

ORDER SUMMARY
Consumer Services Division Case Number C-20-2842

Consent Orders resolve investigations. In these, companies and individuals work with us to agree to terms that resolve the issues in the investigation.

Names	Prestige Mortgage Services, Inc. (NMLS #14216) Ivan Ephraim Jensen (NMLS #22388)
Order Number	C-20-2842-23-CO01
Date issued	October 17, 2023

What does this Consent Order require?

- Must pay a fine of \$10,300.00. *This fine is stayed (doesn't have to be paid) until December 31, 2025, as long as Respondents comply with the order. The fine goes away on that date if Respondents have complied.*
- Must pay an investigation fee of \$1,198.80. (Investigation fees cover the cost of DFI staff time working on the investigation.)
- Respondents aren't allowed to participate in mortgage broker or consumer loan activity in Washington until December 31, 2025.
- Respondents can't apply to DFI for any license until December 31, 2025.
- Respondent Prestige Mortgage Services Inc.'s Mortgage Broker License is to be surrendered by December 31, 2023.
- Must cease and desist any and all violations of the Mortgage Broker Practices Act.
- Respondents will conduct an orderly wind down of their mortgage broker business, ceasing all operations by December 31, 2023, and will provide all necessary paperwork and amounts due upon closure.

Need more information?

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or cseforcecomplaints@dfi.wa.gov. *Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.*

1 **STATE OF WASHINGTON**
2 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
3 **DIVISION OF CONSUMER SERVICES**

4 IN THE MATTER OF DETERMINING:
5 Whether there has been a violation of the
6 Mortgage Broker Practices Act of Washington by:

No.: C-20-2842-23-CO01

7 **CONSENT ORDER**

8 **PRESTIGE MORTGAGE SERVICES, INC.,**
9 **NMLS No. 14216,**
10 **and**
11 **IVAN EPHRAIM JENSEN, Designated Broker,**
12 **President, and Owner, NMLS No. 22388,**

13 **Respondents.**

14 COMES NOW the Director of the Department of Financial Institutions (Director), through his
15 designee Ali Higgs, Acting Division of Consumer Services Director, and Prestige Mortgage Services,
16 Inc. (Respondent Prestige) and Ivan Ephraim Jensen (Respondent Jensen), and finding that the issues
17 raised in the above-captioned matter may be economically and efficiently settled, agree to the entry
18 of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of the Revised Code
19 of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based upon the
20 following:

21 **AGREEMENT AND ORDER**

22 The Department of Financial Institutions' Division of Consumer Services (Department) and
23 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges
24 No. C-20-2842-23-SC01 (Statement of Charges), entered March 29, 2023 (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.

1 Based upon the foregoing:

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

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

9 **C. Cease and Desist.** It is AGREED that Respondents shall cease and desist any and all
10 violations of the Act.

11 **D. Business Wind Down.** It is AGREED that Respondents shall conduct an orderly wind
12 down of Respondents' mortgage broker business. Respondents shall cease all operations no later
13 than December 31, 2023. It is FURTHER AGREED, Respondents shall provide the Department with
14 all necessary closure paperwork, and pay any annual assessments, or other amounts due to the
15 Department upon closure.

16 **E. Mortgage Broker License Surrender.** It is AGREED that Respondent Prestige's
17 Mortgage Broker License shall be surrendered no later than December 31, 2023.

18 **F. Prohibition from Industry.** It is AGREED that, for a period of two (2) years from
19 December 31, 2023, Respondents are prohibited from participating, in any capacity, in the conduct of
20 the affairs of any mortgage broker or consumer loan company licensed by the Department or subject
21 to licensure or regulation by the Department.

22 **G. Application for License.** It is AGREED that, for a period of two (2) years from
23 December 31, 2023, Respondents shall not apply to the Department for any license under any name.

1 It is further AGREED that, should Respondents apply to the Department for any license under any
2 name at any time later than two (2) years from December 31, 2023, such applying Respondents shall
3 be required to meet any and all application requirements in effect at that time.

4 **H. Fine and Stayed Fine.** It is AGREED and ORDERED that Respondents shall jointly and
5 severally pay a fine to the Department in the amount of \$10,300.00. It is FURTHER AGREED that
6 \$10,300.00 of the fine shall be stayed (Stayed Fine) for two (2) years from December 31, 2023,
7 contingent upon Respondents' compliance with this Consent Order. It is FURTHER AGREED that
8 the stay may be lifted and the Stayed Fine imposed in accordance with the terms stated in Paragraph

9 I. Absent any action by the Department to lift the Stayed Fine pursuant to Paragraph I, Respondents'
10 obligation to pay the Stayed Fine shall be vacated two (2) years from December 31, 2023, without
11 further action or notice by the Department.

12 **I. Lifting of Stay and Imposing Stayed Fine.** It is AGREED that:

- 13 1. If the Department determines that Respondents have not complied with
14 the terms of this Consent Order, and the Department accordingly seeks to
15 lift the stay and impose the Stayed Fine set forth in Paragraph H above,
the Department will first notify Respondents in writing of its
determination.
- 16 2. The Department's notification will include:
- 17 a) A description of the alleged noncompliance;
- 18 b) A statement that because of the noncompliance, the Department
seeks to lift the stay and impose the Stayed Fine;
- 19 c) The opportunity for Respondents to contest the Department's
20 determination of noncompliance in an administrative hearing
before an Administrative Law Judge (ALJ) of the Office of
21 Administrative Hearings (OAH); and
- 22 d) A copy of this Consent Order. The notification and hearing
23 process provided in this Consent Order applies only to this
Consent Order. It is solely provided in the event Respondents

1 choose to contest the Department's determination of
2 noncompliance.

- 3 3. Respondents will be afforded twenty (20) business days from the date of
4 receipt of the Department's notification to submit a written request to the
5 Department for an administrative hearing to be held before an ALJ from
6 the OAH.
- 7 4. Respondents, in addition to a request for hearing, may provide a written
8 response to include any information pertaining to the alleged
9 noncompliance.
- 10 5. The scope and issues of the hearing are limited solely to whether or not
11 Respondents are in violation of the terms of this Consent Order.
- 12 6. At the conclusion of the hearing, the ALJ will issue an initial decision.
13 Either party may file a Petition for Review with the Director of the
14 Department.
- 15 7. If Respondents do not request the hearing within the stated time, the
16 Department will impose the Stayed Fine and pursue whatever action it
17 deems necessary to enforce the Stayed Fine.

18 **J. Investigation Fee.** It is AGREED that Respondents shall jointly and severally pay to the
19 Department an investigation fee of \$1,198.80, in the form of a cashier's check made payable to the
20 "Washington State Treasurer," upon delivery of this Consent Order to the Department, properly dated
21 and signed.

22 **K. Change of Address.** It is AGREED that for the duration of the period this Consent Order
23 is in effect, unless otherwise agreed to in writing by the Department, Respondents shall provide the
24 Department with a mailing address and telephone number at which Respondents can be contacted and
Respondents shall notify the Department in writing of any changes to their mailing address or
telephone number within fifteen days of any such change.

L. Records Retention. It is AGREED that Respondents, its officers, employees, and agents
shall maintain records in compliance with the Act and provide the Director with the location of the
books, records and other information relating to Respondents' mortgage broker business, and the

1 name, address and telephone number of the individual responsible for maintenance of such records in
2 compliance with the Act.

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

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

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

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

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

17 **RESPONDENTS:**

18
19 Prestige Mortgage Services, Inc., by:

20 

21 IVAN EPHRAIM JENSEN
22 Designated Broker, President, and Owner
of Prestige Mortgage Services, Inc.

10/2/23
Date

[Redacted]

10/2/23

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IVAN EPHRAIM JENSEN
Individually

Date

Approved for Entry:

[Redacted]

10/3/2023

Date

JOEL F. MURRAY, WSBA No. 44786
JFM Law
Attorney for Respondents

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 17 DAY OF OCTOBER, 2023.
~~SEPTEMBER~~



[Redacted]

ALI HIGGS, Acting Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

[Redacted]

AMANDA B. STARNES
Financial Legal Examiner

Approved by:

[Redacted]

JAMES R. BRUSSELBACK
Acting 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 PRESTIGE MORTGAGE SERVICES, INC.,
NMLS No. 14216,
6 and
7 IVAN EPHRAIM JENSEN, Designated Broker,
President, and Owner, NMLS No. 22388,

8 Respondents.

No. C-20-2842-23-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST, TAKE
AFFIRMATIVE ACTION, SUSPEND
LICENSE, IMPOSE FINE, COLLECT
INVESTIGATION FEE, and RECOVER
COSTS AND EXPENSES

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 (Act). After having conducted an
13 investigation pursuant to RCW 19.146.235, and based upon the facts available as of the date of this
14 Statement of Charges, the Director, through his designee, Division of Consumer Services Director
15 Lucinda Fazio, institutes this proceeding and finds as follows:

16 **I. FACTUAL ALLEGATIONS**

17 **1.1 Respondents.**

18 **A. Prestige Mortgage Services, Inc. (Respondent Prestige)** was licensed by the
19 Department of Financial Institutions of the State of Washington (Department) to conduct business as
20 a mortgage broker on or about January 21, 2004, and continues to be licensed to date.

21 **B. Ivan Ephraim Jensen (Respondent Jensen)** is Designated Broker, President, and
22 Owner of Respondent Prestige. Respondent Jensen was named Designated Broker of Respondent
23 Prestige on or about December 10, 2009, and continues to be Designated Broker to date. Respondent

1 Jensen was licensed by the Department to conduct business as a loan originator on or about
2 December 10, 2009, and continues to be licensed to date.

3 **1.2 2016 Examination.** The Department conducted an examination of Respondent Prestige’s
4 business in July 2016 (2016 Examination). The purpose of the 2016 Examination was to determine
5 Respondent Prestige’s compliance with the Act. During the 2016 Examination, the Department
6 identified at least fourteen violations of the Act. On or about August 8, 2016, the Department issued
7 a Report of Examination notifying Respondents of the violations and requesting corrective measures.
8 Multiple violations from the 2016 Examination, described in Paragraphs 1.5 through 1.7, and 1.12
9 below, recurred in two subsequent examinations.

10 **1.3 2019 Examination.** The Department conducted a compliance examination of Respondent
11 Prestige’s business in November 2019 (2019 Examination). During the 2019 Examination, the
12 Department reviewed a sample of loan files originated between July 1, 2017, and October 31, 2019,
13 and advertisements published around the time of the 2019 Examination. The Department identified
14 at least fourteen violations of the Act, including several repeat violations from the 2016 Examination.
15 On or about January 10, 2020, the Department issued a Report of Examination notifying Respondents
16 of the violations and requesting corrective measures. Multiple violations from the 2019 Examination,
17 described in Paragraphs 1.5 through 1.10 below, recurred in one subsequent examination.

18 **1.4 2022 Examination.** The Department conducted a compliance examination of Respondent
19 Prestige’s business in November 2022 (2022 Examination). During the 2022 Examination, the
20 Department reviewed a sample of loan files originated between July 1, 2020, and October 31, 2022,
21 and advertisements published around the time of the 2022 Examination. The Department identified
22 at least fourteen violations of the Act, including several repeat violations from the 2016 and 2019
23 Examinations. On or about February 9, 2023, the Department issued a Report of Examination
24 notifying Respondent of the violations described in Paragraphs 1.5 through 1.14 below.

1 **1.5 Advertised Using Prohibited Language.** On at least twenty-three (23) occasions between
2 July 1, 2017, and October 31, 2022¹, Respondents used misleading or deceptive statements while
3 advertising at <https://www.lender411.com/id/jennifert/>, www.prestigemortgage.proiwebsites.com,
4 www.oregonmortgagerates.com, www.jeffreybeard.com, www.yelp.com,
5 www.edgewaterfinancialmortgage.com, www.edgewater-financial.com, and
6 www.prestigemortgage.../PortlandPros. These included statements that Respondent Prestige: (1)
7 provided the “best rates” or “lowest rates,” (2) provided the “best loans,” (3) provided the “best deal,”
8 (4) did not charge for fees for credit reports, origination or processing when Respondent Prestige did
9 charge such fees, (5) offered the only zero-down loan program, which is not true, and (6) closed most
10 loans in less than 30 days when most loans closed in more than 30 days. The Department first
11 identified this type of violation in the 2016 Examination and requested corrective measures. This
12 repeat violation was found in the 2019 and 2022 Examinations.

13 **1.6 Advertised without Displaying Information as Required.** On at least thirty-nine (39)
14 occasions between July 1, 2017, and October 31, 2022, Respondents advertised at
15 www.prestigemortgage.proiwebsites.com, www.emilysloans.com, www.facebook.com,
16 www.youtube.com, www.prestigemortgage.../PrestigeOfficers,
17 www.edgewaterfinancialmortgage.com, www.edgewater-financial.com, and
18 www.zillow.com/.../user72053402 without displaying required information. These omissions
19 included: (1) Displaying the names of mortgage loan originators (MLOs) without displaying the
20 MLOs’ license numbers or without each MLO’s license number closely following the MLO’s name,
21 (2) publishing advertisements that did not disclose Respondent Prestige’s licensed company name or
22 license number, and (3) publishing a website that did not include a link to the Nationwide Multistate
23

24 ¹ This date range reflects the period under review for the Department’s 2019 and 2022 Examinations.

1 Licensing System (NMLS) Consumer Access web page on the website's homepage. The Department
2 first identified this type of violation in the 2016 Examination and requested corrective measures.

3 This repeat violation was discovered during the 2019 and 2022 Examinations.

4 **1.7 Provided Loan Estimate with Incomplete and Inaccurate Information.** On at least four
5 (4) occasions between July 1, 2017, and October 31, 2022, Respondents provided a Loan Estimate to
6 a borrower that did not disclose the correct lender, the date when the estimate of closing costs
7 expired, and information about assumption of the loan, late payments, and transfer of servicing. The
8 Department first identified this type of violation in the 2016 Examination and requested corrective
9 measures. This repeat violation was discovered during the 2019 and 2022 Examinations.

10 **1.8 Provided an Incomplete or Inaccurate Rate Lock Agreement.** On at least fifteen (15)
11 occasions between July 1, 2017, and October 31, 2022, Respondents provided borrowers with rate
12 lock agreements that did not disclose all information as required. The information omitted from the
13 rate lock agreements included: (1) whether the lock was guaranteed, (2) the duration of the lock
14 period, (3) whether there was a fee to lock in the rate, and (4) for an adjustable rate mortgage, an
15 explanation of the index type, the margin, the maximum interest rate, and the date of the first rate
16 adjustment. The Department first identified this type of violation in the 2019 Examination and
17 requested corrective measures. This repeat violation was discovered during the 2022 Examination.

18 **1.9 Provided an Incomplete or Inaccurate Anti-Steering Disclosure.** On least nine (9)
19 occasions between July 1, 2017, and October 31, 2022, Respondents failed to provide borrowers with
20 an anti-steering loan disclosure that provided the borrower with three different loan options. The
21 Department first identified this type of violation in the 2019 Examination and requested corrective
22 measures. This repeat violation was discovered during the 2022 Examination.

23 **1.10 Provided Washington Notices on Borrower Paid Services Untimely.** On at least four (4)
24 occasions between July 1, 2017, and October 31, 2022, Respondents did not provide a borrower with

1 the following written notices within three days after receipt of the borrower’s loan application: (1) if
2 the borrower is unable to obtain a loan for any reason, the mortgage broker must, within five days of
3 a written request by the borrower, give copies of the appraisal, title report, or credit report paid for by
4 the borrower to the borrower and transmit them as directed by the borrower and (2) moneys paid by
5 the borrower to the mortgage broker for third-party provide service are held in a trust account and any
6 moneys remaining after payment to third-party provides will be refunded. The Department first
7 identified this type of violation in the 2019 Examination and requested corrective measures. This
8 repeat violation was discovered during the 2022 Examination.

9 **1.11 Failed to Use a Licensed Third-Party Processing Company.** On at least four (4) occasions
10 between July 1, 2020, and October 31, 2022², Respondents engaged SSP Services, LLC, for
11 processing services. SSP Services, LLC is not licensed with the Department as a Mortgage Broker or
12 a Consumer Loan company. This violation was discovered during the 2022 Examination.

13 **1.12 Failed to Provide a Complete and Accurate Privacy Policy.** On at least three (3) occasions
14 between July 1, 2020, and October 31, 2022, Respondents provided borrowers with an incomplete or
15 inaccurate privacy policy. The information omitted from the privacy policy included: (1) required
16 items in the “What?” box, (2) a complete the “Reasons we can share…” table, (3) a phone number or
17 website in the “Questions?” box, (4) the required general statement describing, “How does
18 PRESTIGE HOME MORTGAGE collect my personal information?,” and (5) a complete
19 “Definitions” section. The Department first identified this type of violation in the 2016 Examination
20 and requested corrective measures. This repeat violation was discovered during the 2022
21 Examination.

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23
24 ² This date range reflects the period under review for the Department’s 2022 Examination.

1 **1.13 Failure to Adhere to Zero Tolerance Limit.** On at least one (1) occasion between July 1,
2 2020, and October 31, 2022, Respondents disclosed a \$650.00 appraisal fee on the borrower's Loan
3 Estimate. However, the Closing Disclosure showed Respondents charged the borrower an increased
4 appraisal fee of \$950.00. This violation was discovered during the 2022 Examination.

5 **1.14 Failure to Adhere to Loan Originator Compensation Rule.** On at least one (1) occasion
6 between July 1, 2020, and October 31, 2022, Respondents varied the loan originator compensation
7 amount based upon a term of the loan, which resulted in Respondents receiving an additional \$1,425
8 in compensation. This violation was discovered during the 2022 Examination.

9 **1.15 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 Responsibility for Conduct of Loan Originators.** Pursuant to RCW 19.146.245, a licensed
13 mortgage broker is liable for any conduct violating the Act by the designated broker, an MLO, or
14 other licensed mortgage broker while employed or engaged by the licensed mortgage broker.

15 **2.2 Responsibility of Designated Broker.** Pursuant to RCW 19.146.200(3), every licensed
16 mortgage broker must at all times have a designate broker responsible for all activities of the
17 mortgage broker in conducting the business of a mortgage broker. A designated broker is responsible
18 for a licensee's, employee's, or independent contractor's violations of the Act if: the designated
19 broker directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows
20 the conduct; or the designated broker owner, who has supervisory authority over the licensed
21 mortgage broker, knows or by the exercise of reasonable care and inquiry should have known of the
22 conduct, at a time when its consequences can be avoided or mitigated and fails to take reasonable
23 remedial action.

1 **2.3 Responsibility for Conduct of Independent Contractors.** Pursuant to WAC 208-660-
2 155(4) a licensed mortgage broker is responsible for any conduct violating the act or rules by any
3 person employed by, or engaged as an independent contractor, to work in the business covered by
4 their mortgage broker license.

5 **2.4 Definition of Borrower.** Pursuant to RCW 19.146.010(2), “Borrower” means any person
6 who consults with or retains a mortgage broker or loan originator in an effort to obtain or seek advice
7 or information on obtaining or applying to obtain a residential mortgage loan, or residential mortgage
8 loan modification, for himself, herself, or persons including himself or herself, regardless of whether
9 the person actually obtains such a loan.

10 **2.5 Definition of License Number.** Pursuant to WAC 208-660-006, “License Number” means
11 NMLS unique identifier displayed as prescribed by the Director.

12 **2.6 Prohibition against Deceptive Advertising.** Based upon the Factual Allegations set forth in
13 Section I above, Respondents are in apparent violation of RCW 19.146.0201(2) and (7) and WAC
14 208-660-440(3) and (7) for engaging in an unfair or deceptive practice toward any person and
15 making, in any manner, any false or deceptive statement or representation with regard to the rates,
16 point, or other financing terms or conditions for a residential mortgage loan or engaging in bait and
17 switch advertising.

18 **2.7 Requirement to Disclose Certain Information in Advertisements.** Based upon the Factual
19 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
20 19.146.0201(2), WAC 208-660-446(1), (3), and (4), and WAC 208-660-350(23) for failing to include
21 a link to the company’s NMLS consumer access website page on any MLO’s primary landing page,
22 MLOs’ license numbers closely following MLOs’ names in advertisements, and the company’s
23 licensed name or license number when using a trade name.

1 **2.8 Requirement to Provide to Disclose Certain Information in Loan Estimate.** Based upon
2 the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
3 19.146.0201(6) and (11), 12 C.F.R. § 1026.19(e)(1), and 12 C.F.R. § 1026.37(a)(3) and (13), (k)(1),
4 and (m)(2), (4), and (6) for failing to provide a borrower with a Loan Estimate completed as required.

5 **2.9 Requirement to Provide Complete Rate Lock Agreements.** Based upon the Factual
6 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
7 19.146.030(2)(c) and WAC 208-660-430(3)(c) (2019)³ for not providing borrowers with a written
8 disclosure stating the cost, terms, duration, and conditions of the agreement, including whether the
9 rate lock is guaranteed.

10 **2.10 Requirement to Provide Adequate Anti-Steering Disclosure.** Based upon the Factual
11 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
12 19.146.0201(11) and 12 C.F.R. § 1026.36(e) for not providing borrowers with loan options that
13 include the three loan options described in § 1026.36(e)(3).

14 **2.11 Requirement to Provide Washington Notice on Borrower Paid Services.** Based upon the
15 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
16 19.146.030(1) and (2)(d) and (f) for not providing borrowers with written notices within three
17 business days of receipt of a full loan application as required.

18 **2.12 Requirement to Use Licensed Third-Party Loan Processor.** Based upon the Factual
19 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
20 19.146.0201(2) and WAC 208-660-300(13) for using an unlicensed third-party loan processor.

21 **2.13 Requirement to Provide a Complete and Accurate Privacy Policy.** Based upon the
22 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
23

24 ³ WAC 208-660-430(3)(c) was amended effective November 24, 2019.

1 19.146.0201(11) and 12 C.F.R. § 1016.4(a), (c)(1) and (2) by failing to provide borrowers with a
2 complete and accurate privacy policy consistent with 12 C.F.R Part 1016, Appendix A.

3 **2.14 Requirement to Adhere to Tolerance Limits.** Based upon the Factual Allegations set forth
4 in Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 C.F.R. §
5 1026.19(e) by charging the borrower an increased appraisal fee in violation of the zero percent
6 tolerance limit for third-party fees the borrower cannot shop for and fees retained by the creditor or
7 an affiliate.

8 **2.15 Requirement to Adhere to Loan Originator Compensation Rules.** Based upon the Factual
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW
10 19.146.0201(11) and 12 C.F.R. § 1026.36(d)(1) by calculating the loan originator compensation
11 based upon a term of the loan.

12 III. AUTHORITY TO IMPOSE SANCTIONS

13 **3.1 Authority to Issue an Order to Cease and Desist and Take Affirmative Action.** Pursuant
14 to RCW 19.146.220(3), the Director may issue orders directing a licensee, its employee, loan
15 originator, independent contractor, agent, or other person subject to the Act to cease and desist from
16 conducting business or take such other affirmative action as is necessary to comply with this chapter.

17 **3.2 Authority to Suspend License.** Pursuant to RCW 19.146.220(2), the Director may suspend
18 licenses for any violation of the Act.

19 **3.3 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.

21 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
22 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour
23 for an examiner's time devoted to an investigation.

1 **3.5 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
2 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

8 **4.1** Respondents Prestige Mortgage Services, Inc. and Ivan Ephraim Jensen cease and
9 desist from:

- 10 A. Advertising in a manner that violates the Act and chapter 208-660 WAC.
11 B. Providing disclosures to borrowers that are incomplete, inaccurate, or untimely.
12 C. Using unlicensed third-party loan processors in violation of the Act and chapter
13 208-660 WAC.

14 **4.2** Respondents Prestige Mortgage Services, Inc. and Ivan Ephraim Jensen take the
15 following affirmative action:

- 16 A. Maintain complete, accurate and current books and records that are readily
17 available at a location available to the Director.
18 B. Implement appropriate policies and procedures to ensure Respondents advertise in
19 compliance with the Act.
20 C. Implement appropriate internal controls and procedures to ensure Respondents
21 provide borrowers with complete, accurate, and timely disclosures.

22 **4.3** Respondent Prestige Mortgage Services, Inc.'s license to conduct the business of a
23 mortgage broker be suspended for two (2) years.

24 **4.4** Respondents Prestige Mortgage Services, Inc. and Ivan Ephraim Jensen pay a fine. As
of the date of this Statement of Charges, the fine totals \$10,300.00.

4.5 Respondents Prestige Mortgage Services, Inc. and Ivan Ephraim Jensen pay an
investigation fee. As of the date of this Statement of Charges, the investigation fee
totals \$2,397.60.

4.6 Respondents Prestige Mortgage Services Inc. and Ivan Ephraim 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 Respondents.

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 29th day of MARCH, 2023.



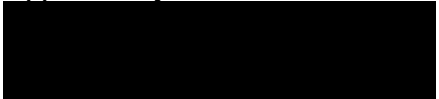
13 LUCINDA FAZIO, Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:



17 AMANDA B. STARNES
18 Financial Legal Examiner

19 Approved by:



20 JACK McCLELLAN
21 Enforcement Chief