

ORDER SUMMARY – Case Number: C-10-305

Name(s): Your Mortgage Lender d/b/a Your Mortgage Lender, Inc.
Michael Coleman

Order Number: C-10-305-13-FO01

Effective Date: January 29, 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Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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:

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: 5 yrs from entry of Final Order

Investigation Costs	\$850.	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$3,000.	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$3,495	Due	Paid <input type="checkbox"/> Y <input checked="" 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:	1			

Comments:

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
7 by:

No.: C-10-305-13-FO01

8 YOUR MORTGAGE LENDER D/B/A YOUR
9 MORTGAGE LENDER, INC., and
10 MICHAEL COLEMAN, President,

FINAL ORDER

11 Respondents.

12 I. DIRECTOR'S CONSIDERATION

13 A. Default. This matter has come before the Director of the Department of Financial
14 Institutions of the State of Washington (Director), through his designee, Consumer Services Division
15 Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On September 27,
16 2012, the Director, through the Director's designee, issued a Statement of Charges and Notice of
17 Intention to Enter an Order to Produce Records, Cease and Desist Business, Prohibit From Industry,
18 Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) against Your
19 Mortgage Lender, d/b/a Your Mortgage Lender, Inc., and Michael Coleman (Respondents). A copy
20 of the Statement of Charges is attached and incorporated into this order by this reference. The
21 Statement of Charges was accompanied by a cover letter dated September 27, 2012, a Notice of
22 Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative
23 Hearing for Respondents (collectively, accompanying documents).

24 On October 1, 2012, the Department served Respondents with the Statement of Charges and
accompanying documents by First-Class mail and Federal Express overnight delivery to
Respondent's registered agent. On October 4, 2012, the documents sent by Federal Express

1 overnight delivery were delivered. The documents sent by First-Class mail were not returned to the
2 Department by the United States Postal Service.

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 B. Record Presented. The record presented to the Director's designee for her review and
7 for entry of a final decision included the following: Statement of Charges, cover letter dated
8 September 27, 2012, Notices of Opportunity to Defend and Opportunity for Hearing, and blank
9 Applications for Adjudicative Hearing for Respondents, with documentation for service.

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

12 II. FINAL ORDER

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

15 A. IT IS HEREBY ORDERED, That:

- 16 1. Respondents cease and desist engaging in the business of a mortgage broker or
17 loan originator.
- 18 2. Respondents provide the Department with a list detailing all residential mortgage
19 loan modification services transactions with Washington consumers, including the
20 name, address, and phone numbers of the consumers, the transaction date, and fees
21 collected by Respondents for the provision of those services.
- 22 3. Respondents are prohibited from participation in the conduct of the affairs of any
23 mortgage broker subject to licensure by the Director, in any manner, for a period
24 of five years.
- 24 4. Respondents shall jointly and severally pay, within 30 days of receipt of this order,
restitution of \$3,495 to the consumers identified by the Department in paragraph
1.3 of the Statement of Charges.

- 1 5. Respondents shall jointly and severally pay, within 30 days of receipt of this order,
2 a fine of \$3,000.
- 3 6. Respondents shall jointly and severally pay, within 30 days of receipt of this order,
4 an investigation fee of \$850.
- 5 7. Respondents maintain records in compliance with the Act and provide the
6 Department with the location of the books, records and other information relating
7 to Respondents' provision of residential mortgage loan modification services in
8 Washington, and the name, address and telephone number of the individual
9 responsible for maintenance of such records in compliance with the Act.

10 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
11 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
12 must be filed in the Office of the Director of the Department of Financial Institutions by courier at
13 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
14 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent. The
15 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
16 Reconsideration a prerequisite for seeking judicial review in this matter.

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

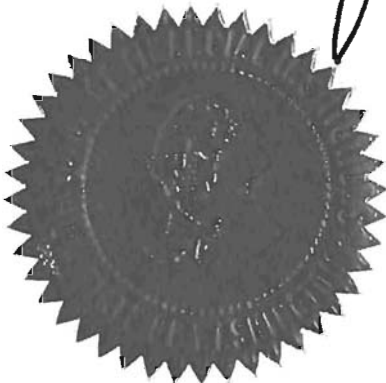
20 C. Stay of Order. The Director's designee has determined not to consider a Petition to
21 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
22 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

1 E. Non-compliance with Order. If you do not comply with the terms of this order,
2 **including payment of any amounts owed within 30 days of receipt of this order**, the Department
3 may seek its enforcement by the Office of the Attorney General to include the collection of the fines,
4 fees, and restitution imposed herein. The Department also may assign the amounts owed to the
5 Department to a collection agency for collection.

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

9 DATED this 29th day of January, 2013



11 STATE OF WASHINGTON
12 DEPARTMENT OF FINANCIAL INSTITUTIONS



13
14 DEBORAH BORTNER
15 Director
16 Division of Consumer Services

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

4 IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Mortgage Broker Practices Act of Washington by:

5 YOUR MORTGAGE LENDER D/B/A YOUR
MORTGAGE LENDER, INC., and
6 MICHAEL COLEMAN, President,

7 Respondents.

No. C-10-305-12-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO PRODUCE RECORDS,
CEASE AND DESIST BUSINESS,
PROHIBIT FROM INDUSTRY, ORDER
RESTITUTION, IMPOSE FINE, AND
COLLECT INVESTIGATION FEE

8 INTRODUCTION

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

15 I. FACTUAL ALLEGATIONS

16 **1.1 Respondent Your Mortgage Lender d/b/a Your Mortgage Lender, Inc. (Respondent Your**
17 **Mortgage Lender)** has never been licensed by the Department of Financial Institutions of the State of
18 Washington (Department) to conduct business as a mortgage broker or loan originator.

19 **1.2 Respondent Michael Coleman (Respondent Coleman)** is President of Respondent Your
20 Mortgage Lender. During the relevant time period, Respondent Coleman was not licensed by the
21 Department to conduct business as a mortgage broker or loan originator.

22 **1.3 Unlicensed Activity.** On or about December 17, 2009, Respondents Your Mortgage Lender
23 and Coleman (Respondents) were offering residential mortgage loan modification services to
24 Washington consumers on property located in Washington State. Respondents entered into a

1 contractual relationship with at least one Washington consumer to provide those services and collected
2 an advance fee for the provision of those services. The Department has received at least one
3 complaint from a Washington consumer alleging Respondents provided or offered to provide
4 residential mortgage loan modification services while not licensed by the Department to provide those
5 services. Consumer [REDACTED] paid Respondents a fee of \$3,495.

6 **1.4 Misrepresentations and Omissions.** Respondents represented that they were licensed to
7 provide the residential mortgage loan modification services or omitted disclosing that they were not
8 licensed to provide those services.

9 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the
10 Act by Respondents continues to date.

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

12 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
13 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
14 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
15 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
16 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a
17 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among
18 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

19 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a
20 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
21 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
22 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
23 any of these activities.

1 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
2 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
3 toward any person and obtaining property by fraud or misrepresentation.

4 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
5 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
6 for engaging in the business of a mortgage broker for Washington residents or property without first
7 obtaining a license to do so.

8 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
10 for engaging in the business of a loan originator without first obtaining and maintaining a license.

11 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
12 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
13 location that is on file with and readily available to the Department until at least twenty-five months
14 have elapsed following the effective period to which the books and records relate.

15 III. AUTHORITY TO ORDER PRODUCTION OF RECORDS

16 **3.1 Authority to Order Production of Records.** Pursuant to RCW 19.146.223, RCW 19.146.
17 235(2), and WAC 208-660-520, the Director may issue orders directing any person to produce books,
18 accounts, records, files, and any other documents the director or designated person deems relevant to
19 an investigation.

20 IV. AUTHORITY TO IMPOSE SANCTIONS

21 **4.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
22 Director may issue orders directing any person subject to the Act to cease and desist from conducting
23 business.
24

1 **4.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
2 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
3 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
4 (13), or RCW 19.146.200.

5 **4.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
6 restitution against any person subject to the Act for any violation of the Act.

7 **4.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
8 against any person subject to the Act for any violation of the Act.

9 **4.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
10 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted
11 to an investigation of any person subject to the Act.

12 V. NOTICE OF INTENT TO ENTER ORDER

13 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
14 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
15 and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

16 **5.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

17 **5.2** Respondents provide the Department with a list detailing all residential mortgage loan
18 modification services transactions with Washington consumers, including the name, address,
19 and phone numbers of the consumers, the transaction date, and fees collected by Respondents
20 for the provision of those services.

21 **5.3** Respondents be prohibited from participation in the conduct of the affairs of any mortgage
22 broker subject to licensure by the Director, in any manner, for a period of five years.

23 **5.4** Respondents jointly and severally pay restitution to the consumers identified by the
24 Department in paragraph 1.3 as having paid \$3,495 to Respondents, and that Respondents
jointly and severally pay restitution to each Washington consumer with whom they entered into
a contract for residential mortgage loan modification services related to real property or
consumers located in the state of Washington equal to the amount collected from that
Washington consumer for those services in an amount to be determined at hearing.

1 5.5 Respondents jointly and severally pay a fine of \$3,000 for each residential loan modification
2 transaction entered into with Washington consumers. As of the date of this Statement of
Charges, the fine totals \$3,000.

3 5.6 Respondents jointly and severally pay an investigation fee at the rate of \$48.00 per hour. As of
4 the date of this Statement of Charges, the investigation fee totals \$850.

5 5.7 Respondents maintain records in compliance with the Act and provide the Department with the
6 location of the books, records and other information relating to Respondents' provision of
7 residential mortgage loan modification services in Washington, and the name, address and
8 telephone number of the individual responsible for maintenance of such records in compliance
9 with the Act.

VI. AUTHORITY AND PROCEDURE

10 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
11 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
12 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
13 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
14 accompanying this Statement of Charges.

15 Dated this 27th day of September, 2012.

16 [REDACTED]
17 DEBORAH BORTNER
18 Director, Division of Consumer Services
19 Department of Financial Institutions

20 Presented by:

21 [REDACTED]
22 SHANA L. OLIVER
23 Financial Legal Examiner

24 Approved by:

[REDACTED]
CHARLES E. CLARK
Enforcement Chief