

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

**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:

JIM R. MASSEY,
Loan Originator,

Respondent.

NO. C-08-199-09-CO01

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Jim R. Massey (hereinafter Respondent), and finding that the issues raised in the 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 Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-08-199-08-SC01 (Statement of Charges), entered July 16, 2008, (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, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees that the issues raised in the above captioned matter may be economically and efficiently settled by entry of this Consent Order. Respondent is agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER
C-08-199-09-CO01
JIM R. MASSEY

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a
5 hearing before an administrative law judge, and that he has waived his right to a hearing and any and all
6 administrative and judicial reviews of the issues raised in this matter, or of the resolution reached herein.
7 Accordingly, Respondent agrees to withdraw his appeal and to inform the Office of Administrative
8 Hearings in writing of the withdrawal.
9

10 C. **No Admission of Wrongdoing.** It is AGREED that the Respondent admits no violations of
11 the Act by entry of this Consent Order and that no such conclusion should be inferred from its entry.

12 D. **Fine.** It is AGREED that no fine shall be imposed.

13 E. **Suspension.** It is AGREED that no license suspension shall be imposed.

14 F. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
15 investigation fee of \$528 in the form of a cashier's check made payable to the "Washington State
16 Treasurer" upon entry of this Consent Order.

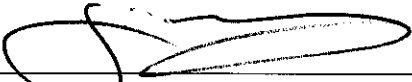
17 G. **Non-Compliance with Order.** It is AGREED that Respondent understands that failure to
18 abide by the terms and conditions of this Consent Order may result in further legal action by the
19 Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
20 for the cost incurred in pursuing such action, including but not limited to, attorney fees.
21

22 H. **Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily
23 entered into this Consent Order, which is effective when signed by the Director's designee.
24
25

1 I. Completely Read, Understood, and Agreed. It is AGREED that Respondent has read this
2 Consent Order in its entirety and fully understands and agrees to all of the same.


3 **RESPONDENT:**

4 **JIM R. MASSEY**

5
6 
Jim R. Massey

3/11/09
Date

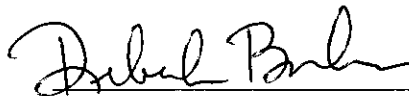
7 Approved for Entry:

8
9 
10 Steven M. Bobman, WSBA #9045
Attorney for Respondent

3/11/09
Date

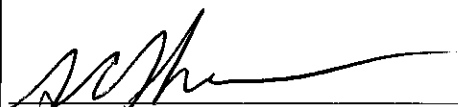
11 **DO NOT WRITE BELOW THIS LINE**

12 THIS ORDER ENTERED THIS 3rd DAY OF April, 2009.


13
14 

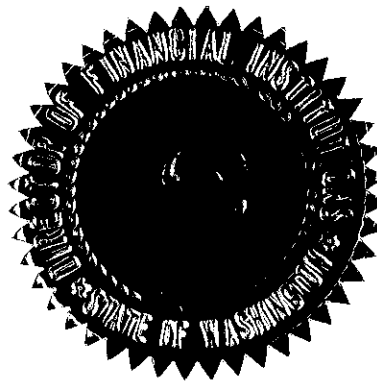
15 DEBORAH BORTNER
16 Director
17 Division of Consumer Services
Department of Financial Institutions

18 Presented by:

19 
20 STEVEN C. SHERMAN
Financial Legal Examiner

21 Approved by:

22
23 
24 JAMES R. BRUSSELBACK
Enforcement Chief



25
CONSENT ORDER
C-08-199-09-CO01
JIM R. MASSEY

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

**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:

JIM R. MASSEY,
Loan Originator,

Respondent.

NO. C-08-199-08-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO SUSPEND LICENSE, 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 (Act)¹. 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 Respondent. Jim R. Massey (Respondent) was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a loan originator on December 18, 2006, and has continued to be licensed to date. Respondent's license is currently inactive, but at all times relevant to this Statement of Charges Respondent was employed by A+ Mortgage, Inc., a licensed mortgage broker.

¹ RCW 19.146 (2006)

1 **1.2 Prohibited Acts.** On or about June 22, 2007, borrowers D.H. and S.H. applied with A+
2 Mortgage, Inc., for a loan to purchase a primary residence. The loan file the Department obtained
3 from A+ Mortgage, Inc., for this loan contained two loan applications signed by Respondent and dated
4 June 22, 2007, and June 25, 2007, respectively. Both applications state that the Respondent took the
5 applications from the borrowers during a "face-to-face interview." Borrower D.H., however, informed
6 the Department that he and S.H. never met the Respondent and never spoke with him. The borrowers
7 subsequently obtained a residential mortgage loan based upon substantially inflated income stated in
8 the applications. Records received from A+ Mortgage, Inc., indicate that the Respondent received a
9 commission in the amount of \$6,284.58 for originating the loan.

10
11 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the
12 Act by Respondent continues to date.

13 **II. GROUNDS FOR ENTRY OF ORDER**

14 **2.1 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent is
15 in apparent violation of RCW 19.146.0201(1), (2), and (3) for directly or indirectly employing a
16 scheme, device, or artifice to defraud or mislead borrowers or lenders or any person, for engaging in
17 an unfair or deceptive practice toward any person, and for obtaining property by fraud or
18 misrepresentation.

19 **III. AUTHORITY TO IMPOSE SANCTIONS**

20
21 **3.1 Authority to Suspend License.** Pursuant to RCW 19.146.220(2)(e), the Director may suspend
22 a license for any violation of the Act.

23 **3.2 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2)(e), the Director may order
24 any person subject to the Act to pay restitution for any violation of the Act.
25

1 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(3)(a), the Director may impose fines
2 on a loan originator for any violations of RCW 19.146.0201(1), (2), or (3).

3 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-
4 550(5), the Director may collect the costs of an investigation. The investigation charge will be calculated
5 at the rate of \$48 per hour that each staff person devoted to the investigation.

6 **IV. NOTICE OF INTENTION TO ENTER ORDER**

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

12 **4.1** Respondent Jim R. Massey's license to conduct the business of a loan originator shall be
13 suspended for a period of six months; and

14 **4.2** Respondent Jim R. Massey shall pay restitution to the borrowers in the amount of \$6,284.58; and

15 **4.3** Respondent Jim R. Massey shall pay a fine which as of the date of these charges totals \$2,000;
and

16 **4.4** Respondent Jim R. Massey shall pay an investigation fee which as of the date of these charges
17 totals \$528, calculated at \$48 per hour for the eleven staff hours devoted to the investigation to
date.

18 //

19 //

20 //

21 //

22 //

23 //

24 //


25 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

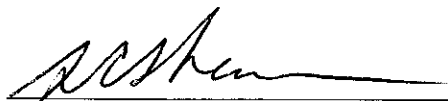
V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Suspend License, Order Restitution, Impose Fine, and Collect Investigation Fee (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). Respondent 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 29th day of August, 2008.


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


STEVEN C. SHERMAN
Financial Legal Examiner



Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief