

## ORDER SUMMARY – Case Number: C-13-1149

**Name(s):** Kelley Matter d/b/a Nationwide Industries d/b/a Nationwide Mortgage  
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**Order Number:** C-13-1149-15-FO01  
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**Effective Date:** February 18, 2015  
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**License Number:** Unlicensed  
**Or NMLS Identifier [U/L]** \_\_\_\_\_

**License Effect:** N/A  
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**Not Apply Until:** February 18, 2020  
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**Not Eligible Until:** February 18, 2020  
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**Prohibition/Ban Until:** February 18, 2020  
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<b>Investigation Costs</b>	\$ 1,818.40	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$ 12,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$ 13,967	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Judgment</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

**Comments:** Cease and desist  
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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:

No. C-13-1149-15-FO01

KELLEY MATTER d/b/a NATIONWIDE  
INDUSTRIES and d/b/a NATIONWIDE  
MORTGAGE;  
JOHN MEDINA, Unlicensed Loan Originator;  
JOEL RICHARDSON, Unlicensed Loan  
Originator; and  
CARMEN ALVAREZ d/b/a FIRST REVIEW  
PROCESSING;

FINAL ORDER  
KELLEY MATTER  
d/b/a NATIONWIDE INDUSTRIES  
d/b/a NATIONWIDE MORTGAGE

Respondents.

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, through the Director's designee, the former Consumer Services Division Director Deborah Bortner, issued a Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist, Prohibit From Industry, Order Restitution, Impose Fine, and Collect Investigative Fee (Statement of Charges) against Kelley Matter d/b/a Nationwide Industries d/b/a Nationwide Mortgage, John Medina, Joel Richardson, and Carmen Alvarez d/b/a First Review Processing (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, a Notice of Opportunity to Defend and Opportunity for Hearing, and a blank Application for Adjudicative Hearing for Respondents (collectively, accompanying documents).

1 B. Service. On January 5, 2015, after several failed service attempts, the Department  
2 received confirmation from the United States Post Office that mail is delivered for Respondent  
3 Matter to 7159 Scales Way, Buena Park, California 90621-2711. The same day, the Department  
4 served Respondent Matter with the Statement of Charges and accompanying documents via First-  
5 Class mail by the United State Postal Service to that address. The Statement of Charges and  
6 accompanying documents were not returned by the United States Postal Service as “undeliverable,”  
7 but were returned to the Department with “Return to Sender” handwritten on the envelope.

8 Respondent Matter did not request an adjudicative hearing within twenty calendar days after  
9 the Department served the Notice of Opportunity to Defend and Opportunity for Hearing, as provided  
10 for in WAC 208-08-050(2).

11 C. Record Presented. The record presented to the Director’s designee for his review and  
12 for entry of a final decision included the following:

- 13 1. Statement of Charges, cover letter, Notice of Opportunity to Defend and  
14 Opportunity for Hearing, and blank Application for Adjudicative Hearing for  
Respondent Matter, with documentation for service.
- 15 2. Post Office Address Verification Request form completed by the United States  
16 Post Office received by the Department on January 5, 2015.

17 D. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.440(1), the  
18 Director’s designee hereby adopts the Statement of Charges, which is attached hereto.

## 19 II. FINAL ORDER

20 Based upon the foregoing, and the Director’s designee having considered the record and being  
21 otherwise fully advised, NOW, THEREFORE:

22 A. IT IS HEREBY ORDERED, That:

- 23 1. Respondent Kelley Matter cease and desist engaging in the business of a mortgage  
broker or loan originator.

2. Respondent Kelley Matter 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 years.
3. Respondent Kelley Matter pay restitution in the amount of \$13,967 to the consumers identified in paragraph 1.2 of the Statement of Charges.
4. Respondent Kelley Matter pay a fine of \$12,000.
5. Respondent Kelley Matter pay an investigation fee of \$1,818.40.<sup>1</sup>

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

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

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

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

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<sup>1</sup> Investigation fee reflects a deduction of \$200 from amount requested in Statement of Charges based on investigation fee paid by Respondent Carmen Alvarez pursuant to Consent Order C-13-1149-14-CO01.

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 the Attorney General to include the collection  
3 of the fines, fees, and restitution imposed herein. The Department also may assign the amounts owed  
4 to a collection agency for collection.

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

8 DATED this 18<sup>th</sup> day of February, 2015.



10 STATE OF WASHINGTON  
11 DEPARTMENT OF FINANCIAL INSTITUTIONS

12 [Redacted Signature]  
13 CHARLES E. CLARK  
14 Director  
15 Division of Consumer Services

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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:

KELLEY MATTER d/b/a NATIONWIDE  
INDUSTRIES and d/b/a NATIONWIDE  
MORTGAGE;  
JOHN MEDINA, Unlicensed Loan Originator;  
JOEL RICHARDSON, Unlicensed Loan  
Originator; and  
CARMEN ALVAREZ d/b/a FIRST REVIEW  
PROCESSING;

Respondents.

No. C-13-1149-13-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER AN  
ORDER TO CEASE AND DESIST,  
PROHIBIT FROM INDUSTRY, ORDER  
RESTITUTION, 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). 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. **Kelley Matter d/b/a Nationwide Industries and d/b/a Nationwide Mortgage  
(Respondent Matter).** During the relevant time period, Respondent Matter was not licensed by the  
Department to conduct business as a mortgage broker or as a loan originator.

1           **B. John Medina (Respondent Medina)** acted as a loan originator for Nationwide  
2 Industries. During the relevant time period, Respondent Medina was not licensed by the Department  
3 to conduct the business as a mortgage broker or loan originator.

4           **C. Joel Richardson (Respondent Richardson)** acted as a loan originator for Nationwide  
5 Industries. During the relevant time period, Respondent Richardson was not licensed by the  
6 Department to conduct the business as a mortgage broker or loan originator.

7           **D. Carmen Alvarez d/b/a First Review Processing (Respondent Alvarez).** During the  
8 relevant time period, Respondent Alvarez was not licensed by the Department to conduct business as  
9 a mortgage broker or loan originator.

10 **1.2 Unlicensed Activity.** Between at least March 2012 and November 2012, Respondents were  
11 offering residential mortgage broker and/or loan originator services to Washington consumers on  
12 properties located in Washington State. Respondents entered into a contractual relationship with at  
13 least four Washington consumers to provide those services and collected advance fees for the  
14 provision of those services. A list of Washington consumers with whom Respondents conducted  
15 business as a mortgage broker or loan originator, and the amount paid by each, is appended hereto  
16 and incorporated herein by reference. The fees paid by two of the Washington consumers (D.S.  
17 \$3,613.00 and A.D. \$3,704.00) were deposited/transferred into a Bank of America account traced and  
18 established to belong to Respondent Kelley Matter d/b/a Nationwide Industries. The fee from a third  
19 Washington consumer (N.T. \$3,500.00) was deposited into a Chase Bank account which was traced  
20 and established to belong to Respondent Alvarez d/b/a First Review Processing. The fees from a  
21 fourth Washington consumer (S.H.) were paid to Nationwide Industries in the form of a check for  
22 \$2,500.00 and a direct deposit into a Chase Bank account for \$650.00.

1 **1.3 Misrepresentation.** Respondents represented they were licensed to provide the residential  
2 mortgage broker or loan originator activities, or omitted disclosing they were not licensed to provide  
3 those services.

4 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the  
5 Act by Respondents continues to date.

## 6 **II. GROUNDS FOR ENTRY OF ORDER**

7 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(14) and WAC 208-660-006,  
8 "Mortgage broker" means any person who, for compensation or gain, or in the expectation of  
9 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage  
10 loan or (b) holds himself or herself out as being able to assist a person in obtaining or applying to  
11 obtain a residential mortgage loan. "Mortgage broker" also includes any person who for direct or  
12 indirect compensation or gain or in the expectation of direct or indirect compensation or gain  
13 performs residential mortgage loan modification services or holds himself or herself out as being able  
14 to perform residential mortgage loan modification services.

15 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(11) and WAC 208-660-006,  
16 "Loan originator" means a natural person who for direct or indirect compensation or gain, or in the  
17 expectation of direct or indirect compensation or gain: takes a residential mortgage loan application  
18 for a mortgage broker; offers or negotiates terms of a mortgage loan; performs residential mortgage  
19 loan modification services; or holds themselves out to the public as able to perform any of these  
20 activities.

21 **2.3 Definition of Borrower.** Pursuant to RCW 19.146.010(3) and WAC 208-660-006,  
22 "Borrower" means any person who consults with or retains a mortgage broker or loan originator in an  
23 effort to obtain or seek advice or information on obtaining or applying to obtain a residential

1 mortgage loan for himself, herself, or persons including himself or herself, regardless of whether the  
2 person actually obtains such a loan.

3 **2.4 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondents  
4 are in apparent violation of RCW 19.146.0201(1), (2) and (3) for directly or indirectly employing a  
5 scheme, device or artifice to defraud or mislead borrowers or lenders or any person; engaging in an  
6 unfair or deceptive practice toward any person; and obtaining property by fraud or misrepresentation.

7 **2.5 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
8 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
9 and WAC 208-660-155 for engaging in the business of a mortgage broker without first obtaining and  
10 maintaining a license under the Act.

11 **2.6 Requirement to Obtain and Maintain Loan Originator License.** Based on the Factual  
12 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
13 and WAC 208-660-155 for engaging in the business of a loan originator without first obtaining and  
14 maintaining a license under the Act.

15 **2.7 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
16 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a  
17 location that is on file with and readily available to the Department until at least twenty-five months  
18 have elapsed following the effective period to which the books and records relate.

### 19 III. AUTHORITY TO IMPOSE SANCTIONS

20 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
21 Director may issue orders directing a licensee, its employee, loan originator, independent contractor,  
22 agent, or other person subject to the Act to cease and desist from conducting 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)  
4 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 licensees or other persons 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 persons 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), WAC 208-660-  
10 520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour  
11 for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

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

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

- 17 **4.1** Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez cease  
18 and desist engaging in the business of a mortgage broker or loan originator.
- 19 **4.2** Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez be  
20 prohibited from participation in the conduct of the affairs of any mortgage broker  
21 subject to licensure by the Director, in any manner, for a period of five years.
- 22 **4.3** Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez  
23 jointly and severally pay restitution to the consumers identified by the Department in  
24 paragraph 1.2 in the amount set forth therein.



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Presented by:



GREGORY H. SANDOZ  
Financial Legal Examiner

Approved by:



CHARLES E. CLARK  
Enforcement Chief

1 **APPENDIX – RESTITUTION**

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3 <u>Consumer</u>	<u>Amount</u>	<u>Bank Account</u>	<u>Owner of acct on file with bank</u>
4 1. N.T.	\$3500.00	Chase Bank	Carmen Alvarez d/b/a First Review Processing
5 2. S.H.	\$2500.00	Bank of America	
6	\$650.00	Chase Bank	
7 3. D.S.	\$3613.00	Bank of America	Kelly Matter d/b/a Nationwide Industries.
8 4. A.D.	\$3,704.00	Bank of America	Kelley Matter d/b/a Nationwide Industries and
9			
10		<u>Total:</u>	<u>\$13,967.00</u>

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