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3 **STATE OF WASHINGTON**
4 **DEPARTMENT OF FINANCIAL INSTITUTIONS**
5 **CONSUMER SERVICES DIVISION**

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

C-09-232-09-TD01

9 S&P LENDING GROUP, LLC, and
10 SHAWN PORTMANN, Owner and
11 Loan Originator,

TEMPORARY ORDER TO
CEASE AND DESIST

Respondents.

12 THE STATE OF WASHINGTON TO:

S&P LENDING GROUP, LLC
SHAWN PORTMANN

13 COMES NOW the Director of the Washington State Department of Financial Institutions (Director), by
14 and through his designee Deborah Bortner, Division Director, Division of Consumer Services (designee), and
15 finding that the public is likely to be substantially injured by delay in issuing a cease and desist order, enters this
16 Temporary Order to Cease and Desist pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act),
based on the following:

17 **I. FACTUAL FINDINGS**

18 **1.1 Respondents.**

19 **A. S&P Lending Group, LLC, (Respondent S&P)** has never been licensed by the
20 Department of Financial Institutions of the State of Washington (Department) to conduct business as a
21 mortgage broker. Respondent S&P is known to be conducting the business of a mortgage broker at 12815
22 Canyon Road, Suite H, Puyallup, Washington.¹

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24 ¹ On or about September 17, 2009, Pinnacle Capital Mortgage Corporation submitted a branch office application through NMLS for
25 Respondent S&P, but the documents required to complete the application process were not provided to the Department. As of the date
of this Order, no license has been issued for Respondent S&P.

1 **B. Shawn L. Portmann (Respondent Portmann)** is known to be the Owner of and a Loan
2 Originator for Respondent S&P. Respondent Portmann has never been licensed by the Department as a Loan
3 Originator.

4 **1.2 Unlicensed Activity.** On or about September 16, 2009, the Department received information
5 that Respondents were conducting the business of a mortgage broker from their location in Puyallup,
6 Washington. A representative for the Department called the telephone number for Respondent S&P. A
7 receptionist answered the telephone and identified the recipient as "S&P Lending Group." The Department's
8 representative asked the receptionist if Respondent S&P was open for business and could assist with a
9 residential mortgage refinance loan. The receptionist replied that Respondent S&P has been open for "awhile"
10 and was able to assist with obtaining a residential mortgage loan.

11 On or about September 22, 2009, a representative for the Department went to Respondents' office in
12 Puyallup and found the office to be open for business. The Department's representative met with Respondent
13 Portmann and requested an application to refinance a residential mortgage loan. Respondent Portmann
14 directed the receptionist to provide the Department's representative with a Uniform Residential Loan
15 Application and told the Department's representative that Respondents could assist with obtaining a residential
16 mortgage loan. Page four of the application identified the company utilizing the form as "Absolute Mortgage"
17 in Bellevue Washington. Absolute Mortgage is known to be a branch office of consumer loan licensee
18 Pinnacle Capital Mortgage Corporation. Neither Absolute Mortgage nor Pinnacle Capital Mortgage
19 Corporation are licensed to conduct business at the Respondents' office in Puyallup, Washington. Respondent
20 Portmann's business card was stapled to the application. The business card identified Respondent Portmann as
21 the owner of Respondent S&P and as a "Senior Loan Officer."

22 On or about September 23, 2009, the Department received information that Respondents were
23 advertising residential mortgage services on the internet at <http://www.splendinggroup.com>. A representative
24 for the Department reviewed the web site and observed that the Respondents were representing themselves as
25

1 able to assist borrowers with applying for or obtaining residential mortgage loans. The web site also identifies
2 Respondent Portmann as the owner of and a Senior Loan Officer for Respondent S&P.

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

4 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12): "Mortgage broker"
5 means any person who for compensation or gain, or in the expectation of compensation or gain (a) assists a
6 person in obtaining or applying to obtain a residential mortgage loan or (b) holds himself or herself out as
7 being able to assist a person in obtaining or applying to obtain a residential mortgage loan.

8 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10): "Loan originator" means
9 a natural person who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or
10 negotiates terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct
11 or indirect compensation or gain. "Loan originator" also includes a person who holds themselves out to the
12 public as able to perform any of these activities. "Loan originator" does not mean persons performing purely
13 administrative or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or
14 clerical tasks" means the receipt, collection, and distribution of information common for the processing of a
15 loan in the mortgage industry and communication with a borrower to obtain information necessary for the
16 processing of a loan. A person who holds himself or herself out to the public as able to obtain a loan is not
17 performing administrative or clerical tasks.

18 **2.3 Unlicensed Activity.** Based on the Factual Allegations set forth in Section I above,
19 Respondents are in apparent violation of RCW 19.146.0201(2) and RCW 19.146.200 by engaging in the
20 business of a mortgage broker or loan originator without first obtaining and maintaining a license under the
21 Act.

22 **III. AUTHORITY TO ISSUE TEMPORARY ORDER TO CEASE AND DESIST**

23 **3.1 Authority to Issue Temporary Order to Cease and Desist.** Pursuant to RCW 19.146.227,
24 the Director is authorized to issue a temporary order to cease and desist whenever the Director determines that
25 the public is likely to be substantially injured by delay in issuing a cease and desist order.

1 **IV. ORDER**

2 Based on the above Factual Findings, Grounds for Entry of Order, and Authority to Issue Temporary
3 Order to Cease and Desist, and pursuant to RCW 19.146.227, the Director determines that the public is likely
4 to be substantially injured by a delay in entering a cease and desist order. Therefore, the Director ORDERS
5 that:

6 **4.1** Respondents S&P Lending Group, Inc., and Shawn L. Portmann shall immediately cease and
7 desist from engaging in the business of a mortgage broker or loan originator for Washington consumers or
8 property without first obtaining and maintaining a license under the Act, in any manner, specifically including,
9 but not limited to, originating any residential mortgage loan, assisting with the origination of any residential
10 mortgage loan, advertising Respondents' ability to assist with the origination of any residential mortgage loan,
11 and otherwise holding themselves out as able to assist with applying for or obtaining any residential mortgage
12 loan.

13 **4.2** This order shall take effect immediately and shall remain in effect unless set aside, limited, or
14 suspended in writing by an authorized court.

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NOTICE

PURSUANT TO CHAPTER 19.146 RCW, YOU ARE ENTITLED TO A HEARING WITHIN 14 DAYS OF REQUEST TO DETERMINE WHETHER THIS ORDER SHALL BECOME PERMANENT. IF YOU DESIRE A HEARING, THEN YOU MUST RETURN THE ATTACHED APPLICATION FOR ADJUDICATIVE HEARING INCORPORATED HEREIN BY THIS REFERENCE. FAILURE TO COMPLETE AND RETURN THE APPLICATION FOR ADJUDICATIVE HEARING FORM SO THAT IT IS RECEIVED BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS WITHIN 20 DAYS OF THE DATE THAT THIS ORDER WAS SERVED ON YOU WILL CONSTITUTE A DEFAULT AND WILL RESULT IN THE LOSS OF YOUR RIGHT TO A HEARING. SERVICE ON YOU IS DEFINED AS POSTING IN THE U.S. MAIL, POSTAGE PREPAID, TO YOUR LAST KNOWN ADDRESS. BE ADVISED THAT DEFAULT WILL RESULT IN THIS ORDER TO CEASE AND DESIST BECOMING PERMANENT ON THE TWENTY-FIRST (21ST) DAY FOLLOWING SERVICE OF THIS ORDER UPON YOU.

WITHIN TEN DAYS AFTER YOU HAVE BEEN SERVED WITH THIS TEMPORARY ORDER TO CEASE AND DESIST, YOU MAY APPLY TO THE SUPERIOR COURT IN THE COUNTY OF YOUR PRINCIPAL PLACE OF BUSINESS FOR AN INJUNCTION SETTING ASIDE, LIMITING, OR SUSPENDING THIS ORDER PENDING THE COMPLETION OF THE ADMINISTRATIVE PROCEEDINGS PURSUANT TO THIS NOTICE.


DATED this 24th day of September, 2009.




A handwritten signature in dark ink, appearing to read "Deborah Bortner", written over a horizontal line.

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

1 Presented By:

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STEVEN C. SHERMAN
5 Financial Legal Examiner
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7 Approved By:

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JAMES R. BRUSSELBACK
10 Enforcement Chief
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