

ORDER SUMMARY – Case Number: C-16-1968

Name(s): R. Todd Jensen P.C. d/b/a Loan Modification Associates d/b/a LMA
 Mods; Todd Jensen

Order Number: C-16-1968-18-CO01

Effective Date: 3/26/2018

License Number: Unlicensed NMLS ID: 1736876 Individual, 1736881 Entity
Or NMLS Identifier [U/L]

License Effect:

Not Apply Until:

Not Eligible Until:

Prohibition/Ban Until: Five years from date of entry

Investigation Costs	\$1,000.00	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 03/21/2018
Fine	\$3,000.00	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 03/21/2018
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input 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:	2			

Comments:

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

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

8 R. TODD JENSEN P.C.
9 d/b/a LOAN MODIFICATION ASSOCIATES
10 d/b/a LMA MODS, and
11 R. TODD JENSEN,

12 Respondents.

No.: C-16-1968-18-CO01

CONSENT ORDER

13 COMES NOW the Director of the Department of Financial Institutions (Director), through
14 her designee Charles E. Clark, Division Director, Division of Consumer Services, and R. Todd
15 Jensen P.C. d/b/a Loan Modification Associates d/b/a LMA Mods and R. Todd Jensen
16 (Respondents), and finding that the issues raised in the above-captioned matter may be economically
17 and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered
18 pursuant to chapter 19.146 of the Revised Code of Washington (RCW), and RCW 34.05.060 of the
19 Administrative Procedure Act, based on the following:

20 **AGREEMENT AND ORDER**

21 The Department of Financial Institutions, Division of Consumer Services (Department) and
22 Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges
23 No. C-16-1968-16-SC01 (Statement of Charges), entered January 31st, 2017, (copy attached hereto).
24 Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of
the Administrative Procedure Act, Respondents hereby agree to the Department's entry of this
Consent Order and further agree that the issues raised in the above-captioned matter may be
economically and efficiently settled by entry of this Consent Order. The parties intend this Consent

1 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the
2 Statement of Charges in consideration of the terms of this Consent Order.

3 Based upon the foregoing:

4 A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
5 of the activities discussed herein.

6 B. **Waiver of Hearing.** It is AGREED that Respondents have been informed of the right to a
7 hearing before an administrative law judge, and hereby waive their right to a hearing and any and all
8 administrative and judicial review of the issues raised in this matter, or of the resolution reached
9 herein. Accordingly, Respondents, by their signatures below, withdraw their appeal to the Office of
10 Administrative Hearings.

11 C. **Prohibition from Industry.** It is AGREED that, for a period of five years from the date
12 of entry of this Consent Order, Respondents are prohibited from participating, in any capacity, in the
13 conduct of the affairs of any mortgage broker or consumer loan company licensed by the Department
14 or subject to licensure or regulation by the Department.

15 D. **Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of
16 \$3,000, in the form of a cashier's check made payable to the "Washington State Treasurer," upon
17 entry of this Consent Order.

18 E. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an
19 investigation fee of \$1,000, in the form of a cashier's check made payable to the "Washington State
20 Treasurer," upon entry of this Consent Order. The Fine and Investigation Fee may be paid together
21 in one \$4,000 cashier's check made payable to the "Washington State Treasurer."

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DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 26th DAY OF March, 2018.

/s/ _____
CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

/s/ _____
ROBERT E. JONES
Financial Legal Examiner Supervisor

Approved by:

/s/ _____
STEVEN C. SHERMAN
Enforcement Chief

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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:

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R. TODD JENSEN P.C.
d/b/a LOAN MODIFICATION ASSOCIATES
d/b/a LMA MODS, and
R. TODD JENSEN,

Respondents.

No. C-16-1968-16-SC01

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

INTRODUCTION

Pursuant to RCW 19.146.220 and RCW 19.146.223, the Acting Director of the Department of Financial Institutions of the State of Washington (Acting Director) is responsible for the administration of chapter 19.146 RCW, the Mortgage Broker Practices Act (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 Acting Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. R. Todd Jensen, P.C. d/b/a Loan Modification Associates, d/b/a LMA Mods
(Respondent R. Todd Jensen, P.C.) has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker.

B. R. Todd Jensen (Respondent Jensen) is manager of Respondent R. Todd Jensen, P.C. During the relevant time period, Respondent Jensen was not licensed by the Department to conduct business as a mortgage broker or loan originator.

1 **1.2 Unlicensed Activity.** Between at least May 17, 2016, and September 16, 2016, Respondents
2 were offering residential mortgage loan modification services to Washington consumers on property
3 located in Washington State. Respondents entered into a contractual relationship with at least two
4 Washington consumers to provide those services and collected an advance fee for the provision of
5 those services. The Department has received at least one complaint from a Washington consumer
6 alleging Respondents provided or offered to provide residential mortgage loan modification services
7 while not licensed by the Department to provide those services. Consumers R.W. and consumer J.B.
8 paid Respondent for loan modification services.

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

12 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the
13 Act by Respondents continues to date.

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

15 **2.1 Mortgage Broker Defined.** Pursuant to RCW 19.146.010(14), "Mortgage broker" means any
16 person who for direct or indirect compensation or gain, or in the expectation of direct or indirect
17 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
18 or performs residential mortgage loan modification services or (b) holds himself or herself out as being
19 able to assist a person in obtaining or applying to obtain a residential mortgage loan or provide
20 residential mortgage loan modification services.

21 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11)(b), "Loan originator" means a
22 natural person who for direct or indirect compensation or gain or in the expectation of direct or
23 indirect compensation or gain performs residential mortgage loan modification services or holds
24 himself or herself out as being able to perform residential mortgage loan modification services.

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 Prohibition against Taking Advance Fees.** Based on the Factual Allegations set forth in
12 Section I above, Respondents are in apparent violation of RCW 19.146.0201(11) and 12 CFR 1015
13 (Regulation O) for taking advance fees for loan modification services.

14 III. AUTHORITY TO IMPOSE SANCTIONS

15 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(3), the
16 Director may issue orders directing any person subject to the Act to cease and desist from conducting
17 business.

18 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(4), the Director may
19 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker
20 any person subject to licensing under the Act for any violation of the Act.

21 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order
22 restitution against any person subject to the Act for any violation of the Act.

23 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines
24 against any person subject to the Act for any violation of the Act.

1 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) and WAC 208-660-
2 550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted to
3 an investigation of any person subject to the Act.

4 **3.6 Authority to Recover Costs and Expenses.** Pursuant to RCW 19.146.221(2), the Director
5 may recover the state's costs and expenses for prosecuting violations of 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 R. Todd Jensen, P.C. and R. Todd Jensen cease and desist engaging in the
11 business of a mortgage broker or loan originator.

12 **4.2** Respondents R. Todd Jensen, P.C. and R. Todd Jensen be prohibited from participation, in any
13 manner, in the conduct of the affairs of any mortgage broker subject to licensure by the
14 Director for a period of five years.

15 **4.3** Respondents R. Todd Jensen, P.C. and R. Todd Jensen jointly and severally pay restitution to
16 each Washington consumer with whom they entered into a contract for residential mortgage
17 loan modification services related to real property or consumers located in the state of
18 Washington equal to the amount collected from that Washington consumer for those services
19 in an amount to be determined at hearing.

20 **4.4** Respondents R. Todd Jensen, P.C. and R. Todd Jensen jointly and severally pay a fine, which
21 as of the date of this Statement of Charges totals \$6,000.00.

22 **4.5** Respondents R. Todd Jensen, P.C. and R. Todd Jensen jointly and severally pay an
23 investigation fee, which as of the date of this Statement of Charges totals \$830.40.

24 **4.6** Respondents R. Todd Jensen, P.C. and R. Todd Jensen pay the Department's costs and
expenses for prosecuting violations of the Act in an amount to be determined at hearing or by
Declaration with supporting documentation in event of default by Respondent.

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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 31st day of January, 2017.

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11 /s/ _____
12 CHARLES E. CLARK
13 Director, Division of Consumer Services
14 Department of Financial Institutions

15 Presented by:

16 /s/ _____
17 ROBERT E. JONES
18 Financial Legal Examiner

19 Approved by:

20 /s/ _____
21 STEVEN C. SHERMAN
22 Enforcement Chief