

ORDER SUMMARY – Case Number: C-13-1142

Name(s): Brooke Errett; Atlantic Mutual LLC

Order Number: C-13-1142-13-FO01

Effective Date: April 26, 2013

License Number: U/L
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: April 26, 2018

Investigation Costs	\$552	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	\$995	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: DFO entered against Brooke Errett and Atlantic Mutual

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

3 Respondents Atlantic Mutual and Errett did not request an adjudicative hearing within twenty
4 calendar days after the Department served the Notice of Opportunity to Defend and Opportunity for
5 Hearing, as 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 dated March
8 28, 2013, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Application for
9 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 Atlantic Mutual, LLC and Brooke Errett cease and desist from
17 engaging in the business of a mortgage broker or loan originator.
- 18 2. Respondents Atlantic Mutual, LLC and Brooke Errett are prohibited from
19 participation in the conduct of the affairs of any mortgage broker subject to
20 licensure by the Director, in any manner, for a period of five years.
- 21 3. Respondents Atlantic Mutual, LLC and Brooke Errett pay \$995 in restitution to the
22 consumer identified by the Department in paragraph 1.2 of the Statement of
23 Charges. This restitution shall be joint and several with any other Respondents
24 determined to have violated the Act
4. Respondents Atlantic Mutual, LLC and Brooke Errett pay a fine of \$3,000. This
fine shall be joint and several with any other Respondents determined to have
violated the Act.

1 5. Respondents Atlantic Mutual, LLC and Brooke Errett pay an investigation fee of
2 \$552. This amount shall be joint and several with any other Respondents
determined to have violated the Act.

3 6. Respondents Atlantic Mutual, LLC and Brooke Errett maintain records in
4 compliance with the Mortgage Broker Practices Act (Act) and provide the
5 Department with the location of the books, records and other information relating
6 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.

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

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

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

21 D. Judicial Review. Respondents Atlantic Mutual and Errett have the right to petition the
22 superior court for judicial review of this agency action under the provisions of chapter 34.05 RCW.
23 For the requirements for filing a Petition for Judicial Review, see RCW 34.05.510 and sections
24 following.

1 E. Non-compliance with Order. If Respondents Atlantic Mutual and Errett do not
2 comply with the terms of this order, **including payment of any amounts owed within 30 days of**
3 **receipt of this order**, the Department may seek its enforcement by the Office of the Attorney
4 General to include the collection of the restitution, fines, and fees imposed herein. The Department
5 also may assign the amounts owed 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 26th day of April, 2013.



11 STATE OF WASHINGTON
12 DEPARTMENT OF FINANCIAL INSTITUTIONS

13 [Redacted Signature]
14 DEBORAH BORTNER
15 Director
16 Division of Consumer Services

**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:

ATLANTIC MUTUAL, LLC;
BRIAN CORREA, Managing Member;
BROOKE ERRETT, Managing Member; and
BRANDON BUCK, Unlicensed Loan Originator,

Respondents.

No. C-13-1142-13-SC01

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

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 Respondents.

A. Atlantic Mutual, LLC (Respondent Atlantic Mutual) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker.

B. Brian Correa (Respondent Correa) is a managing member of Atlantic Mutual. During the relevant time period, Respondent Correa was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1 person ““assists a person in obtaining or applying to obtain a residential mortgage loan’ by, among
2 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages....”

3 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a
4 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
5 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
6 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
7 any of these activities.

8 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
9 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
10 toward any person and obtaining property by fraud or misrepresentation.

11 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
12 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
13 for engaging in the business of a mortgage broker for Washington residents or property without first
14 obtaining a license to do so.

15 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
16 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
17 for engaging in the business of a loan originator without first obtaining and maintaining a license.

18 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
19 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
20 location that is on file with and readily available to the Department until at least twenty-five months
21 have elapsed following the effective period to which the books and records relate.

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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 any person subject to the Act to cease and desist from conducting
4 business.

5 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
6 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
7 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
8 (13), or RCW 19.146.200.

9 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
10 restitution against any person subject to the Act for any violation of the Act.

11 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
12 against any person subject to the Act for any violation of the Act.

13 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
14 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner’s time devoted
15 to an investigation of any person subject to the Act.

16 **IV. NOTICE OF INTENT TO ENTER ORDER**

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

20 **4.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

21 **4.2** Respondents be prohibited from participation, in any manner, in the conduct of the affairs of
22 any mortgage broker subject to licensure by the Director for a period of five years.

23 **4.3** Respondents jointly and severally pay restitution to the one consumer identified by the
24 Department in paragraph 1.2 in the amount set forth therein, 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

1 located in the state of Washington equal to the amount collected from that Washington
2 consumer for those services in an amount to be determined at hearing.

3 **4.4** Respondents jointly and severally pay a fine, which as of the date of this Statement of Charges
4 totals \$3,000.

5 **4.5** Respondents jointly and severally pay an investigation fee, which as of the date of this
6 Statement of Charges totals \$552.

7 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the
8 location of the books, records and other information relating to Respondents' provision of
9 residential mortgage loan modification services in Washington, and the name, address and
10 telephone number of the individual responsible for maintenance of such records in compliance
11 with the Act.

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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 34.05
4 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
5 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
6 accompanying this Statement of Charges.

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8 Dated this 21st day of March, 2013.

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11 /s/
12 DEBORAH BORTNER
13 Director, 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