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

IN THE MATTER OF INVESTIGATING  
the Loan Originator Application under the  
Mortgage Broker Practices Act of Washington by:

NO. C-09-398-09-CO01

BRADY BORDNER YEAGER,  
Respondent.

CONSENT ORDER

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Brady Bordner Yeager (hereinafter Respondent), and finding that the issues raised in the above-captioned matter may be economically and efficiently settled, agree to the entry of this Consent Order. This Consent Order is entered pursuant to chapter 19.146 of Revised Code of Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the following:

**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-09-398-09-SC01 (Statement of Charges), entered October 16, 2009, (copy attached hereto). Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent hereby agrees to the Department's entry of this Consent Order and further agrees 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 Order to fully resolve the Statement of Charges. Respondent agrees not to contest the Statement of Charges in consideration of the terms of this Consent Order.

1 Based upon the foregoing:

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

4 B. **Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a brief  
5 adjudicative proceeding before the Department, and that he hereby waives his right to a brief adjudicative  
6 proceeding and any and all administrative and judicial review of the issues raised in this matter, or of the  
7 resolution reached herein. Accordingly, Respondent, by his signature below, withdraws his request for a brief  
8 adjudicative proceeding before the Department.

9 C. **Loan Originator License Application.** It is AGREED that Respondent's Loan Originator license  
10 application will be returned to the Department's Licensing Unit for further processing. It is further AGREED that  
11 Respondent will be afforded five business days from the date of entry of this Consent Order to update his Loan  
12 Originator License application in the Nationwide Mortgage Licensing System and Registry.

13 D. **No Admission of Liability.** It is AGREED that the parties intend this Consent Order to fully resolve  
14 the Statement of Charges and that Respondent does not admit to any wrongdoing by its entry.

15 E. **Investigation Fee.** It is AGREED that Respondent shall pay to the Department an investigation fee  
16 of \$480, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this  
17 Consent Order.

18 F. **Non-Compliance with Order.** It is AGREED that Respondent understands that failure to abide  
19 by the terms and conditions of this Consent Order may result in further legal action by the Director. In the  
20 event of such legal action, Respondent may be responsible to reimburse the Director for the cost incurred in  
21 pursuing such action, including but not limited to, attorney fees.

22 G. **Voluntarily Entered.** It is AGREED that the undersigned Respondent has voluntarily entered into  
23 this Consent Order, which is effective when signed by the Director's designee.

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H. **Completely Read, Understood, and Agreed.** It is AGREED that Respondent has read this Consent Order in its entirety and fully understand and agree to all of the same.

**RESPONDENT:**

Brady Bordner Yeager  
Brady Bordner Yeager

11/05/09  
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 6<sup>th</sup> DAY OF November, 2009.



Deborah Bortner  
DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

Mark T. Olson

MARK T. OLSON  
Financial Examiner

Approved by:

Fatima R. Bunnell, Enforcement Chief, for

FATIMA BATIE  
Financial Legal Examiner Supervisor

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

IN THE MATTER OF INVESTIGATING  
the Loan Originator License Application under the  
Mortgage Broker Practices Act of Washington by:

BRADY BORDNER YEAGER,

Respondent.

NO. C-09-398-09-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO DENY LICENSE APPLICATION  
AND PROHIBIT FROM INDUSTRY

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**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 (Act)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.310, 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:

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**I. FACTUAL ALLEGATIONS**

**1.1 Respondent Brady Bordner Yeager (Respondent).** In or around October 2006, the Department received an application for a mortgage broker license from Yarrow Bay Mortgage Company Inc. (Yarrow). The application included a Control Person Information Form MU2 (2006 Form MU2) completed by Respondent for the purpose of becoming Yarrow's Designated Broker. On or about October 20, 2006, the Department issued a mortgage broker license to Yarrow with Respondent as the Designated Broker. In or around November 2006, the Department converted Respondent's Designated Broker record to a Loan Originator License. Respondent's Loan Originator License expired on December 31, 2008. On or about May 12, 2009, Respondent submitted a new application for a loan originator license (2009 Form MU4) to the Department on-line through the Nationwide Mortgage Licensing System and Registry.

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<sup>1</sup> RCW 19.146 (Amended 2006; Effective January 1, 2007)

1 **1.2 Felony Charge.** On or about October 2, 1995, Respondent was charged with Assault in the Third  
2 Degree, a Class C Felony pursuant to RCW 9A.36.031, in the Superior Court of Washington for King County,  
3 Cause No. 95-C-06704-9. The case was later amended to Assault in the Fourth Degree, a gross misdemeanor,  
4 and a Judgment and Deferred Sentence was entered on or about December 29, 1995. The Deferred Sentence  
5 included a 12 month period of probation under the charge of a Community Corrections Officer employed by the  
6 Washington State Department of Corrections. The Judgment and Deferred Sentence listed Respondent's  
7 current address as 8456 NE 170<sup>th</sup> Pl, Bothell, WA (Bothell Address). The case was dismissed on or about  
8 January 8, 1997 pursuant to the terms of the Deferred Sentence.

9 **1.3 Responses to Application Questions.** Respondent was obligated by statute to answer questions on  
10 applications to the Department truthfully and to provide the Department with complete details of all relevant  
11 events or proceedings. Respondent failed to disclose certain information on his 2006 Form MU2 and on his  
12 2009 Form MU4.

13 **A. Criminal Disclosure.** The 2006 Form MU2 and the 2009 Form MU4 each contain a "Criminal  
14 Disclosures" section consisting of questions requiring "yes" or "no" responses. Respondent answered "no" to  
15 the following question on both applications: D(2) "Have you ever been charged with any felony?" In fact,  
16 Respondent had been charged with a felony, as outlined in paragraph 1.2.

17 **B. Residential History.** The 2006 Form MU2 contains a "Residential History" section with the  
18 instruction to "...give all addresses for the past 10 years." Respondent stated he was "BORNED [sic] &  
19 RAISED IN NY," listed an address in the State of New York as his residence from March 1977 to April 2001,  
20 and listed the Bothell address as his residence from April 2001 to March 2002. In fact, Respondent resided in  
21 the State of Washington from at least in or around October 1995 when he was charged with a felony in King  
22 County, through at least his completion of probation under the charge of the State of Washington Department of  
23 Corrections in or around January 1997, as outlined in paragraph 1.2.

24 **1.4 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
25 Respondent continues to date.

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

2 **2.1 Prohibited Practices.** Based on the Factual Allegations set forth in Section I above, Respondent is in  
3 apparent violation of RCW 19.146.0201(8) and WAC 208-660-500(3)(i) for negligently making any false  
4 statement or willfully making any omission of material fact in connection with any application or any  
5 information filed by a licensee in connection with any application, examination or investigation conducted by  
6 the Department.

7 **2.2 Requirement to Provide Information on License Application.** Based on the Factual Allegations set  
8 forth in Section I above, Respondent fails to meet the requirements of RCW 19.146.300(1) and (2), RCW  
9 19.146.310(1)(b), and WAC 208-660-350(1)(d) by failing to provide an accurate and complete license  
10 application in the form prescribed by the Director.

11 **2.3 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set  
12 forth in Section I above, Respondent fails to meet the requirements of RCW 19.146.310(1)(g) and WAC 208-  
13 660-350(2)(a) by failing to demonstrate character and general fitness such as to command the confidence of the  
14 community and to warrant a belief that the business will be operated honestly and fairly within the purposes of  
15 the Act.

16 **III. AUTHORITY TO IMPOSE SANCTIONS**

17 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the  
18 Director may deny licenses to loan originators. Pursuant to RCW 19.146.220(2)(e), the Director may deny  
19 licenses for any violation of the Act. Pursuant to RCW 19.146.310(2), the Director shall not issue a loan  
20 originator license if the conditions of RCW 19.146.310(1) have not been met by the applicant, and shall notify  
21 the loan originator applicant and any mortgage brokers listed on the application of the denial.

22 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue  
23 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed  
24 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker  
25 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).



V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application and Prohibit from Industry (Statement of Charges) is issued pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondent may make a written request for a Brief Adjudicative Proceeding as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR BRIEF ADJUDICATIVE PROCEEDING accompanying this Statement of Charges.

Dated this 16<sup>th</sup> day of October, 2009.

*Deborah Bortner*  
DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:  
*Mark T. Olson*  
MARK T. OLSON  
Financial Examiner



Approved by:  
*Fatima Batie*  
FATIMA BATIE  
Financial Legal Examiner Supervisor