

**ORDER SUMMARY – Case Number: C-09-238**

**Name(s):** Strait Mortgage Inc

**Order Number:** C-09-238-12-FO1

**Effective Date:** July 26, 2012

**License Number:** DFI: 25895 [NMLS: 131833]

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)

**License Effect:** None  
If applicable, you must specifically note the ending dates of terms.

**Not Apply Until:** \_\_\_\_\_

**Not Eligible Until:** \_\_\_\_\_

**Prohibition/Ban Until:** \_\_\_\_\_

<b>Investigation Costs</b>	\$96	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$1,500	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>	\$	Due	Paid <input type="checkbox"/> Y <input 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

### BRIEF ADJUDICATIVE PROCEEDING

IN THE MATTER OF INVESTIGATING  
Whether there has been a violation of the  
Washington Mortgage Broker Practices Act (Ch.  
19.146 RCW) by:

STRAIT MORTGAGE INC.,

Respondent.

No. C-09-238-12-FO1

FINAL DECISION AND ORDER

THIS MATTER comes before Scott Jarvis, Director (“Director”) of the Department of Financial Institutions (“Department”), on Petition for Review of the Initial Decision and Order (“Initial Order”) in the above-referenced Brief Adjudicative Proceeding (“BAP”) for the Division of Consumer Services (“Division”), in relation to a Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect Investigation Fee (“Statement of Charges”) under the Washington Mortgage Broker Practices Act, Chapter 19.146 RCW (“Act”), against STRAIT MORTGAGE INC., Respondent (“Respondent”).

#### 1.0 DIRECTOR CONSIDERATIONS

- 1.1 The Initial Order was entered March 1, 2010. The Petition for Review (“Petition”) was received March 19, 2010. The Petition was received within twenty (20) days of service of the Initial Order and is a timely submission.
- 1.2 The Director has broad administrative authority and discretion to review a timely Petition and consider the individual and extenuating circumstances surrounding violations of the Act. The Director also has the authority to mitigate the fines imposed by the Initial Order to ensure fair and equitable administration of the Act.

- 1.3 Pursuant to RCW 19.146.290 and WAC 208-660-400, it is the responsibility of the individual mortgage broker to submit the Mortgage Broker Annual Report (MBAR) by the filing deadline.
- 1.4 The Director notes that Mr. Tamblyn, the respondent's designated broker, did not file the 2007 MBAR until November 18, 2008. The deadline for filing the 2007 MBAR was March 31, 2008. One year of late filing will not compel the Department to bring action for failure to timely file the MBAR. Rather, it has been the policy of the Department to not levy fines for late filing or failure to file the MBAR unless a respondent has done so for two (2) consecutive years.
- 1.5 The Director is not persuaded Mr. Tamblyn's argument regarding the date he filed his 2008 MBAR. Mr. Tamblyn claims he faxed the 2008 MBAR to the Department in March 2009 when he was informed the Department did not have a copy of the report. However, Mr. Tamblyn does not submit any evidence to support his claim that he faxed the report in March 2009. To the contrary, Department records show Mr. Tamblyn's 2008 MBAR was not received until September 2009.
- 1.6 The Director still finds no excusable reason or extenuating circumstance for why Mr. Tamblyn did not file his 2008 MBAR by the March 31, 2009, deadline.
- 1.7 The Director acknowledges that Strait Mortgage Inc. is no longer in operation as of January 1, 2011.
- 1.8 The Director notes that, as of July 2012, Mr. Tamblyn is still licensed as a mortgage broker by the Department. Furthermore, the Director notes that the 2008 MBAR filed by Mr. Tamblyn documents that Mr. Tamblyn originated fifteen (15) loans for the 2008 year.
- 1.9 Based on the above considerations, the Director is of the view that One Thousand Five Hundred Dollars (\$1,500.00) is the appropriate and equitable fine for untimely filing of the 2008 MBAR.

2.0 FINDINGS OF FACT

2.1 The matters contained in Section 1.0 are hereby adopted as the Director's Findings of Facts

2.2 The Director also reaffirms and incorporates the Findings of Fact from the Initial Order dated March 1, 2010.

3.0 CONCLUSIONS OF LAW

3.1 The Director reaffirms and incorporates the Conclusions of Law from the Initial Order dated March 1, 2010.

4.0 FINAL DECISION & ORDER

Based upon the foregoing, the Director makes the following Final Decision and Order.

4.1 Respondent, STRAIT MORTGAGE INC., shall pay a fine of One Thousand Five Hundred Dollars (\$1,500) to the Department for untimely submission of the 2008 Mortgage Brokers Annual Report; and

4.2 Respondent, STRAIT MORTGAGE INC., shall pay an investigative fee of Ninety-Six Dollars (\$96.00).

5.0 RECONSIDERATION. Pursuant to RCW 34.05.470, Respondents have 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 Respondents. 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.

6.0 STAY OF ORDER. The Director 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.

- 7.0 JUDICIAL REVIEW. Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of chapter 34.05 RCW. [For the information regarding the requirements for filing a Petition for Judicial Review, see the Notice to Parties following the Director's signature below.]
- 8.0 NON-COMPLIANCE WITH ORDER. If you do not comply with the terms of this order, the Department may seek its enforcement by the Office of Attorney General to include the collection of the fines, fees and restitution imposed herein.
- 9.0 SERVICE. For purposes of filing a Petition for Reconsideration or a Petition for Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service attached hereto.

Dated this 26<sup>th</sup> day of July, 2012, at Tumwater, Washington.

WASHINGTON STATE DEPARTMENT OF  
FINANCIAL INSTITUTIONS

By:

SCOTT JARVIS, Director

NOTICE TO THE PARTIES

Judicial Review of this Final Decision and Order is available to a party according to the provisions set out in Part V of the Washington Administrative Procedures Act, RCW 34.05.510 through RCW 34.05.598, inclusive. Judicial Review may be made by filing a Petition for Judicial Review (RCW 34.05.6570) within thirty (30) days of the date of the Final Decision and Order, as permitted under RCW 34.05.542(2). The contents of the Petition for Review shall be according to the requirements of RCW 34.05.546.

This is to certify that the above FINAL DECISION AND ORDER has been served upon the following parties on July 26, 2012, by depositing a copy of same in the United States mail, postage prepaid.

\_\_\_\_\_  
SUSAN PUTZIER

**Mailed to the following:**

STRAIT MORTGAGE INC.  
Jack Tamblyn  
375 West Bell Street  
Sequim, WA 98382

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 STRAIT MORTGAGE INC,

8 Respondent.

NO. C-09-238-09-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO IMPOSE FINE AND COLLECT  
INVESTIGATION FEE

9 INTRODUCTION

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

15 I. FACTUAL ALLEGATIONS

16 **1.1 Respondent Strait Mortgage Inc (Respondent)** was licensed by the Department of Financial Institutions  
17 of the State of Washington (Department) to conduct business as a mortgage broker at all times relevant to the  
18 conduct alleged.

19 **1.2 Failure to File Mortgage Broker Annual Report.** By March 31, 2009, Respondent was required to  
20 file an annual report of mortgage broker activity to include the total number of closed loans originated and the  
21 total volume of closed loans originated. As of the date of this Statement of Charges Respondent has not filed  
22 the 2008 mortgage broker annual report.

23 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
24 Respondent continues to date.

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STATEMENT OF CHARGES  
Strait Mortgage Inc  
C-09-238-09-SC01

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

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**II. GROUNDS FOR ENTRY OF ORDER**

**2.1 Requirement to File Mortgage Broker Annual Report.** Based on the Factual Allegations set forth in Section I above, Respondent is in apparent violation of RCW 19.146.290(1) and WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

**III. AUTHORITY TO IMPOSE SANCTIONS**

**3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a licensee or other person subject to the Act for any violations of the Act.

**3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person devoted to the investigation.

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

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

- 4.1** Respondent Strait Mortgage Inc pay a fine of \$3,000; and
- 4.2** Respondent Strait Mortgage Inc pay an investigation fee, which as of the date of these charges is \$96 calculated at \$48 per hour for two staff hours devoted to the investigation; and
- 4.3** Respondent Strait Mortgage Inc file the 2008 annual report of mortgage broker activity.

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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect  
3 Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220,  
4 RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05  
5 RCW (The Administrative Procedure Act). Respondent may make a written request for a Brief Adjudicative  
6 Proceeding as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR BRIEF  
7 ADJUDICATIVE PROCEEDING accompanying this Statement of Charges.

8 Dated this 9<sup>th</sup> day of September, 2009.

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11 \_\_\_\_\_  
12 DEBORAH BORTNER  
13 Director  
14 Division of Consumer Services  
15 Department of Financial Institutions

16 Presented by:

17 \_\_\_\_\_  
18 FATIMA BATIE  
19 Financial Legal Examiner Supervisor

20 Approved by:

21 \_\_\_\_\_  
22 JAMES R. BRUSSELBACK  
23 Enforcement Chief

