

**ORDER SUMMARY – Case Number: C-09-171**

**Name(s):** US Homeowners Assistance

**Order Number:** C-09-171-13-FO01

**Effective Date:** 2/12/2013

**License Number:** N/A

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** 2/13/2018

**Prohibition/Ban Until:** 2/12/2018

<b>Investigation Costs</b>	\$720	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$12,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$4,300	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

**Comments:** \_\_\_\_\_

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

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IN THE MATTER OF DETERMINING:  
Whether there has been a violation of the  
Mortgage Broker Practices Act of Washington by:  
  
US HOMEOWNERS ASSISTANCE,  
  
Respondent.

No.: C-09-171-13-FO01

FINAL ORDER

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**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 (Director's designee), pursuant to RCW 34.05.440(1). On December 27, 2011, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Prohibit From Industry, Impose Fine, Order Restitution, and Collect Investigation Fee (Statement of Charges) against US Homeowners Assistance (Respondent). 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 Notice of Opportunity to Defend and Opportunity for Hearing and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

On January 17, 2012, the Department served Respondent with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery to 17267 Santa Lucia Street, Fountain Valley, California 92708. On or about January 23, 2012, Federal Express reported to the Department that the documents sent by Federal Express were "refused." The documents sent by First-Class mail were not returned to the Department by the United States Postal Service.

1 On February 4, 2013, the Department received confirmation from the 6771 Warner Avenue,  
2 Huntington Beach, California 92647, Branch Office of the United States Post Office that mail is  
3 delivered to 17267 Santa Lucia Street, Fountain Valley, California 92708, for Respondent c/o  
4 Hakimullah Sarpas.

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

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

- 10 1. Statement of Charges;
- 11 2. Notice of Opportunity to Defend and Opportunity for Hearing;
- 12 3. Blank Application for Adjudicative Hearing for Respondent, with documentation  
13 for service; and
- 14 4. Post Office Address Verification Request form completed by the 6771 Warner  
15 Avenue, Huntington Beach, California 92647, Branch Office of the United States  
16 Post Office received by the Department on February 4, 2013.

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

## 19 II. FINAL ORDER

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

22 A. IT IS HEREBY ORDERED, That:

- 23 1. Respondent US Homeowners Assistance cease and desist engaging in the business  
24 of a mortgage broker or loan originator in regards to residents of the state of  
Washington or property located in the state of Washington;

2. Respondent US Homeowners Assistance is prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
3. Respondent US Homeowners Assistance pay a fine of \$12,000;
4. Respondent US Homeowners Assistance pay restitution in the amount of \$4,300 to the consumers identified in paragraph 1.2 of the Statement of Charges;
5. Respondent US Homeowners Assistance pay an investigation fee of \$720; and
6. Respondent US Homeowners Assistance maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to US Homeowners Assistance's loan modification business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

B. Reconsideration. Pursuant to RCW 34.05.470, Respondent has the right to file a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition 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, Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for Reconsideration a prerequisite for seeking judicial review in this matter.

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

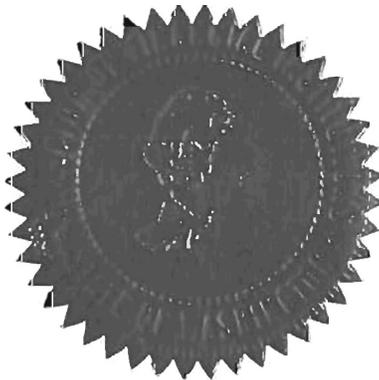
C. Stay of Order. The Director's designee has determined not to consider a Petition to Stay the effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

4 E. Non-compliance with Order. If you do not comply with the terms of this order, the  
5 Department may seek its enforcement by the Office of the Attorney General to include the collection  
6 of the fines, fees, and restitution imposed herein. The Department also may assign the amounts owed  
7 to a collection agency for collection.

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

11 DATED this 12<sup>th</sup> day of February, 2013



13 STATE OF WASHINGTON  
14 DEPARTMENT OF FINANCIAL INSTITUTIONS

15 [Redacted Signature]  
16 DEBORAH BORTNER  
17 Director  
18 Division of Consumer Services

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

4 IN THE MATTER OF DETERMINING  
5 Whether there has been a violation of the  
6 Mortgage Broker Practices Act of Washington by:  
7  
8 US HOMEOWNERS ASSISTANCE,  
9  
10 Respondent.

No. C-09-171-11-SC01

11 STATEMENT OF CHARGES and  
12 NOTICE OF INTENTION TO ENTER AN  
13 ORDER TO CEASE AND DESIST,  
14 PROHIBIT FROM INDUSTRY, IMPOSE  
15 FINE, ORDER RESTITUTION, AND  
16 COLLECT INVESTIGATION FEE

17 INTRODUCTION

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

24 I. FACTUAL ALLEGATIONS

1.1 **Respondent.** US Homeowners Assistance is believed to have been located at 2575 McCabe  
Way, Suite 240, Irvine, California. Respondent US Homeowners Assistance has never been licensed  
by the Department of Financial Institutions of the State of Washington (Department) to conduct  
business as a mortgage broker or loan originator in the state of Washington.

1.2 **Unlicensed Activity.** Between at least May 2008 and December 2009, Respondent held itself  
out as able to assist at least three consumers in applying to obtain a loan modification on at least three  
residential properties located in the state of Washington. The consumers involved paid Respondent  
fees totaling at least \$4,300 as follows:

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Borrower	[REDACTED]	\$ 1,800
Borrowers	[REDACTED]	\$ 700
Borrower	[REDACTED]	\$ 1,800
Total		\$ 4,300

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

## II. GROUNDS FOR ENTRY OF ORDER

**2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) and WAC 208-660-010(29), "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person in obtaining or applying to obtain a residential mortgage loan.

**2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10), "Loan Originator" means a natural person who for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain (i) takes a residential mortgage loan application for a mortgage broker, or (ii) offers or negotiates terms of a mortgage loan. "Loan originator" also includes a person who holds themselves out to the public as able to perform any of these activities. "Loan originator" does not mean persons performing purely administrative or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or clerical tasks" means the receipt, collection, and distribution of information common for the processing of a loan in the mortgage industry and communication with a borrower to obtain information necessary for the processing of a loan. A person who holds himself or herself out to the public as able to obtain a loan is not performing administrative or clerical tasks.

1 **2.3 Requirement to Obtain and Maintain Mortgage Broker License.** Based on Factual  
2 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.200 for  
3 engaging in the business of a mortgage broker without first obtaining and maintaining a license under  
4 the Act.

5 **2.4 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
6 Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.200(1)  
7 and WAC 208-660-155(1) for engaging in the business of a loan originator without first obtaining  
8 and maintaining a loan originator license under the Act.

9 **2.5 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent  
10 is in apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a  
11 scheme, device or artifice to defraud or mislead borrowers or lenders or any person, engaging in an  
12 unfair or deceptive practice toward any person, or obtaining property by fraud or misrepresentation.

13 **2.6 Requirement to Maintain Books and Records.** Based on Factual Allegations set forth in  
14 Section I above, Respondent is in apparent violation of RCW 19.146.060 for failing to maintain all  
15 books and records in a location that is on file with and readily available to the Department until at  
16 least twenty-five months have elapsed following the effective period to which the books and records  
17 relate.

### 18 III. AUTHORITY TO IMPOSE SANCTIONS

19 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
20 Director may issue orders directing a licensee, its employee or loan originator, independent contractor,  
21 agent, or other person subject to the Act to cease and desist from conducting business.

22 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
23 issue orders removing from office or prohibiting from participation in the conduct of the affairs of

1 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
2 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
3 19.146.0201(1) through (9) or (12), RCW 19.146.200, or failure to comply with a directive or order  
4 of the Director.

5 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(d), (e), and (3)(a) and (b), the  
6 Director may impose fines on a licensee, employee or loan originator of the licensee, or other person  
7 subject to the Act for any violations of RCW 19.146.020(1) through (9) or (12), RCW 19.146.200, or  
8 failure to comply with a directive or order of the Director.

9 **3.4 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2)(d) and (e), the Director  
10 may issue orders directing a licensee, its employee or loan originator, or other person subject to the  
11 Act to pay restitution to an injured borrower.

12 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
13 550(4), and WAC 208-660-520(9), the Department will charge forty-eight dollars per hour for an  
14 examiner's time devoted to an investigation of the books and records of a licensee or other person  
15 subject to the Act.

#### 16 **IV. NOTICE OF INTENTION TO ENTER ORDER**

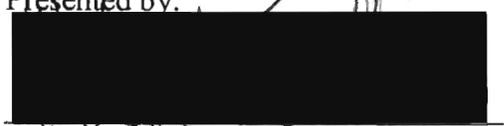
17 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC,  
18 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
19 Sanctions, constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and  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

21 **4.1** Respondent US Homeowners Assistance cease and desist engaging in the business of  
22 a mortgage broker or loan originator in regards to residents of the state of Washington or  
23 property located in the state of Washington;

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Presented by: *2 ML*  


DEBORAH TAEILLIOUS  
Financial Legal Examiner

Approved by:  


JAMES R. BRUSSELBACK  
Enforcement Chief