventional
4 fixed rate mortgage, but the adjustable rate note reveals an adjustable rate. Additionally, the final TIL
5 shows a payment stream for a variable rate mortgage with a demand feature, but the variable rate
6 feature check box was not checked.

7 B. The Department's examination revealed inconsistencies in the loan terms stated on the
8 initial and final applications and the actual loan the borrower received for one of the loans reviewed.
9 Both the initial application and final application reflect that the borrower was receiving a conventional
10 fixed rate, but the loan the borrower finally received was an adjustable rate mortgage. The
11 Department's Examiner was unable to locate any document in the loan file indicating that the
12 adjustable rate was disclosed to the borrower prior to closing.

13 C. The Department's examination revealed a practice by Respondents wherein Respondent
14 Sabbara's signature was affixed to each loan application, representing that Respondent Sabbara was
15 the actual interviewer for the loan. In some loans, Respondent Sabbara actually signed the application,
16 and in other loans Respondent Sabbara's signature was affixed with a stamp. Respondent Sabbara
17 admitted to the Department's Examiner that he had not been the actual interviewer for most of the
18 loans.

19 **1.8 Inaccurate HUD 1.** The Department's examination revealed that Respondents improperly
20 listed mortgage broker fees on line 801 of the HUD 1 settlement statement in one of the loans
21 reviewed.

22 **1.9 Understatement of Finance Charges.** The Department's examination revealed that
23 Respondents understated finance charges by more than \$100 in two of the loans reviewed.

1 **1.10 On-Going Investigation.** The Department's investigation into the alleged violations of the
2 Act by Respondents continues to date.

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

4 **2.1 Recordkeeping.** Based on the Factual Allegations set forth in Section I above, Respondents
5 are in apparent violation of RCW 31.04.155 and WAC 208-620-520 for failing to properly maintain
6 records.

7 **2.2 Unlicensed Activity.** Based on the Factual Allegations set forth in Section I above,
8 Respondents are in apparent violation of RCW 31.04.027(2) and RCW 31.04.075 for making
9 consumer loans from unlicensed locations.

10 **2.3 Unauthorized Fees.** Based on the Factual Allegations set forth in Section I above,
11 Respondents are in apparent violation of RCW 31.04.027(2), RCW 31.04.105(2), WAC 208-620-515,
12 and WAC 208-620-560 for charging and collecting a fee which was not authorized by the Act.

13 **2.4 Unfair or Deceptive Practices.** Based on the Factual Allegations set forth in Section I above,
14 Respondents are in apparent violation of RCW 31.04.027(2) for engaging in unfair or deceptive
15 practices towards any person.

16 **2.5 Inaccurate GFE.** Based on the Factual Allegations set forth in Section I above, Respondents
17 are in apparent violation of RCW 31.04.027(2), (6), and (10), and RCW 31.04.102(2) for recording
18 mortgage broker fees on line 801 of the GFE.

19 **2.6 Understatement of Finance Charges.** Based on the Factual Allegations set forth in Section I
20 above, Respondents are in apparent violation of RCW 31.04.027(2), (6), and (10), and RCW
21 31.04.102(2) for understating finance charges.

22 //
23 //

24
25

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Order Restitution.** Pursuant to RCW 31.04.093(5), the Director may issue an
3 order directing a licensee, its employee or loan originator, or other person subject to the Act to make
4 restitution to a borrower or other person who is damages as a result of a violation of the Act.

5 **3.2 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
6 up to one hundred dollars per day upon the licensee for any violation of the Act.

7 **3.3 Authority to Charge Examination and Investigation Fees.** Pursuant to RCW 31.04.145(3),
8 WAC 208-620-180(1), WAC 208-620-190(2), and WAC 208-620-191, every licensee examined or
9 investigated by the Director or the Director's designee shall pay for the cost of the examination or
10 investigation, calculated at the rate of sixty-nine dollars (\$69) per staff hour for time incurred, plus
11 expenses.

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

13 Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC, as
14 set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose
15 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and RCW
16 31.04.205. Therefore, it is the Director's intention to ORDER that:

17 **4.1** Respondents Mortgage Options Financial, Inc., and Ramzy Mous Sabbara jointly and severally
18 pay restitution to injured borrowers in the amount of \$1,222.87 as set forth in appendix A; and

19 **4.2** Respondents Mortgage Options Financial, Inc., and Ramzy Mous Sabbara jointly and severally
20 pay a fine of \$30,000 ; and


21 **4.3** Respondents Mortgage Options Financial, Inc., and Ramzy Mous Sabbara jointly and severally
22 pay an examination fee in the amount of \$8,462.37, consisting of \$6,555 calculated at \$69 per hour for
23 ninety five staff hours devoted to the examination and \$1,907.37 for related expenses; and

24 **4.4** Respondents Mortgage Options Financial, Inc., and Ramzy Mous Sabbara jointly and severally
25 pay an investigation fee in the amount of \$690 calculated at \$69 per hour for ten staff hours devoted to the
investigation to date.


1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Make Restitution,
3 Impose Fine, Collect Costs of Examination, and Collect Costs of Investigation is entered pursuant to
4 the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is
5 subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents
6 may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
7 DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges and
8 Notice of Intention to Enter an Order to Make Restitution, Impose Fine, Collect Costs of Examination,
9 and Collect Costs of Investigation.

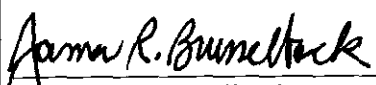
10
11 Dated this 2nd day of May, 2008.

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

18 Presented by:

19 
20 Steven C. Sherman
21 Financial Examiner

22 Approved by:

23 
24 James R. Brusselback
25 Enforcement Chief

