

Terms Completed

ORDER SUMMARY – Case Number: C-10-135-11-CO01

Name(s): California Mortgage Consultants
Nancy Gardner

Order Number: C-10-135-11-CO01

Effective Date: March 16, 2011

License Number: DFI: 40729 [NMLS: 118658] DFI: 40745 [NMLS: 120262]
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)
 If applicable, you must specifically note the ending dates of terms.

License Effect: n/a

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

| | | | | |
|--|-------|---|--|------|
| Investigation Costs | \$48 | Due | Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Fine | \$350 | Due | Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Assessment(s) | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Restitution | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Judgment | \$ | Due | Paid <input type="checkbox"/> Y <input type="checkbox"/> N | Date |
| Satisfaction of Judgment Filed? | | <input type="checkbox"/> Y <input type="checkbox"/> N | | |
| No. of Victims: | | | | |

Comments: _____

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-10-135-11-CO01

7 CALIFORNIA MORTGAGE CONSULTANTS,
8 INC.; NANCY GARDNER, DESIGNATED
9 BROKER,

CONSENT ORDER

Respondents.

10 COMES NOW the Director of the Department of Financial Institutions (Director), through his designee
11 Deborah Bortner, Division Director, Division of Consumer Services and California Mortgage Consultants, Inc. and
12 Nancy Gardner, Designated Broker (Respondents), and finding that the issues raised in the above-captioned matter
13 may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered
14 pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative
15 Procedure Act, based on the following:

16 **AGREEMENT AND ORDER**

17 The Department of Financial Institutions, Division of Consumer Services (Department) and Respondents
18 have agreed upon a basis for resolution of the matters alleged in Statement of Charges entered on May 3, 2010, and
19 the Initial Decision and Order dated January 6, 2011, (copies attached hereto). Respondents are agreeing not to
20 contest the Statement of Charges or the Initial Order and Decision in consideration of the terms of this Consent Order.

21 Based upon the foregoing:

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

24 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of their right to a Brief
25 Adjudicative Proceeding (BAP), and that they hereby waive their right to a BAP and any and all administrative and
judicial review of the issues raised in this matter, or of the resolution reached herein.

CONSENT ORDER
CALIFORNIA MORTGAGE CONSULTANTS, INC.
AND
NANCY GARDNER
C-10-135-11-CO01

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

1 C. **Waiver of Review.** It is AGREED that Respondents have been informed of their right to a Petition for
2 Review of the Initial Decision and Order and that they hereby waive their right to a review of the Initial Decision and
3 Order and any and all administrative and judicial review of the issues raised in this matter or of the resolution reached
4 herein.

5 D. **Fine.** It is AGREED that on February 1, 2011, the Department received payment of a fine in the amount
6 of \$350, in the form of a business check made payable to the "Washington State Department of Financial
7 Institutions."

8 E. **Investigation Fee.** It is AGREED that on February 1, 2011, the Department received payment of an
9 investigation fee of \$48, in the form of a business check made payable to the "Washington State Department of
10 Financial Institutions." The fine and fee were paid together in one business check.

11 F. **Assurance of Compliance.** Respondents acknowledge and understand that RCW 19.146.290 and
12 WAC 208-660-400 require that an annual report of mortgage broker activity be provided to the Department by
13 March 31st of each year. Respondents, by the signatures of its representatives below, assure that it will fully
14 comply with these above provisions.

15 G. **Authority to Execute Order.** It is AGREED that the undersigned Respondents have represented and
16 warranted that they have the full power and right to execute this Consent Order on behalf of the parties represented.

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

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

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

1 **RESPONDENTS:**

2 **California Mortgage Consultants, Inc. and Nancy Gardner.**

3 By:

4 Nancy K. Gardner
5 Nancy Gardner, Designated Broker

Date 2-22-11

6 Nancy Gardner
7 Nancy Gardner, Individually

Date 2-22-11

8 **DO NOT WRITE BELOW THIS LINE**

9
10 THIS ORDER ENTERED THIS 16th DAY OF March, 2011.

11 Deborah Bortner
12 DEBORAH BORTNER
13 Director
14 Division of Consumer Services
15 Department of Financial Institutions

15 Presented by:
16 Deborah Taellious
17 DEBORAH TAEILLIOUS
18 Financial Legal Examiner



19 Approved by:
20 James R. Brusselback
21 JAMES R. BRUSSELBACK
22 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:

CALIFORNIA MORTGAGE CONSULTANTS
INC;
NANCY GARDNER, DESIGNATED BROKER,

Respondents.

NO. C-10-135-10-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO 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). After having conducted an investigation pursuant to RCW 19.146.235, and based upon the facts available as 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 Respondents. California Mortgage Consultants Inc was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker at all times relevant to the conduct alleged. At all times relevant to the Statement of Charges, Nancy Gardner was the Designated Broker for the company.

1.2 Failure to File Mortgage Broker Annual Report. By March 31, 2010, Respondents were required to file an annual report of mortgage broker activity to include the total number of closed loans originated and the total volume of closed loans originated. As of the date of this Statement of Charges Respondents have not filed the 2009 mortgage broker annual report.

1.3 Failure to File Mortgage Broker Closure Form. Respondents are required to file a completed closure form and submit a surrender request through the NMLSR. As of the date of this Statement of Charges, Respondents have not filed a completed closure form or submitted a surrender request through the NMLSR.

1 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
2 Respondents continues to date.

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

4 **2.1 Requirement to File Mortgage Broker Annual Report.** Based on the Factual Allegations set forth in
5 Section I above, Respondents are in apparent violation of RCW 19.146.290(1), WAC 208-660-250(7) and
6 WAC 208-660-400(1), (2), (3), and (4) for failing to file the mortgage broker annual report.

7 **2.2 Requirement to File Mortgage Broker Closure Form.** Based on the Factual Allegations set forth in
8 Section I above, Respondents are in apparent violation of WAC 208-660-163(18) for failing to submit a
9 surrender request through the NMLSR or failing to submit a completed departmental closure form.

10 **III. AUTHORITY TO IMPOSE SANCTIONS**

11 **3.1 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(e) the Director may impose fines on a
12 licensee or other person subject to the Act for any violations of the Act.

13 **3.2 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-520, and WAC
14 208-660-550(4), upon completion of any investigation of the books and records of a licensee or other person subject
15 to the Act, the Department will furnish to the licensee or other person subject to the Act a billing to cover the cost of
16 the investigation. The investigation charge will be calculated at the rate of \$48 per hour that each staff person
17 devoted to the investigation.

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

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

23 **4.1** Respondents California Mortgage Consultants Inc and Nancy Gardner jointly and severally pay a
24 fine of \$100 per day beginning April 1, 2010, until the date the 2009 Mortgage Broker Annual
25 Report is filed; and

- 1 **4.2** Respondents California Mortgage Consultants Inc and Nancy Gardner jointly and severally pay an
- 2 investigation fee, which as of the date of these charges is \$48 calculated at \$48 per hour for one
- 3 staff hour devoted to the investigation; and
- 4 **4.3** Respondents California Mortgage Consultants Inc and Nancy Gardner file the 2009 annual report
- 5 of mortgage broker activity.
- 6 **4.4** Respondents California Mortgage Consultants Inc and Nancy Gardner submit a surrender request
- 7 through NMLSR and submit a completed departmental closure form.
- 8 **4.5** Respondents California Mortgage Consultants Inc and Nancy Gardner maintain records in
- 9 compliance with the Act and provide the Department with the location of the books, records and
- 10 other information relating to Respondent California Mortgage Consultants Inc's mortgage broker
- 11 business, and the name, address and telephone number of the individual responsible for
- 12 maintenance of such records in compliance with the Act.

V. AUTHORITY AND PROCEDURE

13 This Statement of Charges and Notice of Intention to Enter an Order to Impose Fine and Collect

14 Investigation Fee (Statement of Charges) is entered pursuant to the provisions of RCW 19.146.220,

15 RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05

16 RCW (The Administrative Procedure Act). Respondents may make a written request for a Brief Adjudicative

17 Proceeding as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR BRIEF

18 ADJUDICATIVE PROCEEDING accompanying this Statement of Charges.

19 Dated this 3rd day of May, 2010.



 DEBORAH BORTNER
 Director
 Division of Consumer Services
 Department of Financial Institutions

20 Presented by:

21 

 FATIMA BATIE
 Financial Legal Examiner Supervisor

22 Approved by:

23 

 JAMES R. BRUSSELBACK
 Enforcement Chief

