



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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

MOBILE MORTGAGE, LLC, and
DAVID LESTER WOOD, Owner, Executive
Director, and Loan Originator,

Respondents.

NO. C-10-278-11-FO01

FINAL ORDER

I. DIRECTOR'S CONSIDERATION

A. Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director) pursuant to RCW 34.05.464. On August 18, 2010, the Director, through Consumer Services Division Director Deborah Bortner, entered a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Revoke License, Prohibit from Industry, Impose Fine, Order Restitution, and Collect Investigation Fee (Statement of Charges). A copy of the Statement of Charges is attached and incorporated into this order by this reference. The Statement of Charges was accompanied by a cover letter dated August 18, 2010, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Mobile Mortgage, LLC and David Lester Wood. The Department served the Statement of Charges, cover letter dated August 18, 2010, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing

1 for Mobile Mortgage, LLC and David Lester Wood on Respondents on August 18, 2010, by First-
2 Class mail and Federal Express overnight delivery.

3 On August 25, 2010, Respondent Mobile Mortgage, LLC filed an Application for Adjudicative
4 Hearing. On September 8, 2010, Respondent David Lester Wood filed an Application for
5 Adjudicative Hearing. On November 8, 2010, the Department made a request to the Office of
6 Administrative Hearings (OAH) to assign an Administrative Law Judge (ALJ) to schedule and
7 conduct a hearing on the Statement of Charges. On December 1, 2010, OAH issued a Notice of
8 Conference by Telephone scheduling a conference on Thursday, December 16, 2010, at 9:10 a.m.
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10 On December 16, 2010, representatives for the Department attended a telephonic prehearing
11 conference conducted by ALJ Charles E. Woode (ALJ Woode). Respondents did not appear for the
12 prehearing conference. The Department moved for a Default Order to be entered against Respondents.
13 ALJ Woode granted the Department's motion. On December 21, 2010, ALJ Woode issued an Order
14 of Default. This Order of Default –

- 15 • Ordered that Respondents were in default;
- 16 • Ordered that Respondents' request for hearing be dismissed; and
- 17 • Affirmed the Statement of Charges and Notice of Intention to Enter an Order to Prohibit
18 from Industry, Impose Fine, Order Restitution, and Collect Investigation Fee.

19 On December 21, 2010, OAH mailed the Order of Default to Respondents.

20 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondents had twenty (20) days from the
21 date of service of the Initial Decision and Order to file a Petition for Review of the Initial Decision and
22 Order. Respondents did not file a Petition for Review during the statutory period.

23 B. Record Presented. The record presented to the Director for his review and for entry of
24 a final decision included the following:
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FINAL ORDER –
MOBILE MORTGAGE, LLC
DAVID LESTER WOOD
C-10-278-11-F001

1. Statement of Charges, cover letter dated August 18, 2010, and Notice of Opportunity to Defend and Opportunity for Hearing, with documentation of service;
2. Applications for Adjudicative Hearing for Mobile Mortgage, LLC and David Lester Wood;
3. Request to OAH for Assignment of Administrative Law Judge;
4. Notice of Conference by Telephone dated December 1, 2010, with documentation of service;
5. Order of Default dated December 21, 2010, with documentation of service.

C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.461, the Director hereby adopts the Order of Default, which is attached hereto.

II. FINAL ORDER

Based upon the foregoing, and the Director having considered the record and being otherwise fully advised, NOW, THEREFORE:

A. IT IS HEREBY ORDERED, That:

1. Respondents Mobile Mortgage, LLC and David Lester Wood cease and desist offering loan modification services or otherwise conducting the business of a mortgage broker or loan originator in the State of Washington;
2. Respondent David Lester Wood's license to conduct the business of a loan originator is revoked;
3. Respondent Mobile Mortgage, LLC is prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
4. Respondent David Lester Wood is prohibited from participation in the conduct of the affairs of any mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
5. Respondents Mobile Mortgage, LLC and David Lester Wood jointly and severally pay a fine of \$25,000;

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2 6. Respondents Mobile Mortgage, LLC and David Lester Wood jointly and severally pay
an investigation fee of \$2,404.80; and

3 7. Respondents maintain records in compliance with the Act and provide the Department
4 with the location of the books, records and other information relating to Respondent
5 Mobile Mortgage, LLC's mortgage broker business, and the name, address and
telephone number of the individual responsible for maintenance of such records in
6 compliance with the Act.

7 B. Reconsideration. Pursuant to RCW 34.05.470, Respondents have the right to file a
8 Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
9 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
10 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
11 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondents. The
12 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
13 Reconsideration a prerequisite for seeking judicial review in this matter.

14 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
15 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
16 notice specifying the date by which it will act on a petition.

17 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
18 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
19 Review made under chapter 34.05 RCW and RCW 34.05.550.

20 D. Judicial Review. Respondents have the right to petition the superior court for
21 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
22 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.
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1 E. Non-compliance with Order. If you do not comply with the terms of this order, the
2 Department may seek its enforcement by the Office of Attorney General to include the collection of the
3 fine and fees imposed herein.

4 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for
5 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
6 attached hereto.

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8 DATED this 31st day of January, 2011.



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS

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SCOTT JARVIS
DIRECTOR

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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:

MOBILE MORTGAGE, LLC, and
DAVID LESTER WOOD, Owner, Executive
Director, and Loan Originator,

Respondents.

NO. C-10-278-10-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO CEASE AND DESIST, 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)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 Respondents.

A. **Mobile Mortgage, LLC (Mobile Mortgage)** is a limited liability company with a principal place of business of 15223 NW 2nd Ave, Vancouver, Washington 98685. Mobile Mortgage has not been registered with the Washington State Secretary of State. Mobile Mortgage has never been licensed by the Department to conduct the business of a mortgage broker.

B. **David Lester Wood (Wood)** is owner and executive director of Mobile Mortgage. Respondent Wood was licensed by the Department to engage in the business of a loan originator from July 30, 2007, through December 31, 2008. From January 1, 2009, through May 5, 2009, Respondent Wood was not

¹ RCW 19.146

1 licensed to engage in the business of a loan originator. On May 6, 2009, the Department again licensed
2 Respondent Wood to engage in the business of a loan originator; however that license was inactive until
3 October 1, 2009, when Respondent Wood associated with a licensed mortgage broker.

4 **1.2 Unlicensed Activity.** Between at least March 2009 and June 2010, Respondent Mobile Mortgage and
5 Respondent Wood assisted at least sixty-three borrowers in applying to obtain a loan modification on property
6 located in the State of Washington from the unlicensed location discussed in paragraph 1.1. Respondents
7 assisted at least thirty of these borrowers in obtaining loan modifications. The borrowers involved in these loan
8 modifications paid fees to Respondent Mobile Mortgage totaling at least \$151,400.

9 **1.3 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
10 Respondents continues to date.

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

12 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14) and WAC 208-660-010(29),
13 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of compensation or
14 gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan or (b) holds himself or
15 herself out as being able to assist a person in obtaining or applying to obtain a residential mortgage loan.

16 **2.2 Definition of Borrower.** Pursuant to RCW 19.146.010(3), a "Borrower" is defined as any person who
17 consults with or retains a mortgage broker or loan originator in an effort to obtain or seek advice or information
18 on obtaining or applying to obtain a residential mortgage loan for himself, herself, or persons including himself
19 or herself, regardless of whether the person actually obtains such a loan.

20 **2.3 Requirement to Obtain and Maintain License.** Based on the Factual Allegations set forth in Section
21 I above, Respondents are in apparent violation of RCW 19.146.200 for engaging in the business of a mortgage
22 broker or loan originator without first obtaining and maintaining a license under the Act.

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Issue an Order to Cease and Desist. Pursuant to RCW 19.146.220(4), the Director may issue orders directing a licensee, its employee or loan originator, or other person subject to the Act to cease and desist from conducting business in a manner that is injurious to the public or violates any provision of the Act.

3.2 Authority to Revoke License. Pursuant to RCW 19.146.220(2)(e), and WAC 208-660-530, the Director may revoke a license for any violation of the Act.

3.3 Authority to Prohibit from the Industry. Pursuant to RCW 19.146.220(5)(a), the Director may issue orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker or any person subject to licensing under the Act for any violation of RCW 19.146.200.

3.4 Authority to Impose Fine. Pursuant to RCW 19.146.220(2) and (3)(a) and WAC 208-660-530, the Director may impose fines on a licensee, employee or loan originator of the licensee, or other person subject to the Act for any violations of RCW 19.146.200.

3.5 Authority to Order Restitution. Pursuant to RCW 19.146.220(2)(e), the Director may issue orders directing a licensee, its employee or loan originator, or other person subject to the Act to pay restitution to an injured borrower.

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

IV. NOTICE OF INTENTION TO ENTER ORDER

Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis

1 for the entry of an Order under RCW 19.146.220, RCW 19.146.221 and RCW 19.146.223. Therefore, it is the
2 Director's intention to ORDER that:

- 3 **4.1** Respondents Mobile Mortgage, LLC. and David Lester Wood cease and desist offering loan modification
4 services or otherwise conducting the business of a mortgage broker or loan originator in the State of
Washington;
- 5 **4.2** Respondent David Lester Wood's license to conduct the business of a loan originator be revoked;
- 6 **4.3** Respondent Mobile Mortgage, LLC be prohibited from participation in the conduct of the affairs of any
7 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
- 8 **4.4** Respondent David Lester Wood be prohibited from participation in the conduct of the affairs of any
mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years;
- 9 **4.5** Respondents Mobile Mortgage, LLC and David Lester Wood jointly and severally pay a fine which as of
10 the date of these charges totals \$25,000;
- 11 **4.6** Respondents Mobile Mortgage, LLC and David Lester Wood jointly and severally pay restitution as shown
at hearing;
- 12 **4.7** Respondents Mobile Mortgage, LLC and David Lester Wood jointly and severally pay an investigation fee
13 which as of the date of these charges totals \$2,404.80 calculated at \$48 per hour for the fifty and one tenth
(50.1) staff hours devoted to the investigation; and
- 14 **4.8** Respondents maintain records in compliance with the Act and provide the Department with the location of
15 the books, records and other information relating to Respondent Mobile Mortgage, LLC'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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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Revoke
3 License, Prohibit from Industry, Impose Fine, Order Restitution, and Collect Investigation Fee (Statement of
4 Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and
5 RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act).
6 Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
7 DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

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9 Dated this 18th day of August, 2010.

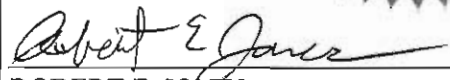


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DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions


19 Presented by:

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ROBERT E. JONES
Financial Legal Examiner

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Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief