

## ORDER SUMMARY – Case Number: C-09-390

**Name(s):** Homeowners Friend Mortgage Company, Inc  
Joseph Henrichsen

**Order Number:** C-09-390-12-FO01

**Effective Date:** September 28, 2012

**License Number:** DFI [29625] ]NMLS: 2109] - Homeowners

**Or NMLS Identifier [U/L]** DFI: None [NMLS: 30036] - Henrichsen

(Revoked, suspended, stayed, application denied or withdrawn)  
 If applicable, you must specifically note the ending dates of terms.

**License Effect:** Revoked

**Not Apply Until:** N/A

**Not Eligible Until:** N/A

**Prohibition/Ban Until:** N/A

<b>Investigation Costs</b>	\$345	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$6,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	N/A	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	N/A	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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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 Consumer Loan Act of Washington by:

No.: C-09-390-12-FO01

7 HOMEOWNERS FRIEND MORTGAGE  
8 COMPANY, INC., and  
9 JOSEPH HENRICHSEN, Owner and President,

FINAL ORDER

Respondent.

10 I. DIRECTOR'S CONSIDERATION

11 Default. This matter has come before the Director of the Department of Financial Institutions  
12 of the State of Washington (Director), through his designee, Consumer Services Division Director  
13 Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On February 29, 2012, the  
14 Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to  
15 Enter an Order to Revoke License, Impose Fine, and Collect Investigation Fee (Statement of  
16 Charges) against Homeowners Friend Mortgage Company, Inc., and Joseph Henrichsen  
17 (Respondents). A copy of the Statement of Charges is attached and incorporated into this order by  
18 this reference. The Statement of Charges was accompanied by a cover letter dated March 1, 2012, a  
19 Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for  
20 Adjudicative Hearing for Respondents (collectively, accompanying documents).

21 On March 1, 2012, the Department served Respondents with the Statement of Charges and  
22 accompanying documents by First-Class mail. The documents sent by First-Class mail were not  
23 returned to the Department by the United States Postal Service. On March 1, 2012, the Department  
24 attempted to serve Respondents with the Statement of Charges and accompanying documents by  
Federal Express overnight delivery. On or about March 9, 2012, the documents sent by Federal

1 Express overnight delivery were destroyed after three unsuccessful delivery attempts, thus deemed  
2 undeliverable.

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

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

- 8 1. Statement of Charges;
- 9 2. Cover letter dated March 1, 2012;
- 10 3. Notice of Opportunity to Defend and Opportunity for Hearing; and
- 11 4. Blank Application for Adjudicative Hearing for Respondents, with documentation  
12 for service.

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

## 15 II. FINAL ORDER

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

18 A. IT IS HEREBY ORDERED, That:

- 19 1. Respondent Homeowner's Friend Mortgage Company, Inc.'s, license to conduct  
20 business as a consumer loan company is revoked.
- 21 2. Respondent Homeowner's Friend Mortgage Company, Inc., and Respondent Joseph  
22 Henrichsen jointly and severally pay a fine of \$6,000.
- 23 3. Respondent Homeowner's Friend Mortgage Company, Inc., and Respondent Joseph  
24 Henrichsen jointly and severally pay an investigation fee of \$345.

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  
4 150 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  
9 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a  
10 written notice specifying the date by which it will act on a petition.

11           C.     Stay of Order. The Director's designee has determined not to consider a Petition to  
12 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition  
13 for Judicial 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 judicial  
15 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
16 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

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

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

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DATED this 28<sup>th</sup> day of September, 2012



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS



DEBORAH BORTNER  
Director  
Division of Consumer Services

STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
CONSUMER SERVICES DIVISION

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

NO. C-09-390-12-SC01

HOMEOWNERS FRIEND MORTGAGE  
COMPANY, INC., and  
JOSEPH HENRICHSEN, Owner and President,

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

Respondents.

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 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. **Homeowners Friend Mortgage Company, Inc., (Respondent Homeowners Friend)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a Consumer Loan Company on or about March 24, 2006, and continues to be licensed to date.

B. **Joseph Henrichsen (Respondent Henrichsen)** is Owner and President of Respondent Homeowner's Friend.

1.2 **Failure to File Annual and/or Closure Reports and Pay Annual Assessment.** Payment of an annual assessment based on a licensee's business during the preceding calendar year, as reported on an Annual Assessment Report, is due to the Department on or before the first day of March of each year or within 30 days of closure. On or

1 about March 3, 2009, the Department received Respondent Homeowner's Friend's 2008 Annual Assessment Report  
2 and Consolidated Annual Report that assessed Homeowners Friend's 2008 annual assessment fee of \$294.98.

3 Payment of the 2008 annual assessment did not accompany these reports. Respondents have not submitted any  
4 subsequent annual assessment reports and have not submitted a closure report to the Department.

5 **1.3 Failure to Pay Examination Cost.** The Department conducted an on-site examination of Respondent  
6 Homeowners Friend on or about February 23, 2009, through on or about February 26, 2009, at the company's  
7 corporate headquarters in Orange, California. On or about March 24, 2009, the Department issued an invoice, which  
8 was sent to Respondents, in the amount of \$1,312.52 for travel expenses and \$3,588 for examination cost.

9 Respondents did not pay this invoice.

10 **1.4 Failure to Respond to Directives.** On or about July 6, 2009, the Department sent Respondents a directive  
11 requiring Respondents to, among other things, pay the 2008 annual assessment before close of business on July 29,  
12 2009. Respondents did not comply with the Department's directive. On or about August 3, 2009, the Department  
13 sent Respondents a directive requiring Respondents to pay the cost of the examination no later than August 14, 2009.  
14 Respondents did not comply with the Department's directive.

15 **1.5 Bond Claim.** On or about February 24, 2010, the Department filed a claim on Respondents' surety bond for  
16 the 2008 annual assessment and the 2009 examination and related expenses, plus interest. The Department received  
17 payment from Respondents' bond company for the requested amount.

18 **1.6 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 File Reports and Pay Annual Assessment.** Based on the Factual Allegations set forth in  
22 Section I above, Respondents are in apparent violation of RCW 31.04.085, WAC 208-620-430(1), WAC 208-620-  
23 460(1), and WAC 208-620-499(2) for failing to pay an annual assessment and failing to file annual reports on or  
24 before the first day of March of each year or within thirty days of closure.

1 **2.2 Requirement to Pay Examination Cost.** Based on the Factual Allegations set forth in Section I above,  
2 Respondents are in apparent violation of RCW 31.04.145(3) and WAC 208-620-590 for failing to pay to the  
3 Department the cost of an examination.

4 **III. AUTHORITY TO IMPOSE SANCTIONS**

5 **3.1 Authority to Revoke License.** Pursuant to RCW 31.04.093(3) and WAC 208-620-570, the Director may  
6 revoke a license if a licensee: has failed to pay any fee due the state of Washington; or, either knowingly or without  
7 the exercise of due care, has violated any provision of the Act or any rule adopted under the Act.

8 **3.2 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of up to one  
9 hundred dollars per day upon the licensee for any violation of the Act.

10 **3.3 Authority to Collect Cost of Investigation.** Pursuant to RCW 31.04.145(3) and WAC 208-620-590, every  
11 licensee investigated by the Director or the Director's designee shall pay to the Director the cost of the investigation,  
12 calculated at the rate of \$69 per hour.

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

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

- 18 **4.1** Respondent Homeowner's Friend Mortgage Company, Inc.'s, license to conduct business as a  
19 consumer loan company be revoked;
- 20 **4.2** Respondent Homeowner's Friend Mortgage Company, Inc., and Respondent Joseph Henrichsen jointly  
21 and severally pay a fine. As of the date of this Statement of Charges, the fine totals \$6,000; and
- 22 **4.3** Respondent Homeowner's Friend Mortgage Company, Inc., and Respondent Joseph Henrichsen jointly  
23 and severally pay the cost of the Department's investigation. As of the date of this Statement of  
24 Charges, the cost of the investigation totals \$345.

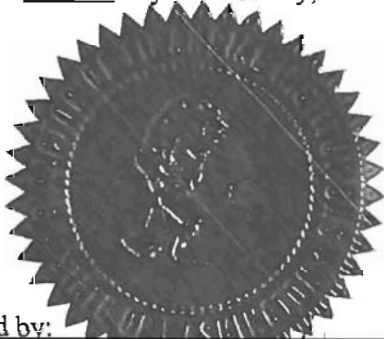
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**V. AUTHORITY AND PROCEDURE**

This Statement of Charges is entered pursuant to the provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 29<sup>th</sup> day of February, 2012.



[Redacted signature area]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted signature area]

DEBORAH TAEILLIOUS  
Financial Legal Examiner

Approved by:

[Redacted signature area]

JAMES R. BRUSSELBACK  
Enforcement Chief