

## ORDER SUMMARY – Case Number: C-13-1148-14-CO01

**Name(s):** Homestead Law Firm, Inc;  
Denis O’Mahoney

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**Order Number:** C-13-1148-14-CO01

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**Effective Date:** June 4, 2014

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**License Number:** Unlicensed  
**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)  
 If applicable, you must specifically note the ending dates of terms.

**License Effect:** n/a

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**Not Apply Until:** 6/4/2019

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**Not Eligible Until:** 6/4/2019

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**Prohibition/Ban Until:** 6/4/2019

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<b>Investigation Costs</b>	\$1,048.80	Due 9/4/2014	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
<b>Fine</b>	\$3,000	Due 9/4/2014	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>	\$2,000	Due 9/4/2014	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: It is AGREED that Respondents will pay \$2,000 in restitution to Washington State consumer M.D.J. within 90 days of the entry date of this Consent Order. Respondents shall provide documentation to the Department evidencing restitution has been paid to consumer M.D.J. in the amount of \$2,000.

It is AGREED that Respondents shall pay a fine to the Department in the amount of \$3,000, in the form of a cashier’s check made payable to the “Washington State Treasurer,” within 90 days of the entry date of this Consent Order.

It is AGREED that Respondents shall pay to the Department an investigation fee of \$1,048.80, in the form of a cashier’s check made payable to the “Washington State Treasurer,” within 90 days of the entry date of this Consent Order.

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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-13-1148-14-CO01

CONSENT ORDER

HOMESTEAD LAW FIRM, INC.  
and  
DENIS O'MAHONEY, Principal,

Respondents.

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COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Homestead Law Firm, Inc., and Denis O'Mahoney, Principal, 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 the Revised Code of Washington (RCW) and RCW 34.05.060 of the Administrative Procedure Act based on the following:

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**AGREEMENT AND ORDER**

The Department of Financial Institutions, Division of Consumer Services (Department), and Respondents have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-13-1148-13-SC01 (Statement of Charges), entered March 25, 2013, (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, 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 Order to fully resolve the Statement of Charges. Respondents are agreeing not to contest the Statement of Charges in consideration of the terms of this Consent Order.

CONSENT ORDER  
C-13-1148-14-CO01  
Homestead Law Firm, Inc.  
Denis O'Mahoney

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

1 Based upon the foregoing:

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

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

9 **C. Cease and Desist.** It is AGEED that Respondents will cease and desist from engaging in  
10 the business of a mortgage broker or loan originator in the State of Washington.

11 **D. 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 licensed by the Department or subject to licensure or  
14 regulation by the Department.

15 **E. Restitution.** It is AGREED that Respondents will pay \$2,000 in restitution to  
16 Washington State consumer M.D.J. within 90 days of the entry date of this Consent Order.  
17 Respondents shall provide documentation to the Department evidencing restitution has been paid to  
18 consumer M.D.J. in the amount of \$2,000.

19 **F. Fine.** It is AGREED that Respondents shall pay a fine to the Department in the amount of  
20 \$3,000, in the form of a cashier's check made payable to the "Washington State Treasurer," within 90  
21 days of the entry date of this Consent Order.

22 **G. Investigation Fee.** It is AGREED that Respondents shall pay to the Department an  
23 investigation fee of \$1,048.80, in the form of a cashier's check made payable to the "Washington  
24 State Treasurer," within 90 days of the entry date of this Consent Order. The Fine and Investigation

1 Fee may be paid together in one cashier's check in the amount of \$4,048.80 made payable to the  
2 "Washington State Treasurer."

3 **H. Rights of Non-Parties.** It is AGREED that the Department does not represent or have the  
4 consent of any person or entity not a party to this Consent Order to take any action concerning their  
5 personal legal rights. It is further AGREED that for any person or entity not a party to this Consent  
6 Order, this Consent Order does not limit or create any private rights or remedies against Respondents,  
7 limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

8 **I. Change of Address.** It is AGREED that for the duration of the period this Consent Order  
9 is in effect, unless otherwise agreed to in writing by the Department, Respondents shall provide the  
10 Department with a mailing address and telephone number at which Respondents can be contacted,  
11 and Respondents shall notify the Department in writing of any changes to their mailing address or  
12 telephone number within fifteen days of any such change.

13 **J. Records Retention.** It is AGREED that Respondent Homestead Law Firm, Inc., its  
14 officers, employees, and agents shall maintain records in compliance with the Act and provide the  
15 Director with the location of the books, records and other information relating to Respondents'  
16 mortgage broker business, and the name, address and telephone number of the individual responsible  
17 for maintenance of such records in compliance with the Act.

18 **K. Authority to Execute Order.** It is AGREED that the undersigned have represented and  
19 warranted that they have the full power and right to execute this Consent Order on behalf of the  
20 parties represented.

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1           **L. Non-Compliance with Order.** It is AGREED that Respondents understand that  
2 failure to abide by the terms and conditions of this Consent Order may result in further legal action  
3 by the Director. In the event of such legal action, Respondents may also be responsible to reimburse  
4 the Director for the costs incurred in pursuing such action, including but not limited to, attorney fees.  
5 In addition, if Respondents do not comply with the terms of this Consent Order, **including payment**  
6 **of any amounts owed within 90 days of the entry date of the Consent Order**, the Department may  
7 assign the amounts owed for the fine and investigation fee to a collection agency for collection  
8 without further notification to Respondents.

9           **M. Voluntarily Entered.** It is AGREED that the undersigned Respondents have voluntarily  
10 entered into this Consent Order, which is effective when signed by the Director's designee.

11           **N. Completely Read, Understood, and Agreed.** It is AGREED that Respondents have read  
12 this Consent Order in its entirety and fully understand and agree to all of the same.

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1 **RESPONDENTS:**

2 Homestead Law Firm, Inc.

3 By: [Redacted]

5-7-14  
Date

4 Denis O'Mahoney  
Principal

5 [Redacted]

5-7-14  
Date

6 Denis O'Mahoney  
Individual

8 DO NOT WRITE BELOW THIS LINE

9 THIS ORDER ENTERED THIS 4th DAY OF June, 2014.

[Redacted]

10 Deborah Bortner  
11 Director  
12 Division of Consumer Services  
13 Department of Financial Institutions

13 Presented by:

[Redacted]

14 Wilma M. Colwell  
15 Financial Examiner

16 Approved by:

[Redacted]

17 Charles E. Clark  
18 Enforcement Chief



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1 **1.2 Unlicensed Activity.** Between at least July 1, 2012, and the date of this Statement of Charges,  
2 Respondents were offering residential mortgage loan modification services to Washington consumers  
3 on property located in Washington State. Respondents entered into a contractual relationship with at  
4 least one Washington consumer to provide those services and collected an advance fee for the  
5 provision of those services. The Department has received at least one complaint from a Washington  
6 consumer alleging Respondents provided or offered to provide residential mortgage loan modification  
7 services while not licensed by the Department to provide those services. The consumer M.D.J. paid  
8 Respondents a fee of \$2,000.

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) and WAC 208-660-006,  
16 "Mortgage Broker" means any person who, for compensation or gain, or in the expectation of  
17 compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan  
18 or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person  
19 in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a  
20 person "'assists a person in obtaining or applying to obtain a residential mortgage loan' by, among  
21 other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages...."

22 **2.2 Loan Originator Defined.** Pursuant to RCW 19.146.010(11), "loan originator" means a  
23 natural person who for direct or indirect compensation or gain, or in the expectation of direct or  
24 indirect compensation or gain: takes a residential mortgage loan application for a mortgage broker;

1 offers or negotiates terms of a mortgage loan; or holds themselves out to the public as able to perform  
2 any of these activities.

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

6 **2.4 Requirement to Obtain and Maintain Mortgage Broker License.** Based on the Factual  
7 Allegations set forth in Section I above, Respondents are in apparent violation of RCW 19.146.200(1)  
8 for engaging in the business of a mortgage broker for Washington residents or property without first  
9 obtaining a license to do so.

10 **2.5 Requirement to Obtain and Maintain Loan Originator 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 loan originator without first obtaining and maintaining a license.

13 **2.6 Requirement to Maintain Accurate and Current Books and Records.** Pursuant to RCW  
14 19.146.060 and WAC 208-660-450, Respondents are required to keep all books and records in a  
15 location that is on file with and readily available to the Department until at least twenty-five months  
16 have elapsed following the effective period to which the books and records relate.

### 17 III. AUTHORITY TO IMPOSE SANCTIONS

18 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 19.146.220(4), the  
19 Director may issue orders directing any person subject to the Act to cease and desist from conducting  
20 business.

21 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5), the Director may  
22 issue orders prohibiting from participation in the conduct of the affairs of a licensed mortgage broker  
23 any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9) or  
24 (13), or RCW 19.146.200.

1 **3.3 Authority to Order Restitution.** Pursuant to RCW 19.146.220(2), the Director may order  
2 restitution against any person subject to the Act for any violation of the Act.

3 **3.4 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2), the Director may impose fines  
4 against any person subject to the Act for any violation of the Act.

5 **3.5 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2), and WAC 208-  
6 660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted  
7 to an investigation of any person subject to the Act.

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

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

12 **4.1** Respondents cease and desist engaging in the business of a mortgage broker or loan originator.

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

15 **4.3** Respondents jointly and severally pay restitution to the consumer identified by the Department  
16 in paragraph 1.2 in the amount set forth therein, and that Respondents jointly and severally pay  
17 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 that Washington consumer for those  
services in an amount to be determined at hearing.

18 **4.4** Respondents jointly and severally pay a fine, which as of the date of this Statement of Charges  
19 totals \$3,000.

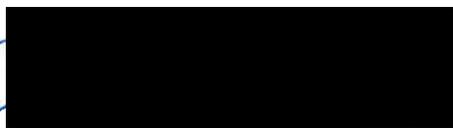
20 **4.5** Respondents jointly and severally pay an investigation fee, which as of the date of this  
Statement of Charges totals \$1,048.80.

21 **4.6** Respondents maintain records in compliance with the Act and provide the Department with the  
22 location of the books, records and other information relating to Respondents' provision of  
residential mortgage loan modification services in Washington, and the name, address and  
23 telephone number of the individual responsible for maintenance of such records in compliance  
with the Act.

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.

7 Dated this 25<sup>th</sup> day of March, 2013.



DEBORAH BORTNER  
Director, Division of Consumer Services  
Department of Financial Institutions

13 Presented by:

14 [Redacted]  
15 WILMA M. COLWELL  
16 Financial Examiner

17 Approved by:

18 [Redacted]  
19 CHARLES E. CLARK  
20 Enforcement Chief