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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:

No.: C-10-363-11-FO01

FINAL ORDER

PROFESSOR MORTGAGE CORPORATION  
and MICHAEL MONDRY, Owner and  
President,

Respondents.

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, pursuant to RCW 34.05.440(1). On December 10, 2010, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Prohibit from Industry, Impose Fine, Order Restitution, and Collect Investigation Fee (Statement of Charges). 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 cover letter dated December 10, 2010, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Professor Mortgage Corporation and Michael Mondry. The Department served the Statement of Charges, cover letter dated December 10, 2010, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Professor Mortgage Corporation and Michael Mondry on Respondents on December 10, 2010, by First-Class Mail and Federal Express overnight delivery. On December 24, 2010, the documents sent via Federal Express overnight delivery to Respondents were delivered. The

1 documents sent via First-Class mail to Respondents were not returned to the Department by the United  
2 States Postal Service.

3 Respondents did not request an adjudicative hearing within twenty calendar days after the  
4 Department served them with the Notice of Opportunity to Defend and Opportunity for Hearing, as  
5 provided for 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, Notice of  
8 Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing  
9 for Respondents Professor Mortgage Corporation and Michael Mondry, with documentation of 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 Professor Mortgage Corporation and Michael Mondry are prohibited  
17 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;
- 18 2. Respondents Professor Mortgage Corporation and Michael Mondry jointly and  
19 severally pay a fine of \$5,000;
- 20 3. Respondents Professor Mortgage Corporation and Michael Mondry jointly and  
severally pay restitution to all borrowers in the attached restitution schedule;
- 21 4. Respondents Professor Mortgage Corporation and Michael Mondry jointly and  
22 severally pay an investigation fee which totals \$576; and
- 23 5. Respondents Professor Mortgage Corporation and Michael Mondry shall maintain  
24 records in compliance with the Act and provide the Department with the location of the  
books, records and other information relating to Respondent Professor Mortgage

1 Corporation's business, and the name, address and telephone number of the individual  
2 responsible for maintenance of such records in compliance with the Act.

3 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a  
4 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition  
5 must be filed in the Office of the Director of the Department of Financial Institutions by courier at  
6 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,  
7 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The  
8 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for  
9 Reconsideration a prerequisite for seeking judicial review in this matter.

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

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

16 D. Judicial Review. Respondents have the right to petition the superior court for judicial  
17 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for  
18 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

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

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

4 DATED this 11<sup>th</sup> day of February, 2011



7 STATE OF WASHINGTON  
8 DEPARTMENT OF FINANCIAL INSTITUTIONS

9 

10 DEBORAH BORTNER  
11 Director  
12 Division of Consumer Services

**Restitution Schedule**  
**Professor Mortgage Corporation and Michael Mondry**  
**C-10-363**

<b>Name</b>	<b>Date (on or about)</b>	<b>Refund amount</b>
<b>(C.R.)</b>	<b>12/2008 through 4/2009</b>	<b>\$1,500</b>

**Total Restitution Owed- \$1,500**

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

NO. C-10-363-10-SC01

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PROFESSOR MORTGAGE CORPORATION  
and MICHAEL MONDRY, Owner and President,

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO PROHIBIT FROM  
INDUSTRY, IMPOSE FINE, ORDER RESTITUTION  
AND COLLECT INVESTIGATION FEE

Respondents.

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**INTRODUCTION**

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

**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

A. **Professor Mortgage Corporation (Respondent Professor Mortgage)** is a Florida corporation with a principal place of business of 10500 NW 50<sup>th</sup> St. Ste 201, Sunrise, Florida 33351. Respondent Professor Mortgage has never been licensed to conduct the business of a Mortgage Broker by the Department of Financial Institutions (Department).

B. **Michael Mondry (Respondent Mondry)** is owner and president of Respondent Professor Mortgage. Respondent Mondry has never been licensed to conduct the business of a Mortgage Broker or Loan Originator by the Department.

**1.2 Unlicensed Activity.** Between at least December 1, 2008, and the date of this Statement of Charges, Respondents held themselves out as able to assist at least one consumer in applying to obtain a loan

1 modification on property located in the state of Washington. The consumer involved in this loan modification  
2 paid fees to Respondent Professor Mortgage and Respondent Mondry totaling at least \$1,500.

3 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
4 Respondents continues to date.

## 5 **II. GROUNDS FOR ENTRY OF ORDER**

6 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14), "Mortgage Broker" means any  
7 person who for compensation or gain, or in the expectation of compensation or gain (a) assists a person in  
8 obtaining or applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to  
9 assist a person in obtaining or applying to obtain a residential mortgage loan.

10 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11)(a), "Loan originator" means a  
11 natural person who for direct or indirect compensation or gain, or in the expectation of direct or indirect  
12 compensation or gain (i) takes a residential mortgage loan application for a mortgage broker, or (ii) offers or  
13 negotiates terms of a mortgage loan. "Loan originator" also includes a person who holds themselves out to the  
14 public as able to perform any of these activities. "Loan originator" does not mean persons performing purely  
15 administrative or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or  
16 clerical tasks" means the receipt, collection, and distribution of information common for the processing of a  
17 loan in the mortgage industry and communication with a borrower to obtain information necessary for the  
18 processing of a loan. A person who holds himself or herself out to the public as able to obtain a loan is not  
19 performing administrative or clerical tasks.

20 **2.3 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in  
21 Section I above, Respondents are in apparent violation of RCW 19.146.200 for engaging in the business of a  
22 mortgage broker or loan originator without first obtaining and maintaining a license under the Act. Individuals  
23 or entities negotiating residential mortgage loan terms act as mortgage brokers or loan originators and must be  
24 licensed under the Act unless specifically exempt from the Act.

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a) and (d), the Director  
3 may issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
4 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage  
5 broker or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9),  
6 or RCW 19.146.200, or failure to comply with a directive or order of the Director.

7 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2) and (3) and WAC 208-660-530, the  
8 Director may impose fines on a licensee, employee or loan originator of the licensee, or other person subject to  
9 the Act for any violations of the Act, or any violations of RCW 19.146.0201(1) through (9), or RCW  
10 19.146.200, or failure to comply with a directive or order of the Director.

11 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may issue orders  
12 directing a licensee or other person subject to the Act to pay restitution.

13 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-550(4) and  
14 WAC 208-660-520(9), upon completion of any investigation of the books and records of a licensee or other person  
15 subject to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover  
16 the cost of the investigation. The investigation charge will be calculated at the rate of forty-eight dollars (\$48) per  
17 hour that each staff person devoted to the investigation.

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

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

23 **4.1** Respondents Professor Mortgage Corporation and Michael Mondry be prohibited from participation in the  
24 conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a  
25 period of five (5) years;



1 4.2 Respondents Professor Mortgage Corporation and Michael Mondry jointly and severally pay a fine which  
as of the date of these charges totals \$5,000;

2 4.3 Respondents Professor Mortgage Corporation and Michael Mondry jointly and severally pay restitution of  
3 at least the amount of \$1,500 to those consumers identified in paragraph 1.2 above;

4 4.4 Respondents Professor Mortgage Corporation and Michael Mondry jointly and severally pay an  
5 investigation fee which as of the date of these charges totals \$576 calculated at \$48 per hour for the twelve  
(12) staff hours devoted to the investigation; and

6 4.5 Respondents Professor Mortgage Corporation and Michael Mondry maintain records in compliance with  
7 the Act and provide the Department with the location of the books, records and other information relating  
to Respondent Professor Mortgage' loan origination business, and the name, address and telephone number  
8 of the individual responsible for maintenance of such records in compliance with the Act.

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**V. AUTHORITY AND PROCEDURE**

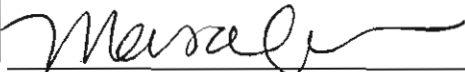
This Statement of Charges and Notice of Intention to Enter an Order to Prohibit From Industry, Impose Fine, Order Restitution, and Collect Investigation Fee is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of 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 10<sup>th</sup> day of December, 2010.



DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

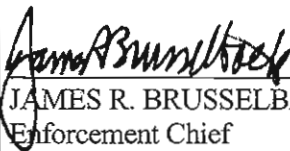
Presented by:



MARISA E. BROGGEL  
Financial Legal Examiner



Approved by:



JAMES R. BRUSSELBACK  
Enforcement Chief