Terms Completed

ORDER SUMMARY – Case Number: C-18-2480

Name(s):	Homeowners Foundation, Inc.; Paul J. Higgs				
Order Number:	C-18-2480-18-CO01				
Effective Date :	September 10, 2018				
License Number: Or NMLS Identifier [U/L]	N/A				
License Effect:	N/A				
Not Apply Until:	N/A				
Not Eligible Until:	N/A				
Prohibition/Ban Until:	September 10, 2023				
Investigation Costs	\$ 655.20	Due upon entry of Consent Order	Paid ⊠ Y □ N	Date	
Fine	\$0	Due	Paid	Date	
Time	\$ 0	Duc	YN	Date	
Assessment(s)	\$ 0	Due	Paid Y N	Date	
Restitution	\$ 4,500.00	Due prior to entry of Consent Order	Paid ⊠ Y □ N	Date	
Financial Literacy and Education	\$ 0	Due	Paid N	Date	
Cost of Prosecution	\$ 0	Due	Paid N	Date	
	No. of Victims:	1			
Comments:					

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-18-2480-18-CO01

CONSENT ORDER

HOMEOWNERS FOUNDATION, INC.,

and

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PAUL J. HIGGS, Founder,

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through her designee Charles E. Clark, Division Director, Division of Consumer Services, and Homeowners Foundation, Inc. and Paul Higgs (Respondents), and finding that the issues raised in the abovecaptioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to Revised Code of Washington (RCW) 19.146, the Mortgage Broker Practices Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

FINDINGS OF FACT

1.1 Respondents.

- **Respondent Homeowners Foundation, Inc.** has never been licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a mortgage broker.
- **Respondent Paul J. Higgs** is the founder of Respondent Homeowners Foundation, Inc. Respondent Paul J. Higgs has never been licensed by the Department to conduct business as a mortgage broker or loan originator.

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CONSENT ORDER C-18-2480-18-CO01 Homeowners Foundation, Inc., and Paul J. Higgs

DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Road SW P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8703

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1	1.2 Unlicensed Activity. Between at least April 2016 and June 2016, Respondents provided or					
2	offered to provide residential mortgage loan modification services to at least one Washington resident					
3	for a residential mortgage loan secured by real property located in the state of Washington.					
4	CONCLUSIONS OF LAW					
5	2.1 Based on the Findings of Fact, Respondents violated RCW 19.146.200 by engaging in the					
6	business of a mortgage broker or mortgage loan originator in the state of Washington without first					
7	obtaining and maintaining a license in accordance with the Act or meeting an exclusion from the Act					
8	under RCW 19.146.020.					
9	AGREEMENT AND ORDER					
10	The Department and Respondents have agreed upon a basis for resolution of the Findings of					
11	Fact and Conclusions of Law identified in this Consent Order. Pursuant to RCW 19.146.218 and					
12	RCW 34.05.060, the Department and Respondents hereby agree to the Department's entry of this					
13	Consent Order and hereby admits the Findings of Fact and Conclusions of Law identified in this					
14	Consent Order.					
15	Based upon the foregoing:					
16	A. Jurisdiction. It is AGREED that the Department has jurisdiction over the subject matter of the					
17	activities discussed herein.					
18	B. Waiver of Hearing. It is AGREED that Respondents hereby waive any rights they have to a					
19	hearing and any and all administrative and judicial review of the issues raised in this matter or the					
20	resolution reached herein.					
21	C. Prohibition. It is AGREED that for a period of five years from the date of this Consent					
22	Order, Respondents are prohibited from participating, in any capacity, the conduct of the affairs of					
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24	CONSENT ORDER 2 DEPARTMENT OF FINANCIAL INSTITUTIONS C-18-2480-18-C001 Division of Consumer Services Homeowners Foundation Inc. and					

1	any mortgage broker or consumer loan company licensed by the Department or subject to licensure or
2	regulation by the Department.
3	D. Investigation Fee. It is AGREED that Respondents shall jointly and severally pay an
4	investigation fee to the Department in the amount of \$655.20 in the form of a cashier's check made
5	payable to the "Washington State Treasurer" upon entry of this Consent Order.
6	E. Restitution. It is AGREED that Respondents have paid restitution in the amount of
7	\$4,500.00 to borrower B.E. and have provided the Department with proof of payment in the form of a
8	copy of the cashier's check issued.
9	F. Non-Compliance with Order. It is AGREED that Respondents understand that failure to
10	abide by the terms and conditions of this Consent Order may result in further legal action by the
11	Director. In the event of such legal action, Respondent may be responsible to reimburse the Director
12	for the cost incurred in pursuing such action, including but not limited to, attorney fees.
13	G. Voluntarily Entered. It is AGREED that Respondents have voluntarily entered into this
14	Consent Order, which is effective when signed by the Director's designee.
15	H. Completely Read, Understood, and Agreed. It is AGREED that Respondents have read
16	this Consent Order in its entirety and fully understands and agrees to all of the same.
17	I. Authority to Execute Order. It is AGREED that the undersigned authorized representative
18	has represented and warranted that he has the full power and right to execute this Consent Order on
19	behalf of Respondent Homeowners Foundation, Inc.
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24	CONSENT ORDER 3 DEPARTMENT OF FINANCIAL INSTITUTIONS

1	RESPONDENTS:	
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3	Homeowners Foundation, Inc. By:	
4	Paul J. Higgs	<u>8/27/2018</u> Date
5	Founder	Date
6	/s/	8/27/2018
7	Paul J. Higgs Individually	Date
8		
9		DO NOT WRITE BELOW THIS LINE
10	THIS ORDER EN	NTERED THIS 10 th DAY OF September, 2018.
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12		<u>/s/</u> CHARLES E. CLARK
13		Director Division of Consumer Services
14		Department of Financial Institutions
15		
16	Presented by:	
17	Tresented by.	
18	JEANJU CHOI	_
19	Financial Legal Examiner	
20	Approved by:	
21		
22	STEVEN C. SHERMAN	<u> </u>
23	Enforcement Chief	
24	CONSENT ORDER C-18-2480-18-CO01 Homeowners Foundation, Inc., and	4 DEPARTMENT OF FINANCIAL INSTITUTIONS Division of Consumer Services 150 Israel Road SW

Paul J. Higgs

DEPARTMENT OF FINANCIAL INSTITUTIONS
Division of Consumer Services
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