

**ORDER SUMMARY**  
**Consumer Services Division Case Number C-22-3442**

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

<b>Names</b>	Solamere Mortgage, LLC, NMLS # 1453774 Brent Peterson, NMLS # 156879 Peterson Funding, LLC, NMLS # 845088 Jonathan Hanks Baird, NMLS # 156883
<b>Order Number</b>	C-22-3442-23-CO01
<b>Date issued</b>	May 10, 2023

**What does this Consent Order require?**

- Must pay a fine of \$3,150.00. *This fine is paid.*
- Must pay an investigation fee of \$720.00 (Investigation fees cover the cost of DFI staff time working on the investigation.) *This fee is paid.*
- Respondents aren't allowed to participate in mortgage brokering or consumer lending in Washington until May 10, 2025.
- Respondents agree to not apply for a license in Washington under any name until May 10, 2025.
- Solamere Mortgage, LLC surrendered their mortgage broker license.

**Need more information?**

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or [cseforcecomplaints@dfi.wa.gov](mailto: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.*

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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

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

No.: C-22-3442-23-CO01

CONSENT ORDER

SOLAMERE MORTGAGE, LLC, NMLS #  
1453774,  
PETERSON FUNDING, LLC, NMLS # 845088,  
JONATHAN HANKS BAIRD, President and  
Owner of Solamere Mortgage, LLC, and Owner  
of Peterson Funding, LLC, NMLS # 156883, and  
BRENT PETERSON, Owner of Solamere  
Mortgage, LLC, and Peterson Funding, LLC,  
NMLS # 156879,

Respondents.

COMES NOW the Director of the Department of Financial Institutions (Director), through his  
designee, Division of Consumer Services Director, Lucinda Fazio, and Solamere Mortgage, LLC  
(Respondent Solamere), Peterson Funding, LLC (Respondent Peterson Funding), Jonathan Hanks  
Baird, President and Owner of Respondent Solamere and Owner of Respondent Peterson Funding  
(Respondent Baird), and Brent Peterson, Owner of Respondent Solamere and Respondent Peterson  
Funding (Respondent Peterson), 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 upon 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-22-3442-23-SC01 (Statement of Charges), entered March 10, 2023, (copy attached hereto).

1 Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of  
2 the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this  
3 Consent Order and further agree that the issues raised in the above-captioned matter may be  
4 economically and efficiently settled by entry of this Consent Order. The parties intend this Consent  
5 Order to fully resolve the Statement of Charges.

6 Based upon the foregoing:

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

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

13 **C. Mortgage Broker License Surrender.** It is AGREED that Respondent Solamere's  
14 mortgage broker license is surrendered.

15 **D. Prohibition from Industry.** It is AGREED that, for a period of two (2) years from the  
16 date of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in  
17 the conduct of the affairs of any mortgage broker or consumer loan company licensed by the  
18 Department or subject to licensure or regulation by the Department.

19 **E. Application for License.** It is AGREED that, for a period of two (2) years from the date  
20 of entry of this Consent Order, Respondents shall not apply to the Department for any license under  
21 any name. It is further AGREED that, should Respondents apply to the Department for any license  
22 under any name at any time later than two (2) years from the date of entry of this Consent Order, such  
23 applying Respondents shall be required to meet any and all application requirements in effect at that  
24 time.

1           **F. Fine.** It is AGREED that Respondents shall jointly and severally pay a fine to the  
2 Department in the amount of \$3,150.00, in the form of a cashier's check made payable to the  
3 "Washington State Treasurer," upon delivery of this Consent Order to the Department, properly dated  
4 and signed.

5           **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an  
6 investigation fee of \$720.00, in the form of a cashier's check made payable to the "Washington State  
7 Treasurer," upon delivery of this Consent Order to the Department, properly dated and signed. The  
8 Fine and Investigation Fee may be paid together in one \$3,870.00 cashier's check made payable to  
9 the "Washington State Treasurer."

10           **H. Records Retention.** It is AGREED that Respondents, its officers, employees, and agents  
11 shall maintain records in compliance with the Act and provide the Director with the location of the  
12 books, records and other information relating to Respondents' mortgage broker business, and the  
13 name, address and telephone number of the individual responsible for maintenance of such records in  
14 compliance with the Act.

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

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


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

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


5           **RESPONDENTS:**

6 Solamere Mortgage, LLC  
7 Peterson Funding, LLC  
8 Jonathan Hanks Baird  
9 Brent Peterson

10 By:

11   
12 Jonathan Hanks Baird  
13 President and Owner of Solamere Mortgage, LLC  
14 and Owner of Peterson Funding, LLC


11 April 18, 2023  
12 Date

13   
14 Brent Peterson  
15 Owner of Solamere Mortgage, LLC  
16 and Owner of Peterson Funding, LLC

14 April 18, 2023  
15 Date

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18 Jonathan Hanks Baird  
19 Individually

18 April 18, 2023  
19 Date

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21 Brent Peterson  
22 Individually

21 April 18, 2023  
22 Date


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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 10th DAY OF May, 2023.



  
LUCINDA FAZIO, Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:


AMANDA B. STARNES  
Financial Legal Examiner

Approved by:



JACK McCLELLAN  
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 SOLAMERE MORTGAGE, LLC, NMLS #  
1453774,  
6 PETERSON FUNDING, LLC, NMLS # 845088,  
JONATHAN HANKS BAIRD, President and  
7 Owner of Solamere Mortgage, LLC, and Owner  
of Peterson Funding, LLC, NMLS # 156883, and  
8 BRENT PETERSON, Owner of Solamere  
Mortgage, LLC, and Peterson Funding, LLC,  
9 NMLS # 156879,

10 Respondents.

No. C-22-3442-23-SC01

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

11 **INTRODUCTION**

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

18 **I. FACTUAL ALLEGATIONS**

19 **1.1 Respondents.**

20 **A. Solamere Mortgage, LLC** (Respondent Solamere) was licensed by the Department of  
21 Financial Institutions of the State of Washington (Department) to conduct business as a mortgage  
22 broker on or about April 12, 2021. As of the date of this Statement of Charges, Respondent  
23 Solamere's 2023 license renewal is on hold.

1           **B.     Peterson Funding, LLC** (Respondent Peterson Funding) has never been licensed by  
2 the Department to conduct business as a mortgage broker.

3           **C.     Jonathan Hanks Baird** (Respondent Baird) is President and Owner of Respondent  
4 Solamere and Owner of Respondent Peterson Funding. Respondent Baird was licensed by the  
5 Department to conduct business as a loan originator on or about May 21, 2021, and continues to be  
6 licensed to date.

7           **D.     Brent Peterson** (Respondent Peterson) is Owner of Respondent Solamere and Owner  
8 of Respondent Peterson Funding. Respondent Peterson has never been licensed by the Department to  
9 conduct business as a loan originator.

10 **1.2    2022 Examination.** Between April 29, 2022, and May 18, 2022, the Department conducted  
11 an off-site initial compliance examination, which included a review of Respondent Solamere's  
12 business practices for the period of April 12, 2021, through April 30, 2022.

13 **1.3    Failure to Provide Notice of Loss of Designated Broker.**

14           A.     On or about March 30, 2021, Respondent Solamere requested sponsorship of  
15 mortgage loan originator Patty Basargin (Basargin) as Respondent Solamere's Designated Broker  
16 (DB) in the Nationwide Multistate Licensing System & Registry (NMLS). On or about April 12,  
17 2021, the Department approved Basargin's sponsorship. On or about June 17, 2021, Respondent  
18 Baird removed Basargin's sponsorship as DB in NMLS. Respondent Solamere did not notify the  
19 Department of the loss of DB Basargin. On or about August 31, 2021, Respondent Solamere  
20 requested sponsorship of Basargin as DB again. On or about September 18, 2021, the Department  
21 approved Basargin's sponsorship. Between June 17, 2021, and September 18, 2021, Respondent  
22 Solamere operated without a Designated Broker. On or about July 21, 2022, as part of the 2022  
23 Examination, the Department notified Respondents Solamere and Baird of the apparent violation.



1 B. On or about July 11, 2022, Basargin requested their sponsorship as DB for  
2 Respondent Solamere be removed via NMLS. Respondent Solamere did not notify the Department  
3 of the loss of DB Basargin. As of the date of this Statement of Charges, Respondent Solamere does  
4 not have a DB.

5 **1.4 Use of an Unlicensed Third-Party Processing Company.** During the 2022 Examination,  
6 the Department identified at least two (2) occasions where Respondent Solamere engaged  
7 Respondent Peterson Funding for loan processing services. Processors employed by Peterson  
8 Funding submitted files to underwriting, obtained credit checks, obtained loan approvals, and  
9 obtained title insurance for loans originated by Respondent Solamere. Respondent Peterson Funding  
10 is not licensed with the Department as a Mortgage Broker, and neither processor employed by  
11 Respondent Peterson Funding was licensed with the Department as a mortgage loan originator.  
12 During the 2022 Examination, Respondent Baird stated Respondent Solamere and Respondent  
13 Peterson Funding came into partnership, and admitted processors employed by Respondent Peterson  
14 Funding originated and processed loans for Respondent Solamere.

15 **1.5 On-Going Investigation.** The Department’s investigation into the alleged violations of the  
16 Act by Respondents continues to date.

## 17 II. GROUNDS FOR ENTRY OF ORDER

18 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14), “Mortgage broker”  
19 means any person who for direct or indirect compensation or gain, or in the expectation of direct or  
20 indirect compensation or gain (a) assists a person in obtaining or applying to obtain a residential  
21 mortgage loan or performs residential mortgage loan modification services or (b) holds himself or  
22 herself out as being able to assist a person in obtaining or applying to obtain a residential mortgage  
23 loan or provide residential mortgage loan modification services.

1 **2.2 Definition of Designated Broker.** Pursuant to RCW 19.146.010(5), "Designated broker"  
2 means an individual designated as the person responsible for activities of the licensed mortgage  
3 broker in conducting the business of a mortgage broker under this chapter and who meets the  
4 experience and examination requirements set forth in RCW 19.146.210(1)(e).

5 **2.3 Definition of Loan Processor.** Pursuant to RCW 19.146.010(12), "Loan processor" means  
6 an individual who performs clerical or support duties as an employee at the direction of and subject to  
7 the supervision and instruction of a person licensed, or exempt from licensing, under this chapter.

8 **2.4 Responsibility of Mortgage Broker.** Pursuant to RCW 19.146.245, a licensed mortgage  
9 broker is liable for any conduct violating this chapter by the designated broker, a loan originator, or  
10 other licensed mortgage broker while employed or engaged by the licensed mortgage broker.

11 **2.5 Responsibility of Principal or Owner.** Pursuant to RCW 19.146.200(3), a principal, or  
12 owner who has supervisory authority over a mortgage broker is responsible for a licensee's,  
13 employee's, or independent contractor's violations of the Act if: the principal, or owner directs or  
14 instructs the conduct or, with knowledge of the specific conduct, approves or allows the conduct; or  
15 the principal, or owner who has supervisory authority over the licensed mortgage broker knows or by  
16 the exercise of reasonable care and inquiry should have known of the conduct, at a time when its  
17 consequences can be avoided or mitigated and fails to take reasonable remedial action.

18 **2.6 Requirement to Maintain Designated Broker.** Based upon the Factual Allegations set forth  
19 in Section I above, Respondents Solamere, Baird, and Peterson are in apparent violation of RCW  
20 19.146.200(3) and WAC 208-660-180(1) for failing to have a designated broker for Respondent  
21 Solamere at all times.

22 **2.7 Requirement to Notify Department of Loss of Designated Broker.** Based upon the Factual  
23 Allegations set forth in Section I above, Respondents Solamere, Baird, and Peterson are in apparent  
24

1 violation of RCW 19.146.0201(2) and WAC 208-660-180(3) for failing to notify the Department  
2 within five days of the loss of Respondent Solamere's designated broker.

3 **2.8 Mortgage Broker License Requirement for Third-Party Loan Processor.** Pursuant to  
4 WAC 208-660-300(13) independent contractor loan processing companies must be licensed as a  
5 mortgage broker, have a designated broker, and have at least one licensed mortgage loan originator.  
6 Based upon the Factual Allegations set forth in Section I above, Respondent Peterson Funding is in  
7 apparent violation of RCW 19.146.200(1) and WAC 208-660-300(13) for providing third-party loan  
8 processing services without first obtaining and maintaining a mortgage broker license under the Act.

9 **2.9 Requirement to Use Licensed Third-Party Loan Processor.** Based upon the Factual  
10 Allegations set forth in Section I above, Respondents Solamere, Baird, and Peterson are in apparent  
11 violation of RCW 19.146.0201(2) and WAC 208-660-300(13) for failing to use a licensed third-party  
12 loan processor.

### 13 III. AUTHORITY TO IMPOSE SANCTIONS

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

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

20 **3.3 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may  
21 issue orders removing from office or prohibiting from participation in the conduct of the affairs of a  
22 licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed  
23 mortgage broker or any person subject to licensing under the Act for any violation of the Act.

1 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
2 against a licensee, employees, independent contractors, agents of licensees, or other persons subject  
3 to the Act for any violation of the Act.

4 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-  
5 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour  
6 for an examiner's time devoted to an investigation.

7 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director  
8 may recover the state's costs and expenses for prosecuting violations of the Act.

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

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

- 14 **4.1** Respondents Solamere Mortgage, LLC, Peterson Funding, LLC, Jonathan Hanks  
15 Baird, and Brent Peterson cease and desist any and all violations of the Act.
- 16 **4.2** Respondent Solamere Mortgage, LLC's license to conduct the business of a mortgage  
17 broker be suspended for two (2) years.
- 18 **4.3** Respondents Solamere Mortgage, LLC, Peterson Funding, LLC, Jonathan Hanks  
19 Baird, and Brent Peterson be prohibited from participation in the conduct of the affairs  
20 of any mortgage broker subject to licensure by the Director, in any manner, for a  
21 period of two (2) years.
- 22 **4.4** Respondents Solamere Mortgage, LLC, Jonathan Hanks Baird, and Brent Peterson  
23 jointly and severally pay a fine. As of the date of this Statement of Charges, the fine  
24 totals \$3,225.00.
- 4.5** Respondents Peterson Funding, LLC, Jonathan Hanks Baird, and Brent Peterson  
jointly and severally pay a fine. As of the date of this Statement of Charges, the fine  
totals \$1,500.00.

