

Terms Completed

ORDER SUMMARY – Case Number: C-07-055

Name(s): Kenneth Francis Erbar

Order Number: C-07-055-07-FO01

Effective Date: April 17, 2007

License Number: DFI: 31574
Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: Denial

Not Apply Until: n/a

Not Eligible Until: _____

Prohibition/Ban Until: n/a

Investigation Costs	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Fine	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Assessment(s)	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: _____

1 Respondent Erbar did not request an adjudicative hearing within twenty calendar days after the
2 Department served him with the Notice of Opportunity to Defend and Opportunity for Hearing, as
3 provided for in WAC 208-08-050(2).

4 B. Record Presented. The record presented to the Director for review and for entry of a
5 final decision included the following:

- 6 1. Statement of Charges, cover letter dated March 2, 2007, Notice of Opportunity to
7 Defend and Opportunity for Hearing, and blank Application for Adjudicative Hearing
8 for Kenneth Francis Erbar, with documentation of service.

9 C. Factual Findings and Grounds For Order. Pursuant to RCW 34.05.440(1), the
10 Director hereby adopts the Statement of Charges, which is attached hereto.

11 II. FINAL ORDER

12 Based upon the foregoing, and the Director having considered the record and being
13 otherwise fully advised, NOW, THEREFORE:

14 A. IT IS HEREBY ORDERED, that:

- 15 1. Respondent Kenneth Francis Erbar's application for a license to conduct the business
16 of a Loan Originator is denied.

17 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent Erbar has the right to file
18 a Petition for Reconsideration stating the specific grounds upon which relief is requested. The Petition
19 must be filed in the Office of the Director of the Department of Financial Institutions by courier at 150
20 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O. Box 41200, Olympia,
21 Washington 98504-1200, within ten (10) days of service of the Final Order upon Respondent Erbar. The
22 Petition for Reconsideration shall not stay the effectiveness of this order nor is a Petition for
23 Reconsideration a prerequisite for seeking judicial review in this matter.
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1 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the date
2 the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a written
3 notice specifying the date by which it will act on a petition.

4 C. Stay of Order. The Director has determined not to consider a Petition to Stay the
5 effectiveness of this order. Any such requests should be made in connection with a Petition for Judicial
6 Review made under chapter 34.05 RCW and RCW 34.05.550.

7 D. Judicial Review. Respondent Erbar has the right to petition the superior court for
8 judicial review of this agency action under the provisions of chapter 34.05 RCW. For the requirements
9 for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

10 E. Service. For purposes of filing a Petition for Reconsideration or a Petition for
11 Judicial Review, service is effective upon deposit of this order in the U.S. mail, declaration of service
12 attached hereto.
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14 DATED this 17th day of April, 2007.



16 STATE OF WASHINGTON
17 DEPARTMENT OF FINANCIAL INSTITUTIONS

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19 _____
20 DEBORAH BORTNER
21 DIVISION DIRECTOR

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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:

NO. C-07-055-07-SC01

KENNETH FRANCIS ERBAR,

Respondent.

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER
AN ORDER TO DENY LICENSE APPLICATION

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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)¹. 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 and Notice of Intention to Enter an Order to Deny License Application, 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 Kenneth Francis Erbar (Respondent Erbar) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Mortgage Lending, Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about December 29, 2006.

1.2 Prior Criminal Acts. On or about December 28, 2000, Respondent Erbar was convicted under King County Superior Court Cause No. 00-1-05278-9 of Extortion in the Second Degree, a felony pursuant to RCW 9A.56.130.

¹ RCW 19.146 (2007)

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

2 **2.1 Requirement of No Prior Convictions.** Based on the Factual Allegations set forth in Section I above,
3 Respondent Erbar fails to meet the requirements of RCW 19.146.310(1)(d) and WAC 208-660-350(2)(c) by
4 having been convicted of a felony within seven years of the filing of the present application.

5 **III. AUTHORITY TO IMPOSE SANCTIONS**

6 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
7 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the
8 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
9 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
10 of the denial.

11 **IV. NOTICE OF INTENTION TO ENTER ORDER**

12 Respondent’s violation of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth in
13 the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitutes a basis
14 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223, and RCW 19.146.310.
15 Therefore, it is the Director’s intention to ORDER that:

16 **4.1** Respondent Kenneth Francis Erbar’s application for a loan originator license be denied.

17 **V. AUTHORITY AND PROCEDURE**

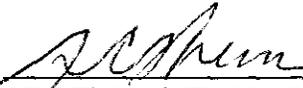
18 This Statement of Charges and Notice of Intention to Enter an Order to Deny License Application (Statement of
19 Charges) is entered pursuant to the provisions of RCW 19.146.220, RCW 19.146.221, RCW 19.146.223, and
20 RCW 19.146.230, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act).
21 Respondent may make a written request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO
22 DEFEND AND OPPORTUNITY FOR HEARING accompanying this Statement of Charges.

1 Dated this 2nd day of March, 2007.

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4 DEBORAH BORTNER
5 Director
6 Division of Consumer Services
7 Department of Financial Institutions

8 Presented by:

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10 STEVEN C. SHERMAN
11 Financial Legal Examiner

12 Approved by:

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14 JAMES R. BRUSSELBACK
15 Enforcement Chief

