

ORDER SUMMARY – Case Number: C-18-2544

Name(s): Russell Roger Henry d/b/a Home Finance; Mr. Russell Roger Henry

Order Number: C-18-2544-19-CO01

Effective Date: January 24, 2019

License Number: 362697, 118220
Or NMLS Identifier [U/L]

License Effect: Expired

Not Apply Until: _____

Not Eligible Until: _____

Prohibition/Ban Until: Permanent

Investigation Costs	\$		Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Cost of Prosecution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
	No. of Victims:			

Comments: _____

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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-18-2544-19-CO01

CONSENT ORDER

RUSSELL ROGER HENRY D/B/A
HOME FINANCE, NMLS # 362697,
RUSSELL R. HENRY, NMLS # 118220,

Respondents.

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COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, Russell Roger Henry d/b/a Home Finance (Respondent Home Finance), and Russell R. Henry (Respondent Henry) owner and designated broker of Respondent Home Finance (collectively, 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), the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

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FINDINGS OF FACT

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1.1 Respondent Home Finance was approved for a mortgage broker license by the State of Washington Department of Financial Institutions (Department) on or about May 25, 2012. Respondent Home Finance's mortgage broker license expired on or about December 31, 2018.

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1.2 Respondent Henry was approved for a loan originator license by the Department on or about January 1, 2007. Respondent Henry was owner and designated broker of Respondent Home Finance at all times relevant to this Consent Order. Respondent Henry's loan originator license expired on or about December 31, 2018.

1 **1.3 2017 Consent Order.** On or about March 8, 2017, the Department and Respondents agreed
2 to the entry of Consent Order No. C-16-1858-17-CO01 (2017 Consent Order) to resolve violations of
3 the Act alleged to have been committed by Respondents in Statement of Charges No. C-16-1858-16-
4 SC01.

5 **1.4 Stayed Sanctions.** Pursuant to the 2017 Consent Order, Respondents' mortgage broker and
6 loan originator licenses were revoked, Respondents were prohibited from participating in the
7 mortgage broker industry for five years, and Respondents entered a confession of judgment for a fine
8 in the amount of \$15,000. The revocation of Respondents' licenses and the prohibition of
9 Respondents from the mortgage broker industry, were stayed contingent upon Respondents'
10 compliance with the terms of the 2017 Consent Order.

11 **1.5 Lifting of Stayed Sanctions.** Pursuant to the 2017 Consent Order, the Department was
12 authorized to seek to lift the stayed license revocations and prohibitions and impose the sanctions if:
13 (1) the Department determined that at any time within the three year period following entry of the
14 2017 Consent Order, Respondents violated any of the following: RCW 19.146.0201, RCW
15 19.146.030, RCW 19.146.050, RCW 19.146.060, WAC 208-660-400, or WAC 208-660-450; or (2)
16 Respondents did not pay the fine due pursuant to the confession of judgment within thirty (30)
17 months following entry of the 2017 Consent Order.

18 **1.6 Compliance Examinations.** Pursuant to the 2017 Consent Order, the Department was
19 authorized to conduct up to two compliance examinations of Respondents within the three year
20 period following entry of the 2017 Consent Order. Between on or about May 18, 2018, and May 23,
21 2018, the Department conducted a compliance examination of Respondents. As a result of the
22 examination the Department determined that Respondents had violated RCW 19.146.0201, RCW
23 19.146.030, RCW 19.146.060, WAC 208-660-400, and WAC 208-660-450.

1 **CONCLUSIONS OF LAW**

2 Based on the Findings of Fact, Respondents are not in compliance with the terms of the 2017
3 Consent Order and are subject to the lifting of the stayed sanctions against Respondents and
4 imposition of Respondents’ mortgage broker and loan originator license revocations and prohibitions
5 of Respondents from the mortgage broker industry.

6 **AGREEMENT AND ORDER**

7 The Department and Respondents have agreed upon a basis for resolution of the Findings of
8 Fact and Conclusions of Law identified in this Consent Order. Pursuant to chapter RCW 19.146.218
9 and RCW 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the
10 Department’s entry of this Consent Order, and Respondents hereby admit the Findings of Fact and
11 Conclusions of Law identified in this Consent Order.

12 Based upon the foregoing:

13 **A. Lifting of Stayed Sanctions.** It is AGREED that the Department has sufficient basis and
14 authority to lift the stayed sanctions ordered by the 2017 Consent Order and impose them against
15 Respondents. It is further AGREED that the Department will not seek to lift the stayed sanctions and
16 impose them against Respondents in consideration of Respondents’ agreement to the terms of this
17 Consent Order.

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

20 **C. Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
21 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
22 administrative and judicial review of the issues raised in this matter, or of the resolution reached
23 herein.

1 **D. Mortgage Broker License Expiration.** It is AGREED that Respondent Home Finance’s
2 mortgage broker license expired effective December 31, 2018, and Respondent Home Finance does
3 not currently hold a mortgage broker license.

4 **E. Loan Originator License Expiration.** It is AGREED that Respondent Henry’s loan
5 originator license expired effective December 31, 2018, and Respondent Henry does not currently
6 hold a loan originator license.

7 **F. Prohibition from Industry.** It is AGREED that upon entry of this Consent Order,
8 Respondents are permanently prohibited from participating, in any capacity, in the conduct of the
9 affairs of any mortgage broker or consumer loan company licensed by the Department or subject to
10 licensure or regulation by the Department. This prohibition applies only to conduct under the
11 Department’s regulatory authority.

12 **G. Confession of Judgment for Fine.** It is AGREED that the Department will not attempt
13 to collect the unpaid fine of \$15,000 under the 2017 Consent Order so long as Respondents remain in
14 compliance with the terms of this Consent Order.

15 **H. Records Retention.** It is AGREED that Respondent Home Finance, its officers,
16 employees, and agents shall maintain records in compliance with the Act and provide the Director
17 with the location of the books, records and other information relating to Respondent Home Finance’s
18 mortgage broker business, and the name, address and telephone number of the individual responsible
19 for maintenance of such records in compliance with the Act.

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

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

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

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

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10 **RESPONDENTS:**

11 Russell Roger Henry d/b/a Home Finance
12 By:

13 /s/_____
14 Russell R. Henry
15 Owner and Designated Broker

1-22-2019
Date

16 /s/_____
17 Russell R. Henry
18 Individually

1-22-2019
Date

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 24th DAY OF January, 2019.

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

Presented by:

/s/
KENNETH J. SUGIMOTO
Financial Legal Examiner

Approved by:

/s/
STEVEN C. SHERMAN
Enforcement Chief