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STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

*DB 2/11/2011*  
*983 2/10/2011*

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

DFI NO. C-09-514-10-~~SC01~~ **CO01**  
CONSENT ORDER

CLARION MORTGAGE CAPITAL, INC.,  
DAVID MARR, Owner and CEO, JAMES  
LEWIS, Owner and President, and LARRY  
DIETZ, Owner and CFO,  
  
Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director),  
through his designee Deborah Bortner, Division Director, Division of Consumer Services, and  
Clarion Mortgage Capital, Inc. (Respondent Clarion), David, Marr, Owner, and CEO  
(Respondent Marr), James Lewis, Owner and President (Respondent Lewis), and Larry Dietz,  
Owner and CFO (Respondent Dietz), by and through their attorney, Jennifer Tait, 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 Revised Code of Washington (RCW) and RCW 34.05.060 of the  
Administrative Procedure Act, based on the following:

**I. 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

**ORIGINAL**

1 Charges No. C-09-514-10-SC01 (Statement of Charges), entered April 5, 2010 (copy attached  
2 hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW  
3 34.05.060 of the Administrative Procedure Act, Respondents hereby agree to the Department's  
4 entry of this Consent Order and further agree that the issues raised in the above-captioned  
5 matter may be economically and efficiently settled by entry of this Consent Order. The parties  
6 intend this Consent Order to fully resolve the Statement of Charges and agree that Respondents  
7 do not admit any wrongdoing by its entry. Respondents are agreeing not to contest the  
8 Statement of Charges in consideration of the terms of this Consent Order.

9 Based on the foregoing:

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

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

18 **C. No Admission of Liability.** The parties intend this Consent Order to fully  
19 resolve the Statement of Charges and agree that Respondents do not admit to any wrongdoing  
20 by its entry.

21 **D. Fine.** It is AGREED that Respondents shall pay to the Department a fine of  
22 \$26,000.00, in the form of a cashier's check made payable to the "Washington State  
23 Treasurer," upon entry of the Consent Order.

24 **E. Prohibition from Industry.** It is AGREED that Respondent Clarion is  
25 prohibited from participating in the conduct of the affairs of any escrow agent, mortgage  
26 broker, money transmitter, consumer lender, or check casher or seller, licensed by the

1 Department or any person subject to licensure or regulation by the Department or any  
2 mortgage broker exempt from Washington law under RCW 19.146.020 for 5 years from the  
3 date of entry of this Consent Order.

4 **F. Application for License.** It is AGREED that Respondent Clarion shall not  
5 apply to the Department for any license under any name for a period of 5 years from the date  
6 of entry of this Consent Order.

7 **G. Prohibition from Industry.** It is AGREED that Respondents Marr, Lewis, and  
8 Dietz are prohibited from participating in the conduct of the affairs of any escrow agent,  
9 mortgage broker, money transmitter, consumer lender, or check casher or seller licensed, or  
10 required to be licensed, by the Washington State Department of Financial Institutions for 5  
11 years from the date of entry of this Consent Order in any capacity, including but not limited to:  
12 (1) any financial capacity whether active or passive or (2) as an officer, director, principal, or  
13 designated broker, or (3) any management, control, oversight, or maintenance of any trust  
14 account(s) in any way related to any residential mortgage transaction or (4) receiving,  
15 disbursing, managing, or controlling in any way, consumer trust funds in any way related to  
16 any residential mortgage transaction. HOWEVER, this agreement and the alleged conduct  
17 giving rise to the Statement of Charges will not preclude Respondents Marr, Lewis, or Dietz,  
18 from applying for and utilizing a Loan Originator license at any time under the Mortgage  
19 Broker Practices Act or the Consumer Loan Act.

20 **H. Application for License.** It is AGREED that, should Respondents Marr,  
21 Lewis, or Dietz, apply to the Department for any license under any name at any time later than  
22 5 years from the date of entry of this Consent Order, Respondents Marr, Lewis, and Dietz shall  
23 be required to meet any and all application requirements in effect at that time. HOWEVER,  
24 this agreement and the alleged conduct giving rise to the Statement of Charges will not  
25 preclude Respondents Marr, Lewis, or Dietz from applying for a Loan Originator license at any  
26 time under the Mortgage Broker Practices Act or the Consumer Loan Act provided that they

1 meet the applicable licensing requirements. The alleged conduct giving rise to the Statement  
2 of Charges will not be used by the Department in assessing an application by Respondents  
3 Marr, Lewis, or Dietz, for a Loan Originator license.

4 **I. Restitution.** It is AGREED that Respondents shall pay restitution in the  
5 amount of \$2,170, to the borrowers outlined in Paragraph 1.5 of the Statement of Charges upon  
6 entry of this Consent Order.

7 **J. Investigation Fee.** It is AGREED that Respondents shall pay to the  
8 Department an investigation fee of \$816, in the form of a cashier's check made payable to the  
9 "Washington State Treasurer" upon entry of this Consent Order. The Fine and Investigation  
10 Fee may be paid together in one \$26,816.00 cashier's check made payable to the "Washington  
11 State Treasurer."

12 **K. Authority to Execute Order.** It is AGREED that the undersigned have  
13 represented and warranted that they have the full power and right to execute this Consent  
14 Order on behalf of the parties represented.

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

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

23 **N. Completely Read, Understand, and Agreed.** It is AGREED that Respondents  
24  
25  
26

1 have read Consent Order in its entirety and fully understand and agree to all of the same.

2 **RESPONDENTS:**

3 **Clarion Mortgage Capital, Inc.**

4 By: *David Marr*  
5 David Marr, Owner, CEO and Individually

1/27/11  
Date

6 *James Lewis*  
7 James Lewis, Owner, President and Individually

01/27/2011  
Date

8 *Larry Dietz*  
9 Larry Dietz, Owner, CFO and Individually

01/27/2011  
Date

10 *Jennifer Tait*  
11 Jennifer Tait, WSBA No. 29475  
12 Rhonna Kollenkark, WSBA No. 35526  
13 Attorneys at Law Robinson Tait  
14 Attorneys for Respondents

1/28/11  
Date

15 **DO NOT WRITE BELOW THIS LINE**

16 THIS ORDER ENTERED THIS 11<sup>th</sup> DAY OF February, 2011.

17 *Deborah Bortner*  
18 DEBORAH BORTNER  
19 Director  
20 Division of Consumer Services  
21 Department of Financial Institutions

22 Presented by: *Mark Olson*  
23 MARK OLSON  
24 Financial Legal Examiner

25 Approved by: *James R. Bruselback*  
26 JAMES R. BRUSSELBACK  
Enforcement Chief



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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:

CLARION MORTGAGE CAPITAL, INC.,  
DAVID MARR, Owner and CEO, JAMES  
LEWIS, Owner and President, and LARRY  
DIETZ, Owner and CFO,

Respondents.

NO. C-09-514-10-SC01

STATEMENT OF CHARGES and NOTICE OF  
INTENTION TO ENTER AN ORDER TO REVOKE  
LICENSE, PROHIBIT FROM INDUSTRY, IMPOSE  
FINE, ORDER RESTITUTION, 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)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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 Respondents.**

**A. Clarion Mortgage Capital, Inc. (Respondent Clarion)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker on January 28, 2004, and maintained its license until surrendered on December 31, 2009. Respondent Clarion was licensed to conduct the business of a mortgage broker at 10 locations in the state of Washington. Respondent Clarion's main office is located at 6530 S. Yosemite St. Ste 300, Greenwood Village, Colorado 80111. Respondent Clarion obtained a Consumer Loan License from the Department on December 30, 2009, and maintained the license until it was surrendered on January 6, 2010.

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<sup>1</sup> RCW 19.146 (2006)

1           **B.     David Marr (Respondent Marr)** is an owner and Chief Executive Officer for Respondent  
2 Clarion.

3           **C.     James Lewis (Respondent Lewis)** is an owner and President for Respondent Clarion.

4           **D.     Larry Dietz (Respondent Dietz)** is an owner and Chief Financial Officer for Respondent  
5 Clarion.

6   **1.2    Examination.** On or about November 16, 2009, through November 20, 2009, the Department  
7 conducted an examination of the records of Respondent Clarion. The Department's examination covered a time  
8 frame from September 30, 2008, through September 30, 2009, and included the review of 32 loan files that  
9 were taken from a random sample of customer files that were representative of Respondent Clarion's portfolio.  
10 As a result of the examination, the Department discovered violations of the Act as outlined below, many of  
11 which are repeat violations from a September 2008 examination conducted by the Department.

12   **1.3    Failure to Properly Display Loan Originator's License Number on Loan Applications.**

13 Respondent Clarion did not include the loan originator license numbers on 18 residential mortgage loan  
14 applications. This finding is a repeat violation from the 2008 examination by the Department.

15   **1.4    Failure to Specify Fees Benefiting the Mortgage Broker.** Respondents did not specify, on the Good  
16 Faith Estimate (GFE) that Respondent Clarion was charging 22 borrowers, processing, loan set-up, and  
17 administration fees. This finding is a repeat violation from the 2008 examination conducted by the Department.

18   **1.5    Failure to Provide a Written Explanation for Increased Fees.** Respondents did not provide  
19 borrowers with a subsequent GFE and written explanation for fee increases. Seven borrowers received initial  
20 GFEs from Respondents outlining its fees. When the fees, in the form of loan set-up, administration, and loan  
21 origination fee (LOF), increased, the borrowers listed below were not provided a subsequent GFE and written  
22 explanation for the increase in fees.

23 //

24 //

25 //

| Borrower | Fees on initial GFE  | Fees on HUD-1  | Fees not disclosed with written explanation |
|----------|--|--|---|
| C.C.     | None   | Loan set-up: \$190.00  | \$190.00                                    |
| R.D.     | LOF: \$1268.50<br>Proc: \$300.00<br>Admin: \$100.00                      | LOF: \$1268.50<br>Proc: \$300.00<br>Admin: \$100.00<br>Loan set-up: \$190.00 | \$190.00                                    |
| S.G.     | Proc: \$300.00<br>YSP: \$5541.25<br>Credit: -\$2,550.00                  | Proc: \$300.00<br>Admin: \$500.00<br>YSP: \$5508.75<br>Credit: -\$2,550.00   | \$467.50                                    |
| S.L.*    | Proc: \$450.00<br>LOF: \$1,000.00  | Proc: \$450.00<br>LOF: \$1,000.00<br>Loan set-up: \$190.00                   | \$190.00                                    |
| D.M.     | LOF: \$847.50<br>Admin: \$100.00<br>Proc: \$300.00<br>Doc prep: \$190.00 | LOF: \$1600.00<br>Admin: \$100.00<br>Proc: \$300.00<br>Doc prep: \$190.00    | \$752.50                                    |
| G.P.     | None   | Loan set-up: \$190.00  | \$190.00                                    |
| M.T.     | None   | Loan set-up: \$190.00  | \$190.00                                    |
|          |  | <b>TOTAL</b>   | <b>\$2,170.00</b>                           |

\* Received a subsequent GFE without a written explanation.

**1.6 Failure to Deliver Initial Rate-Lock Disclosures.** Respondents did not provide a rate-lock disclosure to 11 borrowers within 3-days of receiving their loan applications. This finding is a repeat violation from the 2008 examination conducted by the Department.

**1.7 Failure to Provide Written Notice on Borrower Paid Services.** Respondents did not provide a written notice on borrower paid services to 8 borrowers. The notice informs borrowers if they are unable to obtain a loan for any reason, the mortgage broker must, within 5 days of a written request from the borrower, give copies of any appraisal, title report, or credit report paid by the borrower.

**1.8 Failure to Deposit Third-Party Fees into a Trust Account.** Respondents did not establish and maintain a trust account for third-party service fees. Respondents received third-party fees from escrow, for 21 borrowers, which the Respondents deposited into their general account. This finding is a repeat violation from the 2008 examination conducted by the Department.

1 **1.9 Failure to Properly Disclose the Yield Spread Premium on the Good Faith Estimate.** Respondents  
2 improperly disclosed the Yield Spread Premium (YSP) on GFEs provided to 9 borrowers by not describing the  
3 fee as “yield spread premium”, listing the YSP somewhere other than the 800 series of the GFE, and by not  
4 disclosing the YSP as a dollar amount or dollar range. This finding is a repeat violation from the 2008  
5 examination conducted by the Department.

6 **1.10 Failure to Timely Deliver Disclosures.** Respondents did not timely provide required written  
7 disclosures to 2 borrowers within 3 business days of receiving a complete application. This finding is a repeat  
8 violation from the 2008 examination conducted by the Department.

9 **1.11 Failure to Provide Accurate and Complete Truth-In-Lending Disclosures.** Respondents delivered  
10 an incomplete Truth-In-Lending (TIL) disclosure to a borrower by not completing the bottom section of the TIL  
11 disclosure which indicates whether there is a prepayment penalty, security interest, assumption policy, and late  
12 payment fee. This finding is a repeat violation from the 2008 examination conducted by the Department.

13 **1.12 Failure to Disclose a Change in Loan Terms.** Respondents did not disclose a change in loan terms to  
14 a borrower when the interest rate on their loan changed from 4.875 percent to 5.250 percent.

15 **1.13 Charging Borrowers an Unearned Underwriting Fee.** Respondents charged 16 borrowers  
16 underwriting fees when it was not a delegated correspondent and used automated underwriting systems.

17 **1.14 On-Going Investigation.** The Department’s investigation into the alleged violations of the Act by  
18 Respondents continues to date.

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

20 **2.1 Requirement to Display Loan Originator’s Number.** Based on the Factual Allegations set forth in  
21 Section I above, Respondents are in apparent violation of WAC 208-660-350 (25), (26), and (27), for failing to  
22 disclose the loan originator’s license number when taking a residential mortgage loan application.

23 **2.2 Requirement to Exercise Reasonable Care Over Loan Originators.** Based on the Factual  
24 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200, WAC 208-

1 660-155(1), (3), and (4), for failing to exercise reasonable care by allowing loan originators to commit  
2 violations of the Act.

3 **2.3 Requirement to Disclose Residential Mortgage Loan Fees and Terms.** Based on the Factual  
4 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.030(1), (2), (4),  
5 and Regulation Z, 12 CFR, Section 226.18 for failing to provide borrowers with full written disclosures,  
6 containing an itemization and explanation of all fees and costs that the borrowers were required to pay in  
7 connection with obtaining a residential mortgage loan, for charging fees inuring to the benefit of a mortgage  
8 broker in excess of the fees disclosed on the initial written disclosures where the fees were reasonably  
9 foreseeable by the mortgage broker at the time the initial written disclosures were provided to borrowers, and/or  
10 where the mortgage broker failed to provide the borrowers, no less than three business days prior to the signing  
11 of the loan closing documents, a clear written explanation of the fees and the reason for charging fees exceeding  
12 those which were previously disclosed.

13 **2.4 Requirement to Maintain Funds From Borrower for Payment of Third-Party Providers in Trust.**  
14 Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
15 19.146.050(1) for failing to deposit funds received from a borrower or on behalf of a borrower for payment of  
16 third-party provider services in a trust account of a federally insured financial institution located in this state,  
17 prior to the end of the third business day following receipt of such monies.

18 **2.5 Requirement to Disclose Yield Spread Premiums.** Based on the Factual Allegations set forth in  
19 Section I above, Respondents are in apparent violation of WAC 208-660-430(5) and Regulation X, 24 CFR  
20 Section 3500, Appendix B, for failing to properly disclose Yield Spread Premiums charged to borrowers on the  
21 Good Faith Estimate.

22 **2.6 Requirement to Disclose a Change in Terms.** Based on the Factual Allegations set forth in Section I  
23 above, Respondents are in apparent violation of WAC 208-660-430(19) for failing to redisclose any loan terms  
24 or conditions that changed no less than three business days prior to the signing of the loan closing documents.  
25

1 660-155(1), (3), and (4), for failing to exercise reasonable care by allowing loan originators to commit  
2 violations of the Act.

3 **2.3 Requirement to Disclose Residential Mortgage Loan Fees and Terms.** Based on the Factual  
4 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.030(1), (2), (4),  
5 and Regulation Z, 12 CFR, Section 226.18 for failing to provide borrowers with full written disclosures,  
6 containing an itemization and explanation of all fees and costs that the borrowers were required to pay in  
7 connection with obtaining a residential mortgage loan, for charging fees inuring to the benefit of a mortgage  
8 broker in excess of the fees disclosed on the initial written disclosures where the fees were reasonably  
9 foreseeable by the mortgage broker at the time the initial written disclosures were provided to borrowers, and/or  
10 where the mortgage broker failed to provide the borrowers, no less than three business days prior to the signing  
11 of the loan closing documents, a clear written explanation of the fees and the reason for charging fees exceeding  
12 those which were previously disclosed.

13 **2.4 Requirement to Maintain Funds From Borrower for Payment of Third-Party Providers in Trust.**  
14 Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW  
15 19.146.050(1) for failing to deposit funds received from a borrower or on behalf of a borrower for payment of  
16 third-party provider services in a trust account of a federally insured financial institution located in this state,  
17 prior to the end of the third business day following receipt of such monies.

18 **2.5 Requirement to Disclose Yield Spread Premiums.** Based on the Factual Allegations set forth in  
19 Section I above, Respondents are in apparent violation of WAC 208-660-430(5) and Regulation X, 24 CFR  
20 Section 3500, Appendix B, for failing to properly disclose Yield Spread Premiums charged to borrowers on the  
21 Good Faith Estimate.

22 **2.6 Requirement to Disclose a Change in Terms.** Based on the Factual Allegations set forth in Section I  
23 above, Respondents are in apparent violation of WAC 208-660-430(19) for failing to redisclose any loan terms  
24 or conditions that changed no less than three business days prior to the signing of the loan closing documents.  
25

1 **2.7 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents are in  
2 apparent violation of RCW 19.146.0201(1), (2), (3), (6), (11), (13), and (15) for directly or indirectly employing  
3 a scheme, device or artifice to defraud or mislead borrowers or lenders or any person, engaging in an unfair or  
4 deceptive practice toward any person, obtaining property by fraud or misrepresentation, failing to make  
5 disclosures to loan applicants and noninstitutional investors as required by RCW 19.146.030 and any other  
6 applicable state or federal law, failing to comply with the Truth-In-Lending Act, 15 U.S.C. Sec. 1601 and  
7 Regulation Z, 12 C.F.R. Sec 2226, collecting, charging, attempting to collect or charge or using or proposing  
8 any agreement purporting to collect or charge any fee prohibited by RCW 19.146.030 or RCW 19.146.070 and  
9 failing to comply with any provision of RCW 19.36.030 through 19.146.080 or any rule adopted under those  
10 sections.

### 11 III. AUTHORITY TO IMPOSE SANCTIONS

12 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2)(e), the Director may revoke a license  
13 for any violation of the Act.

14 **3.2 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue  
15 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed  
16 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker  
17 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or (13),  
18 RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265.

19 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e) and(3), and RCW 19.146.220(5), the  
20 Director may impose fines on a licensee, employee, loan originator, independent contractor, or agent of the  
21 licensee, or other person subject to the Act for any violations of the Act, or RCW 19.146.0201(1) through (9) or  
22 (12), RCW 19.146.030 through RCW 19.146.080, RCW 19.146.200, RCW 19.146.205(4), or RCW 19.146.265.

23 **3.4 Authority to Order Restitution.** Pursuant to RCW 19.146.220(e), the Director may issue orders directing  
24 a licensee, its employee or loan originator, or other person subject to the Act to pay restitution for any violation of  
25 the Act.

1 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-550(5), the  
2 Department may collect an investigation fee to cover the costs of any investigation of the books and records of a  
3 licensee or other person subject to the Act. The investigation charge will be calculated at the rate of \$48 per hour  
4 that each staff person devoted to the investigation.

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

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

10 **4.1** Respondent Clarion Mortgage Capital Inc's license be revoked;

11 **4.2** Respondent Clarion Mortgage Capital, Inc. be prohibited from participation in the conduct of the affairs of  
12 any mortgage broker subject to licensure by the Director, in any manner, for a period of 5 years;

13 **4.3** Respondents David Marr, James Lewis, and Larry Dietz be prohibited from participation in the conduct of  
14 the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of 5  
15 years;

16 **4.4** Respondents Clarion Mortgage Capital, Inc., David Marr, James Lewis, and Larry Dietz, jointly and  
17 severally pay a fine which, as of the date of these charges, totals \$36,500;

18 **4.5** Respondents Clarion Mortgage Capital, Inc., David Marr, James Lewis, and Larry Dietz, jointly and  
19 severally pay restitution which, as of the date of these charges, totals \$2,170, as outlined in Paragraph 1.5;

20 **4.6** Respondents Clarion Mortgage Capital, Inc., David Marr, James Lewis, and Larry Dietz, jointly and  
21 severally pay an investigation fee which, as of the date of these charges, totals \$816 calculated at \$48 per  
22 hour for the 17 staff hours devoted to the investigation; and

23 **4.7** Respondents Clarion Mortgage Capital, Inc., David Marr, James Lewis, and Larry Dietz maintain records  
24 in compliance with the Act and provide the Department with the location of the books, records and other  
25 information relating to Respondent Clarion Mortgage Capital, Inc's mortgage broker business, and the  
name, address and telephone number of the individual responsible for maintenance of such records in  
compliance with the Act.

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**V. AUTHORITY AND PROCEDURE**

This Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Prohibit from Industry, Impose Fine, Order Restitution, 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). Respondents 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 5<sup>th</sup> day of April, 2010.



*Deborah Bortner*  
\_\_\_\_\_  
DEBORAH BORTNER

Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

*William Halstead*  
\_\_\_\_\_  
WILLIAM HALSTEAD

Financial Legal Examiner

Approved by:

*James R. Brunelback*  
\_\_\_\_\_  
JAMES R. BRUSSELBACK

Enforcement Chief