

# TERMS COMPLETED

## ORDER SUMMARY – Case Number: C-12-1071

**Name(s):** Peter John Chambers

**Order Number:** C-12-1071-13-CO02

**Effective Date:** October 21, 2013

**License Number:** DFI: 68157 NMLS ID: #398715

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)

**License Effect:** none  
If applicable, you must specifically note the ending dates of terms.

**Not Apply Until:** N/A

**Not Eligible Until:** N/A

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

<b>Investigation Costs</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$800	Due 10/15/13	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 10/15/13
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input 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:				

**Comments:** \_\_\_\_\_

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RECEIVED

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OCT 15 2013

Enforcement Unit  
Division of Consumer Services  
Dept. of Financial Institutions

DEPT. OF FINANCIAL INSTITUTIONS  
OLYMPIA, WASHINGTON

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-12-1071-13-CO02

CONSENT ORDER FOR  
PETER J. CHAMBERS, NMLS #398715

CASCADIA LENDING, LLC;  
KARIM F. KHOURY, 100% Owner and  
Designated Broker;  
PETER J. CHAMBERS, Loan Originator; and  
CRAIG A. OAKES, Unlicensed Loan Originator,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Peter J. Chambers (Respondent Chambers), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled as they relate to Respondent Chambers, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent Chambers have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-12-1071-12-SC01 (Statement of Charges), entered December 10, 2012, (copy attached hereto) solely as they relate to Respondent Chambers. Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondent Chambers hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above-captioned matter may be economically and efficiently

CONSENT ORDER  
C-12-1071-13-CO02  
Peter J. Chambers

DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Consumer Services  
PO Box 41200  
Olympia, WA 98504-1200  
(360) 902-8703

1 settled by entry of this Consent Order solely as they related to Respondent Chambers. Respondent  
2 Chambers is agreeing not to contest the Statement of Charges in consideration of the terms of this  
3 Consent Order.

4 Based upon the foregoing:

5 **A. Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter  
6 of the activities discussed herein.

7 **B. Waiver of Hearing.** It is AGREED that Respondent Chambers has been informed of the  
8 right to a hearing before an administrative law judge, and hereby waives his right to a hearing and  
9 any and all administrative and judicial review of the issues raised in this matter, or of the resolution  
10 reached herein. Accordingly, Respondent Chambers, by his signature below, withdraws his appeal to  
11 the Office of Administrative Hearings.

12 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the  
13 Statement of Charges and agree that Respondent Chambers does not admit to any wrongdoing by its  
14 entry.

15 **D. Fine.** It is AGREED that Respondent Chambers shall pay a fine to the Department in the  
16 amount of \$800 in the form of a cashier's check made payable to the "Washington State Treasurer"  
17 on or before October 15, 2013.

18 **E. Complete Cooperation with the Department.** It is AGREED that, upon written request  
19 by the Department, Respondent Chambers shall provide the Department truthful and complete sworn  
20 statements outlining his activities with respect to Cascadia Lending, LLC (Cascadia) and any and all  
21 persons involved or in any way associated with Cascadia, including but not limited to owners,  
22 employees, independent contractors, agents, businesses and persons with whom Cascadia dealt,  
23 communicated, or otherwise related. The "sworn statements" may take the form of affidavits,  
24 declarations, or deposition testimony, at the Department's discretion. A failure to cooperate fully,

1 truthfully, and completely is a breach of this Consent Order. In addition to providing sworn  
2 statements, it is AGREED that, upon written request by the Department, Respondent Chambers shall  
3 cooperate fully, truthfully, and completely with the Department and provide any and all information  
4 known to him relating in any manner to Cascadia and any and all persons involved or in any way  
5 associated with Cascadia, including but not limited to owners, employees, independent contractors,  
6 agents, businesses and persons with whom Cascadia dealt, communicated, or otherwise related. It is  
7 further AGREED that, upon written request by the Department, Respondent Chambers shall provide  
8 any and all documents, writings or materials, or objects or things of any kind in his possession or  
9 under his care, custody, or control that he is authorized to possess, obtain, or distribute relating  
10 directly or indirectly to all areas of inquiry and investigation. It is further AGREED that Respondent  
11 Chambers shall testify fully, truthfully, and completely at any and all proceedings related to any  
12 Department investigation or enforcement action or both related to any and all persons involved or in  
13 any way associated with Cascadia, and any respondents named therein. A failure to cooperate fully,  
14 truthfully, and completely is a breach of this Consent Order.

15 **F. Non-Compliance with Order.** It is AGREED that Respondent Chambers understands  
16 that failure to abide by the terms and conditions of this Consent Order may result in further legal  
17 action by the Director which may include license revocation. In the event of such legal action,  
18 Respondent Chambers may be responsible to reimburse the Director for the cost incurred in pursuing  
19 such action, including but not limited to, attorney fees.

20 **G. Voluntarily Entered.** It is AGREED that Respondent Chambers has voluntarily entered  
21 into this Consent Order, which is effective when signed by the Director's designee.

22 **H. Completely Read, Understood, and Agreed.** It is AGREED that Respondent Chambers  
23 has read this Consent Order in its entirety and fully understands and agrees to all of the same.

1  
2 **RESPONDENT:**

3 [Redacted]

4 Peter J. Chambers  
5 Individually

6 9/10/13  
Date

7 Approved for Entry:

8 [Redacted]

9 Seth Rosenberg, WSBA No.41660  
10 Rosenberg Law Group, PLLC  
Attorney for Respondent Chambers

11 10/11/13  
Date

12 DO NOT WRITE BELOW THIS LINE

13 THIS ORDER ENTERED THIS 21<sup>st</sup> DAY OF October, 2013



14 [Redacted Signature]

15 DEBORAH BORTNER  
16 Director  
17 Division of Consumer Services  
18 Department of Financial Institutions

19 Presented by:

20 [Redacted Signature]

21 DEVON P. PHELPS  
22 Financial Legal Examiner

23 Approved by:

24 [Redacted Signature]

CHARLES E. CLARK  
Enforcement Chief

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 CASCADIA LENDING, LLC;  
6 KARIM F. KHOURY, 100% Owner and  
Designated Broker;  
7 PETER J. CHAMBERS, Loan Originator; and  
CRAIG A. OAKES, Unlicensed Loan Originator,

8 Respondents.

No. C-12-1071-12-SC01

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

9 **INTRODUCTION**

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

16 **I. FACTUAL ALLEGATIONS**

17 **1.1 Respondents.**

18 A. **Cascadia Lending, LLC (Respondent Cascadia)** was licensed by the Department of  
19 Financial Institutions of the State of Washington (Department) to conduct business as a mortgage  
20 broker on or about January 31, 2005, and continues to be licensed to date.<sup>1</sup>

21 B. **Karim F. Khoury (Respondent Khoury)** is 100% owner of and Designated Broker  
22 for Respondent Cascadia. Respondent Khoury was named Designated Broker of Respondent

23  
24 <sup>1</sup> Respondent Cascadia is listed in the Nationwide Mortgage Licensing System & Registry (NMLS) with ID# 39521.

1 Cascadia on January 31, 2005, and continues to be Designated Broker to date. Respondent Khoury  
2 was licensed by the Department to conduct business as a mortgage loan originator (LO) on or about  
3 January 1, 2007, and continues to be licensed to date.<sup>2</sup>

4 C. **Peter J. Chambers (Respondent Chambers)** was licensed by the Department as an  
5 LO on or about May 6, 2011, and continues to be licensed to date.<sup>3</sup>

6 D. **Craig A. Oakes (Respondent Oakes)** was licensed by the Department as an LO on or  
7 about March 6, 2007.<sup>4</sup> Respondent Oakes' license expired on or about January 1, 2011. Respondent  
8 Oakes re-applied for licensure as an LO with the Department on or about March 1, 2011. Respondent  
9 Oakes requested to withdraw his application on or about July 26, 2011, and his application was  
10 withdrawn by the Department on or about September 12, 2011.

11 **1.2 Examination.** The Department conducted an on-site examination of Respondent Cascadia  
12 from July 30, 2012, through August 3, 2012. The scope of this examination included a review of  
13 Respondent Cascadia's business practices from April 1, 2010, through June 30, 2012, and a review of  
14 16 loan files.

15 **1.3 Unlicensed Loan Originator Activity.** Between at least September 20, 2010, and June 30,  
16 2012, Respondents Cascadia and Khoury permitted at least three unlicensed loan originators to assist  
17 borrowers in obtaining residential mortgage loans in at least three transactions. Respondent Cascadia  
18 collected at least \$17,892.78 in mortgage broker fees for these loans.

19 A. **Brenda Aspera's unlicensed activity.** Unlicensed loan originator Brenda Aspera  
20 (Aspera) originated at least three loans.<sup>5</sup> In addition, Aspera represented herself as able to assist  
21 borrowers in obtaining a residential mortgage loan.

22 \_\_\_\_\_  
<sup>2</sup> Respondent Khoury is listed in the NMLS with ID# 89168.

23 <sup>3</sup> Respondent Chambers is listed in the NMLS with ID# 398715.

24 <sup>4</sup> Respondent Oakes is listed in the NMLS with ID# 119833.

<sup>5</sup> Brenda Aspera's apparent unlicensed activity is being addressed under C-12-1072-12-SC01.

1           **B. Respondent Chambers' unlicensed activity.** Before Respondent Chambers became  
2 licensed, he discussed rates and fees with borrowers in at least one loan

3           **C. Respondent Oakes' unlicensed activity.** Respondent Oakes discussed rates and fees  
4 with borrowers in at least one loan. In addition, Respondent Oakes represented himself as able to  
5 assist borrowers in obtaining a residential mortgage loan.

6 **1.4 Misrepresentation of Mortgage Loan Originator Information on Applications.** In at least  
7 three loans, Respondents Cascadia and Khoury misrepresented the identity of the actual LO. On each  
8 application, the LO was identified as Respondent Khoury but the borrowers dealt with Aspera.  
9 Aspera took the applications and discussed rates and fees with the borrowers.

10 **1.5 Failure to Maintain Funds in Trust.** In all 16 loans, Respondent Cascadia received funds  
11 from or on behalf of borrowers for the payment of third-party provider services. Respondent  
12 Cascadia deposited these funds into operating accounts under its control instead of a trust account.  
13 Respondent Khoury has admitted to the Department that Respondent Cascadia does not have a trust  
14 account and deposits all fees received into its general account.

15 **1.6. Failure to Provide State and Federal Disclosures.**

16           **A. Failure to Provide One-Page Summary Loan Disclosure Document.** In at least  
17 two loans, Respondents Cascadia and Khoury did not timely provide the one-page disclosure  
18 summary identifying certain material aspects of residential mortgage loans to the borrowers. In  
19 one of those two loans, and in at least one other loan, Respondents Cascadia and Khoury did not  
20 provide an accurate one-page disclosure summary.

21           **B. Failure to Provide Good Faith Estimate (GFE).** In at least two loans,  
22 Respondents Cascadia and Khoury failed to re-disclose the terms of the loan on a GFE after the  
23



1 rate had been locked. In at least nine other loans, Respondents Cascadia and Khoury failed to  
2 provide an accurate GFE.

3 **C. Failure to Provide Rate Lock Agreement.** In at least seven loans, Respondents  
4 Cascadia and Khoury failed to provide a Rate Lock Agreement to the borrowers. In at least four  
5 other loans, Respondents Cascadia and Khoury provided a Rate Lock Agreement that was  
6 inaccurately completed.

7 **D. Failure to Provide Written Notice on Borrower Paid Services.** In at least two  
8 loans, Respondents Cascadia and Khoury failed to provide written notice to borrowers that if the  
9 borrower was unable to obtain a loan the mortgage broker must, within five days of request, give  
10 the borrower copies of reports paid for by the borrower.

11 **E. Failure to Provide Adjustable Rate Mortgage Disclosure.** In at least two loans,  
12 Respondents Cascadia and Khoury failed to provide an accurate Adjustable-Rate Mortgage  
13 Disclosure to the borrowers.

14 **F. Failure to Provide Accurate Truth-in-Lending (TIL) Disclosure Statements.** In  
15 at least 14 loans, Respondents Cascadia and Khoury failed to provide accurate TILs to the  
16 borrowers.

17 **G. Failure to Provide Accurate Privacy Policy Disclosure and Opt-Out Notice.** In  
18 all 16 loans, Respondents Cascadia and Khoury failed to provide accurate Privacy Policy  
19 Disclosures and Opt-Out Notices to the borrowers.

20 **H. Failure to Provide Accurate Equal Credit Opportunity Act (ECOA) Notice.** In  
21 at least five loans, Respondents Cascadia and Khoury failed to properly identify the name and  
22 address of the federal agency on the ECOA Notice to the borrowers.

1 **1.7 Advertising.**

2 **A. Failure to Display NMLS Number and Provide Link to NMLS.** As of July 11,  
3 2012, Respondents Cascadia’s and Khoury’s primary website, www.cascadialending.com, did not  
4 display Respondent Cascadia’s NMLS number and did not provide a link to the NMLS consumer  
5 access web site page for the company.

6 **B. Failure to Display Loan Originator NMLS Numbers.** As of August 2, 2012,  
7 Respondents Cascadia’s and Khoury’s website did not include the loan originator NMLS number  
8 immediately following the loan originator’s name for six of its LOs.

9 **C. Advertising “Lowest” Rates.** As of July 11, 2012, two pages on Respondents  
10 Cascadia’s and Khoury’s web site advertised using the words “lowest rate.”

11 **D. Advertising Using the Term “No Cost.”** As of July 11, 2012, two pages on  
12 Respondents Cascadia’s and Khoury’s website advertised using the words “no cost.”

13 **1.8 Failure to Maintain Books and Records.** To the extent that Respondents may claim that  
14 documents not found in loan files were provided, then Respondents failed to maintain accurate and  
15 current books and records.

16 **1.9 On-Going Investigation.** The Department’s investigation into the alleged violations of the  
17 Act by Respondents continues to date.

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

19 **2.1 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,  
20 “Loan originator” means a natural person who for direct or indirect compensation or gain, or in the  
21 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
22 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
23

1 loan modification services; or holds themselves out to the public as able to perform any of these  
2 activities.

3 **2.2 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed  
4 mortgage broker is liable for any conduct violating the Act by the designated broker or a loan  
5 originator while employed or engaged by the licensed mortgage broker.

6 **2.3 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(3), every licensed  
7 mortgage broker must at all times have a designated broker responsible for all activities of the  
8 mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or  
9 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,  
10 employee's, or independent contractor's violations of the Act if: the designated broker, principal, or  
11 owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows  
12 the conduct; or the designated broker, principal, or owner who has supervisory authority over the  
13 licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known  
14 of the conduct, at a time when its consequences can be avoided or mitigated and fails to take  
15 reasonable remedial action.

16 **2.4 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
17 Allegations set forth in Section I above, Respondents Chambers and Oakes are in apparent violation  
18 of RCW 19.146.0201(2), RCW 19.146.200(1), and WAC 208-660-155 for engaging in the business  
19 of a loan originator without first obtaining and maintaining a license under the Act.

20 **2.5 Requirement to Ensure that Loan Originators are Licensed.** Based on the Factual  
21 Allegations set forth in Section I above, Respondents Cascadia and Khoury are in apparent violation  
22 of RCW 19.146.0201(2), RCW 19.146.200(1), and WAC 208-660-155(1) for utilizing the services of  
23

1 unlicensed loan originators to assist borrowers with applying for or obtaining residential mortgage  
2 loans through Respondent Cascadia.

3 **2.6 Requirement to Accurately Disclose the True Identity of the Mortgage Loan Originator.**

4 Based on the Factual Allegations set forth in Section I above, Respondents Cascadia and Khoury are  
5 in apparent violation of RCW 19.146.0201(1), (2), and (3) for concealing the true name of the  
6 individual who originated the loan for the applicants.

7 **2.7 Requirement to Maintain Funds From Borrower for Payment of Third-Party Providers**

8 **in Trust.** Based on the Factual Allegations set forth in Section I above, Respondents Cascadia and  
9 Khoury are in apparent violation of RCW 19.146.050 and WAC 208-660-410(3),(6), and (16) for  
10 failing to deposit funds received from a borrower or on behalf of a borrower for payment of third-  
11 party provider services in a trust account of a federally insured financial institution located in this  
12 state, prior to the end of the third business day following receipt of such monies, and for  
13 commingling operating funds with trust account funds.

14 **2.8 Requirement to Make Full and Accurate Disclosures to Applicants.** Based on the Factual

15 Allegations set forth in Section I above, Respondents Cascadia and Khoury are in apparent violation  
16 of RCW 19.144.020, RCW 19.146.0201(2),(6), and (11), RCW 19.146.030, and WAC 208-660-430  
17 for failing to make disclosures in compliance with applicable state and federal law.

18 **2.9 Advertising.** Based on the Factual Allegations set forth in Section I above, Respondents

19 Cascadia and Khoury are in apparent violation of RCW 19.146.0201(2) and WAC 208-660-446(1)(a)  
20 and (c) for failing to provide the NMLS unique identifier for Respondent Cascadia and for failing to  
21 provide a link to the NMLS page for Respondent Cascadia on its website. Respondents Cascadia and  
22 Khoury are in apparent violation of RCW 19.146.0201(2) and WAC 208-660-446 for failing to  
23 provide the NMLS unique identifier for at least six loan originators on its website. Respondents

1 Cascadia and Khoury are in apparent violation of RCW 19.146.0201(2) and WAC 208-660-440(3)  
2 and (7) for advertising using the words “lowest” and “no cost” on its website.

3 **2.10 Requirement to Maintain Accurate and Current Books and Records.** Based on the  
4 Factual Allegations set forth in Section I above, Respondents Cascadia and Khoury are in apparent  
5 violation of RCW 19.146.060 and WAC 208-660-450 for failing to keep all books and records in a  
6 location that is on file with and readily available to the Department until at least twenty-five months  
7 have elapsed following the effective period to which the books and records relate.

### 8 III. AUTHORITY TO IMPOSE SANCTIONS

9 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
10 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,  
11 agent, or other person subject to the Act to cease and desist from conducting business.

12 **3.2 Authority to Revoke License.** Pursuant to RCW 19.146.220(2), the Director may revoke  
13 licenses for any violation of the Act.

14 **3.3 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
15 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
16 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
17 mortgage broker or any person subject to licensing under the Act for any violation of RCW  
18 19.146.0201(1) through (9), RCW 19.146.030, RCW 19.146.050, or RCW 19.146.200.

19 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
20 against a licensee or other persons subject to the Act for any violation of the Act. Pursuant to RCW  
21 19.146.220(3), the Director may impose fines on an employee, loan originator, independent  
22 contractor, or agent of the licensee, or other person subject to the Act, for any violations of RCW  
23 19.146.0201(1) through (9), RCW 19.146.030, RCW 19.146.050, or RCW 19.146.200.

1 **3.5 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against licensees or other persons subject to the Act for any violation of the Act.

3 **3.6 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
4 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour  
5 for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

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

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

- 11 **4.1** Respondents Cascadia, Khoury, Chambers, and Oakes cease and desist conducting  
12 unlicensed loan originator activities.
- 13 **4.2** Respondent Cascadia Lending, LLC's license to conduct the business of a mortgage  
14 broker be revoked.
- 15 **4.3** Respondents Karim F. Khoury license to conduct the business of a loan originator be  
16 revoked.
- 17 **4.4** Respondent Chambers license to conduct the business of a loan originator be  
18 suspended for five (5) years.
- 19 **4.5** Respondent Cascadia Lending, LLC be prohibited from participation in the conduct of  
20 the affairs of any mortgage broker subject to licensure by the Director, in any manner,  
21 for a period of five (5) years.
- 22 **4.6** Respondents Karim F. Khoury, Peter J. Chambers, and Craig A. Oakes be prohibited  
23 from participation in the conduct of the affairs of any mortgage broker subject to  
24 licensure by the Director, in any manner, for a period of five (5) years.
- 4.7** Respondents Cascadia Lending and Karim F. Khoury jointly and severally pay a fine,  
which as of the date of this Statement of Charges totals \$50,000.
- 4.8** Respondent Peter J. Chambers pay a fine, which as of the date of this Statement of  
Charges totals \$1,500.



1 **V. AUTHORITY AND PROCEDURE**

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

7  
8 Dated this 10th day of December, 2012

9  
10 /S/ \_\_\_\_\_  
11 DEBORAH BORTNER  
12 Director  
13 Division of Consumer Services  
14 Department of Financial Institutions

15 Presented by:

16 /S/ \_\_\_\_\_  
17 DEVON P. PHELPS  
18 Financial Legal Examiner

19 Approved by:

20 /S/ \_\_\_\_\_  
21 CHARLES E. CLARK  
22 Enforcement Chief



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**Appendix A**

**Borrower's Name**

**Loan Number**

**Refund Due**

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23005113

\$2,314.23

██████

4099906266

\$799.92

██████

10024962

\$1,214.58