

## ORDER SUMMARY – Case Number: C-12-1081

**Name(s):** Charles Craig Brown and CC Brown Law, LLC

**Order Number:** C-12-1081-15-FO01

**Effective Date:** May 12, 2015

**License Number:** Unlicensed NMLS ID: 374083 (CC Brown Law)  
Unlicensed NMLS ID: 374556 (Brown)

**License Effect:** N/A

**Not Apply Until:** May 12, 2020

**Not Eligible Until:** May 12, 2020

**Prohibition Until:** May 12, 2020

<b>Investigation Costs</b>	\$ 1,171	Due: 30 days after service	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$ 9,000	Due: 30 days after service	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Restitution</b>	\$ 8,625	Due: 30 days after service	Paid: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>No. of Victims:</b>	2 included in SOC/FO.			
<b>Judgment N/A</b>				
<b>Satisfaction of Judgment? N/A</b>				

Comments: Respondents ordered to cease and desist engaging in the business of a MB or MLO

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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-12-1081-15-FO01

FINAL ORDER

CHARLES CRAIG BROWN, Owner and Founder,  
and CC BROWN LAW, LLC,

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 Charles E. Clark (Director's designee), pursuant to RCW 34.05.440(1). On June 28, 2013, the Director issued a 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 (Statement of Charges) against Charles Craig Brown and his law firm, CC Brown Law, LLC (Respondents). A copy of the Statement of Charges is attached and incorporated herein by reference. The Statement of Charges was accompanied by a cover letter, a Notice of Opportunity to Defend and Opportunity for Hearing, and blank Applications for Adjudicative Hearing for Respondents (collectively, accompanying documents).

On December 17, 2014, after prior failed service attempts on Respondents, the Department obtained information that Respondent Charles Craig Brown was residing at an address on Foothill Drive in Salt Lake City, Utah. The Department served the Statement of Charges and accompanying documents on Respondents on December 17, 2014, by First-Class mail to the Foothill Drive address. The documents sent via First-Class mail were not returned to the Department by the U.S. Postal

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1 Service. The Statement of Charges and accompanying documents were also served on Respondents  
2 via Federal Express overnight delivery on December 18, 2014, at the Foothill Drive address.

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  
5 for in WAC 208-08-050(2).

6 B. Record Presented. The record presented to the Director's designee for his review and for  
7 entry of a final decision included the Statement of Charges and accompanying documents, with  
8 documentation for service.

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

11 **II. FINAL ORDER**

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

14 A. IT IS HEREBY ORDERED, That:

- 15 1. Respondents Charles Craig Brown and CC Brown Law, LLC immediately cease and  
16 desist engaging in the business of a mortgage broker or mortgage loan originator.
- 17 2. Respondents Charles Craig Brown and CC Brown Law, LLC are prohibited from  
18 participation, in any manner, in the conduct of the affairs of any mortgage broker subject  
19 to licensure by the Director for a period of five years from the date of entry of this order.
- 20 3. Respondents Charles Craig Brown and CC Brown Law, LLC jointly and severally pay  
21 \$3,490 in restitution to Washington consumer N.R.V., and \$5,135 in restitution to  
22 Washington consumer V.A.
- 23 4. Respondents Charles Craig Brown and CC Brown Law, LLC jointly and severally pay a  
24 fine of \$9,000
5. Respondents Charles Craig Brown and CC Brown Law, LLC jointly and severally pay an  
investigation fee of \$1,171.
6. Respondents Charles Craig Brown and CC Brown Law, LLC maintain records in  
compliance with chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and

1 provide the Director with the location of the books, records and other information relating  
2 to Respondents Charles Craig Brown and CC Brown Law, LLC and the name, address  
3 and telephone number of the individual responsible for maintenance of such records in  
4 compliance with the Act.

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

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

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

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

21 E. Non-compliance with Order. If you do not comply with the terms of this order, **including**  
22 **payment of the amounts owed within 30 days of receipt of this order**, the Department may seek  
23 its enforcement by the Office of the Attorney General to include the collection of the restitution,  
24 fines, and fees imposed herein. The Department also may assign the amounts owed to the  
Department to a collection agency for collection.

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

4 DATED this 12<sup>th</sup> day of May, 2015.



5 STATE OF WASHINGTON  
6 DEPARTMENT OF FINANCIAL INSTITUTIONS

7 [REDACTED]  
8 CHARLES E. CLARK, Director  
9 Division of Consumer Services





1 a person ““assists a person in obtaining or applying to obtain a residential mortgage loan’ by, among  
2 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages....”

3 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), “loan originator” means a  
4 natural person who for direct or indirect compensation or gain, or in the expectation of direct or  
5 indirect compensation or gain offers or negotiates terms of a mortgage loan or holds themselves out  
6 to the public as able to perform any of these activities.

7 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents  
8 are in apparent violation of RCW 19.146.0201(2) & (3) for engaging in an unfair or deceptive  
9 practice toward any person and obtaining property by fraud or misrepresentation.

10 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
11 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
12 for engaging in the business of a mortgage broker for Washington residents or property without first  
13 obtaining a license to do so.

14 **2.5 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
15 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
16 for engaging in the business of a loan originator without first obtaining and maintaining a license.

17 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
18 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a  
19 location that is on file with and readily available to the Department until at least twenty-five months  
20 have elapsed following the effective period to which the books and records relate.

### 21 III. AUTHORITY TO IMPOSE SANCTIONS

22 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
23 Director may issue orders directing any person subject to the Act to cease and desist from conducting  
24 business.

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

5 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
6 restitution against any person subject to the Act for any violation of the Act.

7 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
8 against any person subject to the Act for any violation of the Act.

9 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-  
10 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted  
11 to an investigation of any person subject to the Act.

#### 12 **IV. NOTICE OF INTENT TO ENTER ORDER**

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

16 **4.1** Respondents Charles C. Brown and CC Brown Law, LLC, immediately cease and desist  
17 engaging in the business of a mortgage broker or loan originator.

18 **4.2** Respondents Charles C. Brown and CC Brown Law, LLC, be prohibited from participation, in  
19 any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the  
20 Director for a period of five years.

21 **4.3** Respondents Charles C. Brown and CC Brown Law, LLC, jointly and severally pay restitution  
22 to the two consumers identified by the Department in paragraph 1.2 in the amounts set forth  
23 therein, and that Respondents Charles C. Brown and CC Brown Law, LLC, jointly and  
24 severally pay restitution to each Washington consumer with whom they entered into a contract  
for residential mortgage loan modification services related to real property or consumers  
located in the state of Washington equal to the amount collected from each Washington  
consumer for those services, in an amount to be determined at hearing.

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1 4.4 Respondents Charles C. Brown and CC Brown Law, LLC, jointly and severally pay a fine,  
2 which as of the date of this Statement of Charges totals \$9,000.

3 4.5 Respondents Charles C. Brown and CC Brown Law, LLC, jointly and severally pay an  
4 investigation fee, which as of the date of this Statement of Charges totals \$1,171.

5 4.6 Respondents Charles C. Brown and CC Brown Law, LLC, maintain records in compliance  
6 with the Act and provide the Department with the location of the books, records and other  
7 information relating to Respondents' provision of residential mortgage loan modification  
8 services in Washington, and the name, address and telephone number of the individual  
9 responsible for maintenance of such records in compliance with the Act.

10 **V. AUTHORITY AND PROCEDURE**

11 This Statement of Charges is entered pursuant to the provisions of RCW 19.146.220,  
12 RCW 19.146.221, RCW 19.146.223, and RCW 19.146.230, and is subject to the provisions of chapter  
13 34.05 RCW (The Administrative Procedure Act). Respondents may make a written request for a  
14 hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR  
15 HEARING accompanying this Statement of Charges.

16 Dated this 28<sup>th</sup> day of June, 2013.



17 DEBORAH BORTNER  
18 Director, Division of Consumer Services  
19 Department of Financial Institutions

20 Presented by:



21 ANTHONY W. CARTER  
22 Senior Enforcement Attorney

20 Approved by:



21 CHARLES E. CLARK  
22 Enforcement Chief