ORDER SUMMARY – Case Number: C-16-1968

Name(s): R. Todd Jensen P.C. d/b/a Loan Modification Associates d/b/a LMA Mods; Todd Jensen

Order Number: C-16-1968-18-CO01

Effective Date: 3/23/2018

License Number: Unlicensed NMLS ID: 1736876 Individual, 1736881 Entity
Or **NMLS Identifier** [U/L]

License Effect:

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: Five years from date of entry

Investigation Costs	$1,000.00	Due	Paid ☒ Y ☐ N	Date 03/21/2018
Fine	$3,000.00	Due	Paid ☒ Y ☐ N	Date 03/21/2018
Assessment(s)	$	Due	Paid ☐ Y ☐ N	Date
Restitution	$	Due	Paid ☐ Y ☐ N	Date
Judgment	$	Due	Paid ☐ Y ☐ N	Date
Satisfaction of Judgment Filed?		☐ Y ☐ N		
No. of Victims:		2		

Comments:

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: R. TODD JENSEN P.C. d/b/a LOAN MODIFICATION ASSOCIATES d/b/a LMA MODS, and R. TODD JENSEN, Respondents.	No.: C-16-1968-18-CO01 CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and R. Todd Jensen P.C. d/b/a Loan Modification Associates d/b/a LMA Mods and R. Todd Jensen (Respondents), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, 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 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-16-1968-16-SC01 (Statement of Charges), entered January 31st, 2017, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this Consent Order and further agree that the issues raised in the above-captioned matter may be economically and efficiently settled by entry of this Consent Order. The parties intend this Consent

Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

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

B. **Waiver of Hearing**. It is AGREED that Respondents have been informed of the right to a hearing before an administrative law judge, and hereby waive their right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondents, by their signatures below, withdraw their appeal to the Office of Administrative Hearings.

C. **Prohibition from Industry**. It is AGREED that, for a period of five years from the date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the conduct of the affairs of any mortgage broker or consumer loan company licensed by the Department or subject to licensure or regulation by the Department.

D. **Fine**. It is AGREED that Respondents shall pay a fine to the Department in the amount of $3,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

E. **Investigation Fee**. It is AGREED that Respondent shall pay to the Department an investigation fee of $1,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together in one $4,000 cashier's check made payable to the "Washington State Treasurer."

F. **Authority to Execute Order**. It is AGREED that the undersigned have represented and warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

G. **Non-Compliance with Order**. It is AGREED that Respondents understand that failure to abide by the terms and conditions of this Consent Order may result in further legal action by the Director. In the event of such legal action, Respondents may be responsible to reimburse the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

H. **Voluntarily Entered**. It is AGREED that Respondents have voluntarily entered into this Consent Order, which is effective when signed by the Director's designee.

I. **Completely Read, Understood, and Agreed**. It is AGREED that Respondents have read this Consent Order in its entirety and fully understand and agree to all of the same.

J. **Counterparts.** This Consent Order may be executed by the Respondents in any number of counterparts, including by facsimile or e-mail of a .pdf or similar file, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Consent Order.

RESPONDENTS:
R. Todd Jensen, P.C.
By:

/s/ 1/31/2018
R. Todd Jensen Date
Its: President

/s/
R. Todd Jensen Date
Individually

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 26th DAY OF March, 2018.

/s/_____
CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

/s/_____
ROBERT E. JONES
Financial Legal Examiner Supervisor

Approved by:

_/s/_____
STEVEN C. SHERMAN
Enforcement Chief

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: R. TODD JENSEN P.C. d/b/a LOAN MODIFICATION ASSOCIATES d/b/a LMA MODS, and R. TODD JENSEN, Respondents.	No. C-16-1968-16-SC01 STATEMENT OF CHARGES and NOTICE OF INTENT TO ENTER AN ORDER TO CEASE AND DESIST BUSINESS, PROHIBIT FROM INDUSTRY, ORDER RESTITUTION, IMPOSE FINE, COLLECT INVESTIGATION FEE, and RECOVER COSTS AND EXPENSES

INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Acting Director of the Department of Financial Institutions of the State of Washington (Acting 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 Acting Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. R. Todd Jensen, P.C. d/b/a Loan Modification Associates, d/b/a LMA Mods (Respondent R. Todd Jensen, P.C.) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker.

B. R. Todd Jensen (Respondent Jensen) is manager of Respondent R. Todd Jensen, P.C. During the relevant time period, Respondent Jensen was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1.2 Unlicensed Activity. Between at least May 17, 2016, and September 16, 2016, Respondents were offering residential mortgage loan modification services to Washington consumers on property located in Washington State. Respondents entered into a contractual relationship with at least two Washington consumers to provide those services and collected an advance fee for the provision of those services. The Department has received at least one complaint from a Washington consumer alleging Respondents provided or offered to provide residential mortgage loan modification services while not licensed by the Department to provide those services. Consumers R.W. and consumer J.B. paid Respondent for loan modification services.

1.3 Misrepresentations and Omissions. Respondents represented that they were licensed to provide the residential mortgage loan modification services or omitted disclosing that they were not licensed to provide those services.

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

II. GROUNDS FOR ENTRY OF ORDER

2.1 Mortgage Broker Defined. Pursuant to RCW 19.146.010(14), "Mortgage broker" means any person who for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan or performs residential mortgage loan modification services or (b) holds himself or herself out as being able to assist a person in obtaining or applying to obtain a residential mortgage loan or provide residential mortgage loan modification services.

2.2 Loan Originator Defined. Pursuant to RCW 19.146.010(11)(b), "Loan originator" means a natural person who for direct or indirect compensation or gain or in the expectation of direct or indirect compensation or gain performs residential mortgage loan modification services or holds himself or herself out as being able to perform residential mortgage loan modification services.

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

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

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

2.6 Prohibition against Taking Advance Fees. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1015 (Regulation O) for taking advance fees for loan modification services.

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Issue an Order to Cease and Desist. Pursuant to RCW 19.146.220(3), the Director may issue orders directing any person subject to the Act to cease and desist from conducting business.

3.2 Authority to Prohibit from Industry. Pursuant to RCW 19.146.220(4), the Director may issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker any person subject to licensing under the Act for any violation of the Act.

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

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

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

3.6 Authority to Recover Costs and Expenses. Pursuant to RCW 19.146.221(2), the Director may recover the state's costs and expenses for prosecuting violations of the Act.

IV. NOTICE OF INTENT TO ENTER ORDER

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

4.1 Respondents R. Todd Jensen, P.C. and R. Todd Jensen cease and desist engaging in the business of a mortgage broker or loan originator.

4.2 Respondents R. Todd Jensen, P.C. and R. Todd Jensen be prohibited from participation, in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the Director for a period of five years.

4.3 Respondents R. Todd Jensen, P.C. and R. Todd Jensen 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.

4.4 Respondents R. Todd Jensen, P.C. and R. Todd Jensen jointly and severally pay a fine, which as of the date of this Statement of Charges totals $6,000.00.

4.5 Respondents R. Todd Jensen, P.C. and R. Todd Jensen jointly and severally pay an investigation fee, which as of the date of this Statement of Charges totals $830.40.

4.6 Respondents R. Todd Jensen, P.C. and R. Todd Jensen pay the Department's costs and expenses for prosecuting violations of the Act in an amount to be determined at hearing or by Declaration with supporting documentation in event of default by Respondent.

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V. AUTHORITY AND PROCEDURE

This Statement of Charges 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 31st day of January, 2017.

/s/_____
CHARLES E. CLARK
Director, Division of Consumer Services
Department of Financial Institutions

Presented by:

_/s/_____
ROBERT E. JONES
Financial Legal Examiner

Approved by:

_/s/_____
STEVEN C. SHERMAN
Enforcement Chief