ORDER SUMMARY – Case Number: C-13-1149

Name(s): Carmen Alvarez d/b/a First Review Processing

Order Number: C-13-1149-14-CO01

Effective Date: May 19, 2014

License Number: U/L
Or **NMLS Identifier** [U/L]

License Effect: NA

Not Apply Until: May 19, 2019

Not Eligible Until: May 19, 2019

Prohibition/Ban Until: May 19, 2019

Investigation Costs	$200	Due	Paid ☒ Y ☐ N	Date 5-7-14
Fine	$	Due	Paid ☐ Y ☐ N	Date
Assessment(s)	$	Due	Paid ☐ Y ☐ N	Date
Restitution	$	Due	Paid ☐ Y ☐ N	Date
Judgment	$	Due	Paid ☐ Y ☐ N	Date
Satisfaction of Judgment Filed?		☐ Y ☐ N		
	No. of Victims:			

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: 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-13-1149-14-CO01 CONSENT ORDER AS TO CARMEN ALVAREZ d/b/a FIRST REVIEW PROCESSING

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Carmen Alvarez d/b/a First Review Processing (Respondent Alvarez), 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:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and Respondent Alvarez have agreed upon a basis for resolution of the matters alleged in Statement of Charges No. C-13-1149-13-SC01 (Statement of Charges), entered June 28, 2013, (copy attached hereto) solely as to Respondent Alvarez. Pursuant to chapter 19.146 RCW, the Mortgage Broker Practices Act (Act) and RCW 34.05.060 of the Administrative Procedure Act, Respondent Alvarez 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 solely as to Respondent Alvarez, and Respondent Alvarez agrees not to contest the Statement of Charges in consideration of the terms of this Consent Order.

Based upon the foregoing:

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

B. **Waiver of Hearing**. It is AGREED that Respondent Alvarez has been informed of the right to a hearing before an administrative law judge, and hereby waives her right to a hearing and any and all administrative and judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent Alvarez, by her signature below, withdraws her appeal to the Office of Administrative Hearings.

C. **Cease and Desist.** It is AGREED that Respondent Alvarez will cease and desist from engaging in the conduct of mortgage broker, a consumer loan company or mortgage loan originator requiring licensure by the Department.

D. **Prohibition from Industry**. It is AGREED that, for a period of five years from the date of entry of this Consent Order, Respondent Alvarez is prohibited from participating, in any capacity, in the conduct of the affairs of any mortgage broker, consumer loan company or mortgage loan originator, licensed by the Department or subject to licensure or regulation by the Department.

E. **Investigative Fee**. It is AGREED that Respondent Alvarez shall pay an investigative fee to the Department in the amount of $200, in the form of a cashier's check made payable to the "Washington State Treasurer," upon entry of this Consent Order.

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

G. **Complete Cooperation with the Department and the Office of the Attorney General.** It is AGREED that Respondent Alvarez, if requested, shall provide the Department and the Office of the Attorney General any and all information known to her relating to other individuals involved including Respondents Kelley Matter d/b/a Nationwide Industries, John Medina, Joel Richardson and Moncerrat Beltran d/b/a First Loan Funding. It is further AGREED that Respondent Alvarez shall testify fully, truthfully, and completely at any proceeding related to the Department's investigation and enforcement action related to this matter. It is further AGREED that Respondent Alvarez provided the Department with a Declaration signed under penalty of perjury outlining her involvement and knowledge related to the offering of loan modification services in Washington State.

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

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

J. **Completely Read, Understood, and Agreed**. It is AGREED that Respondent Alvarez has read this Consent Order in its entirety and fully understands and agrees to all of the same.

RESPONDENT:
Carmen Alvarez d/b/a First Review Processing

By: [redacted]
Carmen Alvarez

April 30, 2014
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 19th DAY OF May, 2014.

[redacted]
DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:
[redacted]
GREGORY H. SANDOZ
Financial Legal Examiner

Approved by:
[redacted]
CHARLES E. CLARK
Enforcement Chief

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.

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

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

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

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

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

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

II. GROUNDS FOR ENTRY OF ORDER

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

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

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

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

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

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

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

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

III. AUTHORITY TO IMPOSE SANCTIONS

3.1 Authority to Issue an Order to Cease and Desist. Pursuant to RCW 19.146.220(4), the Director may issue orders directing a licensee, its employee, loan originator, independent contractor, agent, or other person subject to the Act to cease and desist from conducting business.

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

3.3 Authority to Order Restitution. Pursuant to RCW 19.146.220(2), the Director may order restitution against licensees or other persons subject to the Act for any violation of the Act.

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

3.5 Authority to Collect Investigation Fee. Pursuant to RCW 19.146.228(2), WAC 208-660-520(9) & (11), and WAC 208-660-550(4)(a), the Department will charge forty-eight dollars per hour for an examiner's time devoted to an investigation of a licensee or other person subject to the Act.

IV. NOTICE OF INTENTION TO ENTER ORDER

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

4.1 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez cease and desist engaging in the business of a mortgage broker or loan originator.

4.2 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez be 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.

4.3 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez jointly and severally pay restitution to the consumers identified by the Department in paragraph 1.2 in the amount set forth therein.

4.4 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez jointly and severally pay a fine. As of the date of this Statement of Charges, the fine totals $12,000.00.

4.5 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez jointly and severally pay an investigation fee. As of the date of this Statement of Charges, the investigation fee totals $2,018.40.

4.6 Respondents Kelley Matter, John Medina, Joel Richardson and Carmen Alvarez maintain records in compliance with the Act and provide the Department with the location of the books, records and other information relating to Respondents' mortgage broker business, and the name, address and telephone number of the individual responsible for maintenance of such records in compliance with the Act.

V. AUTHORITY AND PROCEDURE

This Statement of Charges is entered 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). Respondents may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

Dated this 28th day of June, 2013

[redacted]

DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

GREGORY H. SANDOZ
Financial Legal Examiner

Approved by:

CHARLES E. CLARK
Enforcement Chief

APPENDIX – RESTITUTION

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