

FINAL ORDER SUMMARY – Case Number: C-10-347

Name(s): Moises Garcia-Rangel d/b/a Investment Mortgage Firm
Moises Garcia-Rangel

Order Number: C-10-347-11-FO01

Effective Date: June 29, 2011

License Number: U/L – Investment Mortgage Firm
DFI: 37316 NMLS ID: 89738 Garcia-Rangel

License Effect: N/A

Not Apply Until: June 29, 2016

Prohibition/Ban Until: June 29, 2016

Investigation Costs	\$998.40	Due	Paid: No	Date
Fine	\$9,975	Due	Paid: No	Date
Assessment(s)	\$	Due	Paid Y N	Date
Restitution	\$500	Due	Paid: No	Date
	No. of Victims:	1		

Other: _____

Special Instructions: _____

1 STATE OF WASHINGTON
2 DEPARTMENT OF FINANCIAL INSTITUTIONS
3 DIVISION OF CONSUMER SERVICES

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

No.: C-10-347-11-FO01

6 MOISES GARCIA-RANGEL d/b/a
INVESTMENT MORTGAGE FIRM, and
7 MOISES GARCIA-RANGEL,

FINAL ORDER

Respondents.

8 I. DIRECTOR'S CONSIDERATION

9 A. Default. This matter has come before the Director of the Department of Financial
10 Institutions of the State of Washington (Director), through his designee, Consumer Services Division
11 Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On May 2, 2011,
12 the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention
13 to Enter an Order to Prohibit From Industry, Order Restitution, Impose Fine, and Collect
14 Investigation Fee (Statement of Charges) against Respondents Moises Garcia-Rangel d/b/a
15 Investment Mortgage Firm and Moises Garcia-Rangel. A copy of the Statement of Charges is
16 attached and incorporated into this order by this reference. The Statement of Charges was
17 accompanied by a cover letter dated May 4, 2011, a Notice of Opportunity to Defend and
18 Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents
19 (collectively, accompanying documents).

20 On or around May 4, 2011, the Department served Respondents with the Statement of
21 Charges and accompanying documents, sent by First-Class mail and Federal Express overnight
22 delivery. On or around May 10, 2011, the documents sent via Federal Express overnight delivery
23

1 were delivered. The documents sent via First-Class mail were not returned to the Department by the
2 United States Postal Service.

3 Respondents did not request an adjudicative hearing within twenty calendar days after the
4 Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided for
5 in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for her review and
7 for entry of a final decision included the following: Statement of Charges, cover letter dated May 4,
8 2011, Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for
9 Adjudicative Hearing for Respondents, with documentation of service.

10 C. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the
11 Director's designee hereby adopts the Statement of Charges, which is attached hereto.

12 II. FINAL ORDER

13 Based upon the foregoing, and the Director's designee having considered the record and being
14 otherwise fully advised, NOW, THEREFORE:

15 A. IT IS HEREBY ORDERED, That:

- 16 1. Respondent Moises Garcia-Rangel d/b/a Investment Mortgage Firm is prohibited
17 from participation in the conduct of the affairs of any mortgage broker or
18 consumer loan company subject to licensure by the Director, in any manner, for a
19 period of five (5) years;
- 20 2. Respondent Moises Garcia-Rangel, individually, is prohibited from participation
21 in the conduct of the affairs of any mortgage broker or consumer loan company
22 subject to licensure by the Director, in any manner, for a period of five (5) years;
- 23 3. Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
24 Garcia-Rangel jointly and severally pay restitution totaling \$500 to the borrower
identified in paragraph 1.2 of the Statement of Charges;
4. Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
Garcia-Rangel jointly and severally pay a fine of \$9,975;

- 1 5. Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
2 Garcia-Rangel jointly and severally pay an investigation fee of \$998.40; and
- 3 6. Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
4 Garcia-Rangel maintain records in compliance with the Act and provide the
5 Department with the location of the books, records and other information relating
6 to Respondent Moises Garcia-Rangel d/b/a Investment Mortgage Firm's mortgage
7 broker business, and the name, address and telephone number of the individual
8 responsible for maintenance of such records in compliance with the Act.

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

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

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

22 D. Judicial Review. Respondents have the right to petition the superior court for judicial
23 review of this agency action under the provisions of chapter 34.05 RCW. For the requirements for
24 filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

E. Non-compliance with Order. If Respondents do not comply with the terms of this
order, the Department may seek its enforcement by the Office of the Attorney General to include the

1 collection of the restitution, fine, and fees imposed herein. The Department also may assign the
2 amounts owed to a collection agency for collection.

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

6 DATED this 29th day of June, 2011



8 STATE OF WASHINGTON
9 DEPARTMENT OF FINANCIAL INSTITUTIONS



10
11 DÉBORAH BORTNER
12 Director
13 Division of Consumer Services

1 business as a loan originator on or around May 25, 2007, and continued to be licensed until his
2 license expired on December 31, 2008. On or around March 31, 2009, Respondent Garcia-Rangel's
3 loan originator license was re-approved by the Department, but the license was to remain in
4 "inactive"² status until such time as Respondent Garcia-Rangel obtained sponsorship by a licensed
5 consumer loan or mortgage broker company. Respondent Garcia-Rangel submitted a Declaration of
6 Activity for the period of December 31, 2008, through March 31, 2009, wherein he stated that he had
7 done no activity during this time that required licensure. Respondent Garcia-Rangel's loan originator
8 license was not in "active"³ status at any time during 2009, and his license expired again on
9 December 31, 2009.

10 **1.2 Unlicensed Activity.**

11 a. **Unlicensed Mortgage Broker Activity:** Between at least September 30, 2008, and
12 the date of this Statement of Charges, Respondent Investment Mortgage held itself out as able to
13 assist at least one consumer in applying to obtain a loan modification on property located in the state
14 of Washington. The consumer involved in this loan modification, M.E., paid fees to Respondent
15 Investment Mortgage totaling at least \$500.

16 b. **Unlicensed Loan Originator Activity:** Between at least January 1, 2009, and the
17 date of this Statement of Charges, Respondent Garcia-Rangel held himself out as able to assist at
18 least one consumer in applying to obtain a loan modification on property located in the state of
19 Washington. The consumer involved in this loan modification, M.E., paid fees to Respondent
20 Investment Mortgage totaling at least \$500. Respondent Garcia-Rangel was not licensed by the
21

22 ² Pursuant to WAC 208-660-350(10), when a licensed loan originator is not sponsored by a licensed or exempt company, the license is
23 inactive. A loan originator with an inactive license must continue to pay annual fees and complete continuing education, or the
Department will be unable to renew the inactive license (WAC 208-660-350(11)).

24 ³ Pursuant to WAC 206-660-350(12), a loan originator license is "active" when a sponsoring company submits a request to sponsor the
loan originator on the National Mortgage Licensing System (NMLS) and the request is approved by the Department.

1 Department to conduct business as a loan originator during at least part of the time that the loan
2 modification transaction occurred.

3 **1.3 Operating Under Unlicensed Name.** Between on or around May 25, 2007 until on or
4 around October 20, 2008, Respondent Garcia-Rangel's loan originator license was sponsored by Axia
5 Financial, LLC, a Washington licensed consumer loan company. Respondent Garcia-Rangel was
6 licensed to conduct the business of a loan originator only under the sponsorship of Axia Financial,
7 LLC in the state of Washington between May 25, 2007, and October 20, 2008. Between at least
8 September 30, 2008, and the date of this Statement of Charges, Respondent Garcia-Rangel operated
9 under the name "Investment Mortgage Firm." To date, Respondent Garcia-Rangel has neither
10 requested nor received the written consent of the Director to operate under any name other than the
11 one under which the license was issued.

12 **1.4 Prohibited Acts.** Between at least January 1, 2009, and the date of this Statement of
13 Charges, Respondent Garcia-Rangel assisted at least one consumer in applying to obtain a loan
14 modification on property located in the state of Washington. On or around March 31, 2009,
15 Respondent Garcia-Rangel submitted a Declaration of Activity for the period of December 31, 2008,
16 through March 31, 2009, wherein he stated that he had done no activity during this time that required
17 licensure.

18 **1.5 Failure to Maintain Records.** On or around February 22, 2010, the Department served a
19 directive on Respondent Investment Mortgage and Respondent Garcia-Rangel (collectively,
20 Respondents) requiring the Respondents to provide copies of certain records relating to borrower
21 M.E.'s loan modification. On or around April 19, 2010, Respondents informed the Department that
22 they had no records relating to borrower's M.E.'s loan modification. On or around June 10, 2010,
23

1 Respondents informed the Department that although borrower M.E. had signed a written contract,
2 Respondents did not have a copy of this contract.

3 **1.6 On-Going Investigation.** The Department's investigation into the alleged violations of the
4 Act by Respondents continues to date.

5 II. GROUNDS FOR ENTRY OF ORDER

6 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14) and WAC 208-660-
7 010(29), "Mortgage Broker" means any person who, for compensation or gain, or in the expectation
8 of compensation or gain (a) makes a residential mortgage loan or assists a person in obtaining or
9 applying to obtain a residential mortgage loan or (b) holds himself or herself out as being able to
10 make a residential mortgage loan or assist a person in obtaining or applying to obtain a residential
11 mortgage loan.

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

1 loan. A person who holds himself or herself out to the public as able to obtain a loan is not
2 performing administrative or clerical tasks.

3 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3), a “Borrower” is defined as any
4 person who consults with or retains a mortgage broker or loan originator in an effort to obtain or seek
5 advice or information on obtaining or applying to obtain a residential mortgage loan for himself,
6 herself, or persons including himself or herself, regardless of whether the person actually obtains
7 such a loan.

8 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
9 Allegations set forth in Section I above, Respondent Investment Mortgage is in apparent violation of
10 RCW 19.146.200 for engaging in the business of a mortgage broker without first obtaining and
11 maintaining a license under the Act.

12 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
13 Allegations set forth in Section I above, Respondent Garcia-Rangel is in apparent violation of RCW
14 19.146.200 and WAC 208-660-155(1) for engaging in the business of a loan originator and mortgage
15 broker without first obtaining and maintaining a license for the company under which Respondent
16 Garcia-Rangel was conducting business (Respondent Investment Mortgage) under the Act.

17 **2.6 Requirement to Operate Under a Licensed Name.** Based on the Factual Allegations set
18 forth in Section I above, Respondent Garcia-Rangel is in apparent violation of RCW 19.146.250 for
19 operating under a name other than the one under which the license is issued, without first obtaining
20 and maintaining a mortgage broker license under the Act.

21 **2.7 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent
22 Garcia-Rangel is in apparent violation of RCW 19.146.0201 (8) for negligently making a false
23 statement or knowingly and willfully making an omission of material fact in connection with any

1 reports filed by a mortgage broker or in connection with an investigation conducted by the
2 Department.

3 **2.8 Requirement to Maintain Accurate and Current Books and Records.** Based on the
4 Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW
5 19.146.060 and WAC 208-660-450(1) and (4) for failing to keep all records in a location that is on
6 file with and readily available to the Department until at least twenty-five months have elapsed
7 following the effective period to which the records relate.

8 **III. AUTHORITY TO IMPOSE SANCTIONS**

9 **3.1 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a) and (d), the
10 Director may issue orders removing from office or prohibiting from participation in the conduct of
11 the affairs of licensed mortgage broker, or both, any officer, principal, employee, or loan originator of
12 any licensed mortgage broker or any person subject to licensing under the Act for any violations of
13 the Act, or any violations of RCW 19.146.0201(1) through (9), or RCW 19.146.200, or failure to
14 comply with a directive or order of the Director.

15 **3.2 Authority to Order Restitution.** Pursuant to RCW 19.146.220(d), the Director may issue
16 orders directing a licensee, its employee or loan originator, or other person subject to the Act to pay
17 restitution.

18 **3.3 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2) and (3) and WAC 208-660-530,
19 the Director may impose fines on a licensee, employee or loan originator of the licensee, or other
20 person subject to the Act for any violations of the Act, or any violations of RCW 19.146.0201(1)
21 through (9), or RCW 19.146.200 or failure to comply with a directive or order of the Director.

22 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), WAC 208-660-
23 550(4) and WAC 208-660-520(9), the Department will charge forty-eight dollars per hour for an

1 examiner's time devoted to an investigation of the books and records of a licensee or other person
2 subject to the Act.

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

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

8 **4.1** Respondent Moises Garcia-Rangel d/b/a Investment Mortgage Firm be prohibited
9 from participation in the conduct of the affairs of any mortgage broker or consumer loan
company subject to licensure by the Director, in any manner, for a period of five (5) years;

10 **4.2** Respondent Moises Garcia-Rangel, individually, be prohibited from participation in
11 the conduct of the affairs of any mortgage broker or consumer loan company subject to
licensure by the Director, in any manner, for a period of five (5) years;

12 **4.3** Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
13 Garcia-Rangel jointly and severally pay restitution totaling \$500 to the borrower identified in
paragraph 1.2 of this Statement of Charges;

14 **4.4** Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
15 Garcia-Rangel jointly and severally pay a fine which as of the date of this Statement of
Charge totals \$9,975;

16 **4.5** Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
17 Garcia-Rangel jointly and severally pay an investigation fee which as of the date of this
18 Statement of Charges totals \$998.40 calculated at \$48.00 per hour for twenty and eight-tenths
staff hours; and

19 **4.6** Respondents Moises Garcia-Rangel d/b/a Investment Mortgage Firm and Moises
20 Garcia-Rangel maintain records in compliance with the Act and provide the Department with
21 the location of the books, records and other information relating to Respondent Moises
Garcia-Rangel d/b/a Investment Mortgage Firm's mortgage broker business, and the name,
address and telephone number of the individual responsible for maintenance of such records
22 in compliance with the Act.

23 //

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Prohibit From
3 Industry, Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) is
4 entered pursuant to the provisions of RCW 19.146.220, RCW 221, RCW 19.146.223, and RCW
5 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure
6 Act). Respondents may make a written request for a hearing as set forth in the NOTICE OF
7 OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
8 Statement of Charges.

9
10 Dated this 2nd day of May, 2011



11 [Redacted signature]

12 **DEBORAH BORTNER**
13 Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

17 [Redacted signature]

18 **MARISA E. BROGGEL**
19 Financial Legal Examiner

20 Approved by:

21 [Redacted signature]

22 **JAMES R. BRUSSELBACK**
23 Enforcement Chief