

**ORDER SUMMARY – Case Number: C-11-0018**

**Name(s):** US Mortgage Funding; LowerMyDebts.com  
Jonathan Incandela;  
Louis Gendason;  
Jamen M. Lachs

**Order Number:** C-11-0018-12-FO02

**Effective Date:** May 24, 2012

**License Number:** U/L [US Mortgage: NMLS 940224] [Incandela: NMLS 940157]  
**Or NMLS Identifier [U/L]** [Gendason: NMLS 940160] [Lachs: NMLS 940163]  
(Revoked, suspended, stayed, application denied or withdrawn)  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:** May 24, 2017

**Prohibition/Ban Until:** May 24, 2017

<b>Investigation Costs</b>	\$2,880	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$36,500	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>	\$11,906.51	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:	12			

Comments: Gendason and Incandela are due to remain in federal custody until 2017 and 2014, respectively, on similar but  
unrelated charges. Jamen Lachs entered into a Consent Order with the FTC in February, 2012. Respondents may be  
insolvent or virtually insolvent.

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

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

No.: C-11-0018-12-FO02

US MORTGAGE FUNDING, INC.,  
LOWERMYDEBTS.COM, LLC,  
JONATHAN INCANDELA, Manager,  
JAMEN LACHS, Director,  
LOUIS GENDASON, Owner,

FINAL ORDER

Respondents.

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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 January 3, 2012, 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, Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) against U.S. Mortgage Funding, Inc., Lowermydebts.com, LLC, Jonathan Incandela, Jamen Lachs, and Louis Gendason (Respondents). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges directed to Respondent Jamen Lachs (Respondent Lachs) and Respondent U.S. Mortgage Funding, Inc. (Respondent U.S. Mortgage) was accompanied by a cover letter dated January 31, 2012, Notices of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents (collectively, accompanying documents). The Statement of Charges directed to Respondents Louis Gendason (Respondent Gendason), John Incandela (Respondent Incandela), Lowermydebts.com, LLC, (Respondent Lowermydebts.com) and

1 U.S. Mortgage was accompanied by a cover letter dated April 3, 2012, Notices of Opportunity to  
2 Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for  
3 Respondents.

4 On January 31, 2012, the Department served Respondents Lachs and U.S. Mortgage with the  
5 Statement of Charges and accompanying documents by First-Class mail and Federal Express  
6 overnight delivery. On February 1, 2012, the documents sent by Federal Express overnight delivery  
7 were delivered to Respondents Lachs and U.S. Mortgage. The documents sent by First-Class mail  
8 were not returned to the Department by the United States Postal Service.

9 On April 12, 2012, the Department personally served Respondents Gendason, U.S. Mortgage,  
10 and Lowermydebts.com with the Statement of Charges and accompanying documents by ABC Legal  
11 Services.

12 On April 30, 2012, the Department personally served Respondents Incandela, U.S. Mortgage,  
13 and Lowermydebts.com with the Statement of Charges and accompanying documents by ABC Legal  
14 Services.

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

18 B. Record Presented. The record presented to the Director's designee for her review and  
19 for entry of a final decision included the following: Statement of Charges, cover letters dated January  
20 31, 2012, and April 3, 2012, Notices of Opportunity to Defend and Opportunity for Hearing, and  
21 blank Applications for Adjudicative Hearing for Respondents, with documentation of service.

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

1 II. FINAL ORDER

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

4 A. IT IS HEREBY ORDERED, That:

- 5 1. Respondents U.S. Mortgage Funding, Inc., Lowermydebts.com, LLC, Jonathan  
6 Incandela, Jamen Lachs, and Louis Gendason cease and desist offering loan  
7 modification services or otherwise conducting the business of a mortgage broker or  
8 loan originator in the State of Washington.
- 9 2. Respondent U.S. Mortgage Funding, Inc., is prohibited from participation in the  
10 conduct of the affairs of any mortgage broker subject to licensure by the Director, in  
11 any manner, for a period of five (5) years.
- 12 3. Respondent Lowermydebts.com, LLC, is prohibited from participation in the conduct  
13 of the affairs of any mortgage broker subject to licensure by the Director, in any  
14 manner, for a period of five (5) years.
- 15 4. Respondent Jonathan Incandela is prohibited from participation in the conduct of the  
16 affairs of any mortgage broker subject to licensure by the Director, in any manner, for  
17 a period of five (5) years.
- 18 5. Respondent Jamen Lachs is prohibited from participation in the conduct of the affairs  
19 of any mortgage broker subject to licensure by the Director, in any manner, for a  
20 period of five (5) years.
- 21 6. Respondent Louis Gendason is prohibited from participation in the conduct of the  
22 affairs of any mortgage broker subject to licensure by the Director, in any manner, for  
23 a period of five (5) years.
- 24 7. Respondents U.S. Mortgage Funding Inc., Lowermydebts.com, LLC, Jonathan  
Incandela, Jamen Lachs, and Louis Gendason jointly and severally pay restitution to  
the following consumers identified in Paragraph 1.2 of the Statement of Charges:

Consumer R.A.	\$2,000.00
Consumer C.G.	\$2,000.00
Consumer K.H.	\$1,324.00
Consumer P.L.	\$1,787.51
Consumer K.M.	\$1,495.00
Consumer R.S.	\$1,800.00
<u>Consumer V.S.</u>	<u>\$1,500.00</u>
Total:	\$11,906.51

- 1 8. Respondents U.S. Mortgage Funding Inc., Lowermydebts.com LLC, Jonathan  
2 Incandela, Jamen Lachs, and Louis Gendason jointly and severally pay a fine of  
3 \$36,500.
- 3 9. Respondents U.S. Mortgage Funding Inc., Lowermydebts.com LLC, Jonathan  
4 Incandela, Jamen Lachs, and Louis Gendason jointly and severally pay an  
5 investigation fee of \$2,880.
- 5 10. Respondents Jamen Lachs, John Incandela, and Louis Gendason, as control persons of  
6 U.S. Mortgage Funding, Inc., maintain Respondent U.S. Mortgage Funding Inc.'s  
7 records in compliance with chapter 19.146 RCW, the Mortgage Broker Practices Act  
8 (Act) and provide the Director with the location of the books, records and other  
9 information relating to Respondent U.S. Mortgage Funding Inc.'s mortgage broker  
10 business, and the name, address and telephone number of the individual responsible  
11 for maintenance of such records in compliance with the Act.
- 11 11. Respondents John Incandela and Louis Gendason, as control persons of Respondent  
12 Lowermydebts.com, LLC, maintain Respondent Lowermydebts.com, LLC's records  
13 in compliance with chapter 19.146 RCW, the Mortgage Broker Practices Act (Act)  
14 and provide the Director with the location of the books, records and other information  
15 relating to Respondent Lowermydebts.com, LLC's mortgage broker business, and the  
16 name, address and telephone number of the individual responsible for maintenance of  
17 such records in compliance with the Act.

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

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

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

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

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

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

14 DATED this 24<sup>th</sup> day of May, 2012



16 STATE OF WASHINGTON  
17 DEPARTMENT OF FINANCIAL INSTITUTIONS

18  
19 DEBORAH BORTNER  
20 Director  
21 Division of Consumer Services

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

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

US MORTGAGE FUNDING, INC.  
LOWERMYSDEBTS.COM, LLC,  
JONATHAN INCANDELA, Manager,  
JAMEN LACHS, Director,  
LOUIS GENDASON, Owner,

Respondents.

No. C-11-0018-11-SC01

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

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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)<sup>1</sup>. 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:

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**I. FACTUAL ALLEGATIONS**

**1.1 Respondents.**

A. **U.S. Mortgage Funding, Inc., (Respondent U.S. Mortgage)** is a Florida corporation  
located at 951 Broken Sound Parkway, Suite 200, Boca Raton, Florida. Respondent U.S. Mortgage  
has never been licensed to conduct the business of a mortgage broker by the Department of Financial  
Institutions.

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<sup>1</sup> RCW 19.146 (2006)  
STATEMENT OF CHARGES  
C-11-0018-11-SC01  
U.S. Mortgage Funding, Inc., LowerMyDebts.com LLC,  
Jonathan Incandela, Jr., Jamen Lachs,  
and Louis Gendason

1 B. **LowerMyDebts.com (Respondent LowerMyDebts.com)** is a Florida limited liability  
2 company located at 951 Broken Sound Parkway, Suite 200, Boca Raton, Florida. Respondent  
3 LowerMyDebts.com has never been licensed to conduct the business of a mortgage broker by the  
4 Department of Financial Institutions.

5 C. **Jonathan Incandela, Jr., (Respondent Incandela)** is a manager of Respondent  
6 LowerMyDebts.com and was an officer of Respondent U.S. Mortgage. Respondent Incandela has  
7 never been licensed to conduct the business of a mortgage broker or loan originator by the  
8 Department of Financial Institutions.

9 D. **Jamen Lachs (Respondent Lachs)** is a director of Respondent U.S. Mortgage.  
10 Respondent Lachs has never been licensed to conduct the business of a mortgage broker or loan  
11 originator by the Department of Financial Institutions.

12 E. **Louis Gendason (Respondent Gendason)** is an owner of Respondents U.S.  
13 Mortgage and LowerMyDebts.com. Respondent Gendason has never been licensed to conduct the  
14 business of a mortgage broker or loan originator by the Department of Financial Institutions.

15 **1.2 Unlicensed Activity.** Between at least May, 2009 and April, 2010, Respondents U.S.  
16 Mortgage and LowerMyDebts.com assisted at least 12 consumers in applying for loan modifications  
17 on property located in the State of Washington. In some instances, the contracts and communication  
18 referred to Respondent U.S. Mortgage but the payments were made payable to Respondent  
19 LowerMyDebts.com, or vice-versa.<sup>2</sup> Consumers involved in these transactions paid fees to  
20 Respondent U.S. Mortgage or Respondent LowerMyDebts.com totaling at least \$12,581.51 as  
21 follows:

22 Consumer R.A. \$2,000.00

23 <sup>2</sup> In one instance, the consumer's documents and communications were from Respondent LowerMyDebts.com, but the  
24 payment was processed by a different entity, 13<sup>th</sup> Counsel, LLC.



1	Consumer C.G.	\$2,000.00
	Consumer K.H.	\$1,999.00 <sup>3</sup>
2	Consumer P.L.	\$1,787.51
	Consumer K.M.	\$1,495.00
3	Consumer R.S.	\$1,800.00
	<u>Consumer V.S.</u>	<u>\$1,500.00</u>
4	Total	\$12,581.51

5 At least five other consumers received such assistance and paid fees to Respondents U.S. Mortgage  
6 and LowerMyDebts.com.<sup>4</sup>

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8 **1.3 On-Going Investigation.** The Department’s investigation into the alleged violations of the  
9 Act by Respondents continues to date.

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

11 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,  
12 “Mortgage broker” means any person who, for compensation or gain, or in the expectation of  
13 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage  
14 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to  
15 obtain a residential mortgage loan.

16 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,  
17 “Loan originator” means a natural person who for direct or indirect compensation or gain, or in the  
18 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
19 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
20 loan modification services; or holds themselves out to the public as able to perform any of these  
21 activities.

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23 <sup>3</sup> This consumer did receive a partial refund in the amount of \$675 from Respondent LowerMyDebts.com, in the form of  
a check signed by Respondent Gendason.

24 <sup>4</sup> The amounts paid are unknown at this time.  
STATEMENT OF CHARGES  
C-11-0018-11-SC01  
U.S. Mortgage Funding, Inc., LowerMyDebts.com LLC,  
Jonathan Incandela, Jr., Jamen Lachs,  
and Louis Gendason

1 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006,  
2 “Borrower” means any person who consults with or retains a mortgage broker or loan originator in an  
3 effort to obtain or seek advice or information on obtaining or applying to obtain a residential  
4 mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the  
5 person actually obtains such a loan.

6 **2.4 Definition of Residential Mortgage Loan Modification.** Pursuant to RCW 19.146.010(20)  
7 and WAC 208-660-006, “Residential mortgage loan modification” means a change in one or more of  
8 a residential mortgage loan’s terms or conditions. Changes to a residential mortgage loan’s terms or  
9 conditions include but are not limited to forbearances; repayment plans; changes in interest rates, loan  
10 terms, or loan types; capitalization of arrearages; or principal reductions.

11 **2.5 Definition of Residential Mortgage Loan Modification Services.** Pursuant to RCW  
12 19.146.010(21) and WAC 208-660-006, “Residential mortgage loan modification services” includes  
13 negotiating, attempting to negotiate, arranging, attempting to arrange, or otherwise offering to  
14 perform a residential mortgage loan modification. “Residential mortgage loan modification services”  
15 also includes the collection of data for submission to any entity performing mortgage loan  
16 modification services.

17 **2.6 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth  
18 in Section I above, Respondents are in apparent violation of RCW 19.146.200(1) and WAC 208-660-  
19 155 for engaging in the business of a mortgage broker without first obtaining and maintaining a  
20 license under the Act.

1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
3 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,  
4 agent, or other person subject to the Act to cease and desist from conducting business.

5 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may  
6 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
7 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
8 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
9 19.146.200.

10 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
11 restitution against licensees or other persons subject to the Act for any violation of the Act.

12 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2) and (3) and WAC 208-660-530,  
13 the Director may impose fines against a licensee or other persons subject to the Act for any violations  
14 of RCW 19.146.200.

15 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
16 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars (\$48) per  
17 hour for an examiner’s time devoted to an investigation of a licensee or other person subject to the  
18 Act.

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

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

1 4.1 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
2 Jamen Lachs, and Louis Gendason cease and desist offering loan modification services or  
3 otherwise conducting the business of a mortgage broker or loan originator in the State of  
4 Washington;

4 4.2 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
5 Jamen Lachs, and Louis Gendason be prohibited from participation in the conduct of the  
6 affairs of any mortgage broker subject to licensure by the Director, in any manner, for a  
7 period of five (5) years;

6 4.3 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
7 Jamen Lachs, and Louis Gendason jointly and severally pay restitution to the consumers  
8 identified in paragraph 1.2 above, and to all other similarly situated Washington consumers;

8 4.4 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
9 Jamen Lachs, and Louis Gendason jointly and severally pay a fine. As of the date of this  
10 Statement of Charges, the fine totals \$36,500;

10 4.5 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
11 Jamen Lachs, and Louis Gendason jointly and severally pay an investigation fee. As of the  
12 date of this Statement of Charges, the investigation fee totals \$2,880, calculated at \$48 per  
13 hour for the 60 staff hours devoted to the investigation; and

13 4.6 Respondents US Mortgage Funding, Inc., LowerMyDebts.com LLC, Jonathan Incandela,  
14 Jamen Lachs, and Louis Gendason maintain records in compliance with the Act and provide  
15 the Department with the location of the books, records and other information relating to  
16 Respondents US Mortgage Funding, Inc., and LowerMydebts.com LLC's mortgage broker  
17 business, and the name, address and telephone number of the individual responsible for  
18 maintenance of such records in compliance with the Act.

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2 **V. AUTHORITY AND PROCEDURE**

3 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW  
4 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter  
5 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a  
6 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR  
7 HEARING accompanying this Statement of Charges.

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9 Dated this 3<sup>rd</sup> day of January, 2012.



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DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

SHANA L. OLIVER  
Financial Legal Examiner

Approved by:

JAMES R. BRUSSELBACK  
Enforcement Chief