

## ORDER SUMMARY – Case Number: C-12-1053

**Name(s):** American Home Rescue Bureau, LLC; Jonathan Z. Rubin  
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 \_\_\_\_\_

**Order Number:** C-12-1053-12-FO01  
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**Effective Date:** November 20, 2012  
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**License Number:** UL  
**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  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:** n/a  
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**Not Apply Until:** n/a  
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**Not Eligible Until:** n/a  
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**Prohibition/Ban Until:** 5 years  
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<b>Investigation Costs</b>	\$192	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$3,000	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>	\$300	Due	Paid <input type="checkbox"/> Y <input checked="" 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 checked="" type="checkbox"/> N		
	No. of Victims:			

**Comments:** Default FO. R's are banned for five years and owe restitution, a fine, and a fee.  
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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-12-1053-12-FO01

AMERICAN HOME RESCUE BUREAU, LLC,  
and  
JONATHAN Z. RUBIN, Owner,

FINAL ORDER

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 (Director's designee), pursuant to RCW 34.05.440(1). On September 27, 2012, the Director, through the Director's designee, issued Statement of Charges No. C-12-1053-12-SC01 (Statement of Charges) against American Home Rescue Bureau, LLC and Jonathan Z. Rubin (Respondents). 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 September 27, 2012, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondent (collectively, accompanying documents).

On October 2, 2012, the Department served Respondents with the Statement of Charges and accompanying documents by Federal Express overnight delivery and First-Class mail. On October 3, 2012, the documents sent by Federal Express overnight delivery were delivered. The documents sent by First-Class mail were not returned to the Department by the United States Postal Service.

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

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

6 Statement of Charges, cover letter dated September 27, 2012, Notice of  
7 Opportunity to Defend and Opportunity for Hearing, and blank Application for  
8 Adjudicative Hearing for Respondent, with documentation of service.

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

## 10 II. FINAL ORDER

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

13 A. IT IS HEREBY ORDERED, That:

- 14 1. Respondents cease and desist engaging in the business of a mortgage broker or  
15 loan originator.
- 16 2. Respondents provide the Department with a list detailing all residential mortgage  
17 loan modification service transactions with Washington consumers, including the  
18 name, address, and phone numbers of the consumers, the transaction date, and fees  
19 collected by Respondents for the provision of those services.
- 20 3. Respondents are prohibited from participation in the conduct of the affairs of any  
21 mortgage broker subject to licensure by the Director, in any manner, for a period  
22 of five years.
- 23 4. Respondents jointly and severally pay restitution totaling \$300 to the consumer  
24 identified by the Department in paragraph 1.3 of the Statement of Charges.
5. Respondents jointly and severally pay a fine of \$3,000.
6. Respondents jointly and severally pay an investigation fee of \$192.

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

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

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

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

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

20 E. Non-compliance with Order. If Respondents do not comply with the terms of this  
21 order, the Department may seek its enforcement by the Office of the Attorney General to include the  
22 collection of the restitution, fine, and fee imposed herein. The Department may also assign the  
23 amounts owed 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 20<sup>th</sup> day of November, 2012

6 STATE OF WASHINGTON  
7 DEPARTMENT OF FINANCIAL INSTITUTIONS

8 /s/ \_\_\_\_\_  
9 DEBORAH BORTNER  
10 Director  
11 Division of Consumer Services

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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:

AMERICAN HOME RESCUE BUREAU, LLC,  
and  
JONATHAN Z. RUBIN, Owner,

Respondents.

No. C-12-1053-12-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

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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). 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 Respondent** American Home Rescue Bureau, LLC (Respondent American) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker or loan originator.

**1.2 Respondent** Jonathan Z. Rubin (Respondent Rubin) is Owner of Respondent American. During the relevant time period, Respondent Rubin was not licensed by the Department to conduct business as a mortgage broker or loan originator.

**1.3 Unlicensed Activity.** On or about January 18, 2012, Respondents American and Rubin (Respondents) were offering residential mortgage loan modification services to Washington consumers on property located in Washington State. Respondents entered into a contractual

1 relationship with at least one Washington consumer to provide those services and collected an advance  
2 fee for the provision of those services. The Department has received at least one complaint from a  
3 Washington consumer alleging Respondents provided or offered to provide residential mortgage loan  
4 modification services while not licensed by the Department to provide those services. The consumer  
5 ■ paid Respondents a fee of \$300.

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 indirect  
21 compensation or gain: takes a residential mortgage loan application for a mortgage broker; offers or  
22 negotiates terms of a mortgage loan; performs residential mortgage loan modification services; or holds  
23 themselves out to the public as able to perform 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.



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 consumer identified by the Department  
24 in paragraph 1.3 as having paid \$300 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 \$192.

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.


10 **VI. AUTHORITY AND PROCEDURE**

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

16 Dated this 27<sup>th</sup> day of September, 2012.

17   
18 DEBORAH BORTNER  
19 Director, Division of Consumer Services  
20 Department of Financial Institutions

21 Presented by:

22   
23 KENNETH J. SUGIMOTO  
24 Financial Legal Examiner

Approved by:

  
CHARLES E. CLARK  
Enforcement Chief