

ORDER SUMMARY – Case Number: C-12-0912

Name(s): Law Offices of Armen Janian and Associates P.C.
Armen Janian

Order Number: C-12-0912-13-FO01

Effective Date: May 8, 2013

License Number: N/A
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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:

Not Apply Until: May 8, 2018

Not Eligible Until: May 8, 2018

Prohibition/Ban Until: May 8, 2018

Investigation Costs	\$240	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Fine	\$9,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$2,500	Due	Paid <input type="checkbox"/> Y <input checked="" 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: Cease and Desist engaging in the business of a mortgage broker or loan originator

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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

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

No.: C-12-0912-13-FO01

LAW OFFICES OF ARMEN JANIAN AND
ASSOCIATES, P.C., and ARMEN JANIAN,

FINAL ORDER

Respondents.

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I. DIRECTOR'S CONSIDERATION

A. Default. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), through his designee, Consumer Services Division Director Deborah Bortner (Director's designee), pursuant to RCW 34.05.440(1). On March 28, 2013, the Director, through the Director's designee, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist Business, Prohibit from Industry, Order Restitution, Impose Fine, and Collect Investigation Fee (Statement of Charges) against the Law Offices of Armen Janian and Associates, P.C., and Armen Janian (Respondents). 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 March 29, 2013, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondents (collectively, accompanying documents).

On March 29, 2013, the Department served Respondents with the Statement of Charges and accompanying documents by First-Class mail and Federal Express overnight delivery. On April 2, 2013, the documents sent by Federal Express overnight delivery were delivered to 1121 Ethel Street Glendale, California 91207, and signed for by A. Janian. On April 2, 2013, the documents sent by

1 Federal Express overnight delivery were delivered to 1156 N. Brand Blvd Glendale, California
2 91202, and signed for by Peggy Bayne. The documents sent by First-Class mail to the above
3 addresses were not returned to the Department by the United States Postal Service.

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

7 B. Record Presented. The record presented to the Director's designee for her review and
8 for entry of a final decision included the following:

- 9 1. Statement of Charges,
- 10 2. Cover letter dated March 29, 2013,
- 11 3. Notice of Opportunity to Defend and Opportunity for Hearing, and
- 12 4. Blank Application for Adjudicative Hearing for Respondent, with documentation
13 for service.

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

16 II. FINAL ORDER

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

19 A. IT IS HEREBY ORDERED, That:

- 20 1. Respondents cease and desist engaging in the business of a mortgage broker or loan
21 originator.
- 22 2. Respondents are prohibited from participation, in any manner, in the conduct of the
23 affairs of any mortgage broker subject to licensure by the Director for a period of five
24 years.
3. Respondents jointly and severally pay restitution to the one consumer identified by
the Department in paragraph 1.2 of the Statement of Charges in the amount set forth

1 therein, and that Respondents jointly and severally pay restitution to each Washington
2 consumer with whom they entered into a contract for residential mortgage loan
3 modification services related to real property or consumers located in the state of
4 Washington equal to the amount collected from that Washington consumer for those
5 services in an amount to be determined at hearing.

- 4 4. Respondents jointly and severally pay a fine in the amount of \$9,000.
- 5 5. Respondents jointly and severally pay an investigation fee in the amount of \$240.
- 6 6. Respondents maintain records in compliance with the Act and provide the
7 Department with the location of the books, records and other information relating to
8 Respondents' provision of residential mortgage loan modification services in
9 Washington, and the name, address and telephone number of the individual
10 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.

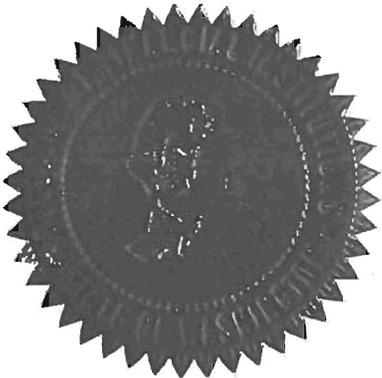
19 C. Stay of Order. The Director's designee has determined not to consider a Petition to
20 Stay the effectiveness of this order. Any such requests should be made in connection with a Petition
21 for Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

4 E. Non-compliance with Order. If you do not comply with the terms of this order, the
5 Department may seek its enforcement by the Office of the Attorney General to include the collection
6 of the fines, fees, and restitution imposed herein. The Department also may assign the amounts owed
7 to a collection agency for collection.

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

11 DATED this 9th day of May, 2013



13 STATE OF WASHINGTON
14 DEPARTMENT OF FINANCIAL INSTITUTIONS

15 [Redacted Signature]
16 DEBORAH BORTNER
17 Director
18 Division of Consumer Services

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
Mortgage Broker Practices Act of Washington by:

5 LAW OFFICES OF ARMEN JANIAN AND
ASSOCIATES, P.C., and ARMEN JANIAN,

6 Respondents.
7

No. C-12-0912-13-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENT TO ENTER AN
ORDER TO CEASE AND DESIST
BUSINESS, PROHIBIT FROM
INDUSTRY, ORDER RESTITUTION,
IMPOSE FINE, AND COLLECT
INVESTIGATION FEE

8 INTRODUCTION

9 Pursuant to RCW 19.146.220 and RCW 19.146.223, the Director of the Department of Financial
10 Institutions of the State of Washington (Director) is responsible for the administration of chapter
11 19.146 RCW, the Mortgage Broker Practices (Act). After having conducted an investigation pursuant
12 to RCW 19.146.235, and based upon the facts available as of the date of this Statement of Charges, the
13 Director, through his designee, Division of Consumer Services Director Deborah Bortner, institutes
14 this proceeding and finds as follows:

15 I. FACTUAL ALLEGATIONS

16 1.1 Respondents.

17 A. Law Office of Armen Janian and Associates, P.C., (Respondent Janian and
18 Associates) has never been licensed by the Department of Financial Institutions of the State of
19 Washington (Department) to conduct business as a mortgage broker or loan originator.

20 B. Armen Janian (Respondent Janian) is a Principal of Respondent Janian and Associates.
21 During the relevant time period, Respondent Janian was not licensed by the Department to conduct
22 business as a mortgage broker or loan originator.

23 1.2 Unlicensed Activity. Between at least December 2009 and June 2010, Respondents were
24 offering residential mortgage loan modification services to Washington consumers on property located

1 in Washington State. Respondents entered into a contractual relationship with at least three
2 Washington consumers to provide those services and collected a fee for the provision of those
3 services. The Department has received at least three complaints from Washington consumers alleging
4 Respondents provided or offered to provide residential mortgage loan modification services while not
5 licensed by the Department to provide those services. Washington consumer [REDACTED] paid Respondents
6 \$2,500 for those services.

7 **1.3 Misrepresentations and Omissions.** Respondents represented that they were licensed to
8 provide the residential mortgage loan modification services or omitted disclosing that they were not
9 licensed to provide those services.

10 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the
11 Act by Respondents continues to date.

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

13 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
14 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
15 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
16 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
17 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a
18 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among
19 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

20 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a
21 natural person who for direct or indirect compensation or gain, or in the expectation of direct or
22 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;
23 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform
24 any of these activities.

1 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents
2 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive practice
3 toward any person and obtaining property by fraud or misrepresentation.

4 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual
5 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
6 for engaging in the business of a mortgage broker for Washington residents or property without first
7 obtaining a license to do so.

8 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual
9 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)
10 for engaging in the business of a loan originator without first obtaining and maintaining a license.

11 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW
12 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a
13 location that is on file with and readily available to the Department until at least twenty-five months
14 have elapsed following the effective period to which the books and records relate.

15 III. AUTHORITY TO IMPOSE SANCTIONS

16 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the
17 Director may issue orders directing any person subject to the Act to cease and desist from conducting
18 business.

19 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may
20 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
21 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or
22 (13), or RCW 19.146.200.

23 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
24 restitution against any person subject to the Act for any violation of the Act.

1 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
2 against any person subject to the Act for any violation of the Act.

3 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-
4 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted
5 to an investigation of any person subject to the Act.

6 **IV. NOTICE OF INTENT TO ENTER ORDER**

7 Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as
8 set forth above constitute a basis for the entry of an Order under RCW 19.146.220, RCW 19.146.221,
9 and RCW 19.146.223. Therefore, it is the Director's intent to ORDER that:

10 **4.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

11 **4.2** Respondents be prohibited from participation, in any manner, in the conduct of the affairs of
12 any mortgage broker subject to licensure by the Director for a period of five years.

13 **4.3** Respondents jointly and severally pay restitution to the one consumer identified by the
14 Department in paragraph 1.2 in the amount set forth therein, and that Respondents jointly and
15 severally pay restitution to each Washington consumer with whom they entered into a contract
16 for residential mortgage loan modification services related to real property or consumers
17 located in the state of Washington equal to the amount collected from that Washington
18 consumer for those services in an amount to be determined at hearing.

19 **4.4** Respondents jointly and severally pay a fine, which as of the date of this Statement of Charges
20 totals \$9,000

21 **4.5** Respondents jointly and severally pay an investigation fee, which as of the date of this
22 Statement of Charges totals \$240.

23 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the
24 location of the books, records and other information relating to Respondents' provision of
residential mortgage loan modification services in Washington, 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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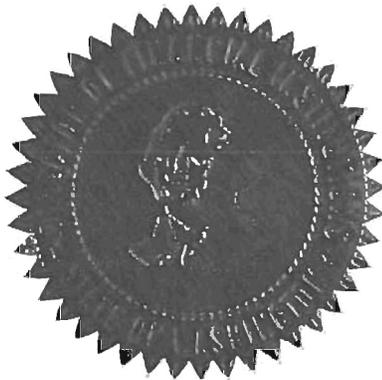
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1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220, RCW
3 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter 34.05
4 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
5 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
6 accompanying this Statement of Charges.

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8 Dated this 28th day of March, 2013.



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DEBORAH BORTNER
Director, Division of Consumer Services
Department of Financial Institutions

Presented by:



DEBORAH TAEILLIOUS
Financial Legal Examiner

Approved by:



CHARLES E. CLARK
Enforcement Chief