STATEMENT OF CHARGES C-14-1457-14-SC01 MICHAEL A. RABEL & ASSOCIATES, LLC MICHAEL A. RABEL

1	on property located in Washington State. Respondents entered into a contractual relationship with at
2	least one Washington consumer to provide those services and collected an advance fee for the
3	provision of those services. The Department has received at least one complaint from a Washington
4	consumer alleging Respondents provided or offered to provide residential mortgage loan modification
5	services while not licensed by the Department to provide those services. Consumer L.N. paid
6	Respondents \$1,200.00 for loan modification services.
7	1.3 Misrepresentations and Omissions. Respondents represented that they were licensed to
8	provide the residential mortgage loan modification services or omitted disclosing that they were not
9	licensed to provide those services.
10	1.4 Failure to Comply with Investigation Authority. On or about February 25, 2014, the
11	Department issued a subpoena to Respondents compelling Respondents to provide documents and an
12	explanation of Respondents unlicensed activity. To date, Respondents have not provided any response
13	to the subpoena.
14	1.5 On-Going Investigation. The Department's investigation into the alleged violations of the
15	Act by Respondents continues to date.
16	II. GROUNDS FOR ENTRY OF ORDER
17	2.1 Mortgage Broker Defined. Pursuant to RCW 19.146.010(14) and WAC 208-660-006,
18	"Mortgage Broker" means any person who, for compensation or gain, or in the expectation of
19	compensation or gain (a) assists a person in obtaining or applying to obtain a residential mortgage loan
20	or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a person
21	in obtaining or applying to obtain a residential mortgage loan. Pursuant to WAC 208-660-006, a

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person "assists a person in obtaining or applying to obtain a residential mortgage loan' by, among

other things, counseling on loan terms (rates, fees, other costs), [and] preparing loan packages..."

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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 any 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 (13), or RCW 19.146.200.
- 3.3 Authority to Order Restitution. Pursuant to RCW 19.146.220(2), the Director may order restitution against any person 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 person subject to the Act for any violation of the Act.
- 3.5 Authority to Collect Investigation Fee. Pursuant to RCW 19.146.228(2), 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 any person subject to the Act.

IV. NOTICE OF INTENT TO ENTER ORDER

- Respondents' violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth above 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 intent to ORDER that:
 - 4.1 Respondents Michael A. Rabel & Associates, LLC and Michael A. Rabel cease and desist from engaging in the business of a mortgage broker or loan originator.
 - 4.2 Respondents Michael A. Rabel & Associates, LLC and Michael A. Rabel be prohibited from participation, in any manner, in the conduct of the affairs of any mortgage broker subject to licensure by the Director for a period of five years.
 - 4.3 Respondents Michael A. Rabel & Associates, LLC and Michael A. Rabel jointly and severally pay restitution to the consumer identified by the Department in paragraph 1.2 in the amount set

forth therein, and that Respondents jointly and severally pay restitution to each Washington 1 consumer with whom they entered into a contract for residential mortgage loan modification 2 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 3 determined at hearing. 4.4 Respondents Michael A. Rabel & Associates, LLC and Michael A. Rabel jointly and severally 4 pay a fine, which as of the date of this Statement of Charges totals \$6,000.00. 5 4.5 Respondents Michael A. Rabel & Associates, LLC and Michael A. Rabel jointly and severally pay an investigation fee, which as of the date of this Statement of Charges totals \$364.80. 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 5 STATEMENT OF CHARGES DEPARTMENT OF FINANCIAL INSTITUTIONS C-14-1457-14-SC01 Division of Consumer Services MICHAEL A. RABEL & ASSOCIATES, LLC PO Box 41200

Olympia, WA 98504-1200

(360) 902-8703

MICHAEL A. RABEL

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). Respondent(s) 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.

2014.



DEBORAH BORTNER

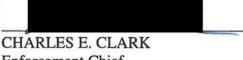
Director, Division of Consumer Services Department of Financial Institutions

Presented by:



ROBERT E. JONES Financial Legal Examiner

Approved by:



Enforcement Chief

STATEMENT OF CHARGES C-14-1457-14-SC01 MICHAEL A. RABEL & ASSOCIATES, LLC MICHAEL A. RABEL

DEPARTMENT OF FINANCIAL INSTITUTIONS

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