

Terms Completed

ORDER SUMMARY – Case Number: C-07-072

Name(s): Grant Takeo Kuwada

Order Number: C-07-072-08-CO01

Effective Date: August 15, 2008

License Number: DFI: 35121 & 42479

Or NMLS Identifier [U/L] (Revoked, suspended, stayed, application denied or withdrawn)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: _____

Not Eligible Until: _____

Prohibition/Ban Until: 6 months from date of entry

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: _____

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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-07-072-08-CO01

GRANT TAKEO KUWADA,
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 Grant Takeo Kuwada (hereinafter Respondent), and finding that the issues raised in the 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-07-072-07-SC01 (Statement of Charges), entered December 21, 2007, (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 and agree that Respondent does not admit any wrongdoing by its entry. Respondent is agreeing 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.

CONSENT ORDER
C-07-072-08-CO01
Grant Takeo Kuwada

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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 **B. Waiver of Hearing.** It is AGREED that Respondent has been informed of the right to a hearing before
2 an administrative law judge, and that he hereby waives his right to a hearing and any and all administrative and
3 judicial review of the issues raised in this matter, or of the resolution reached herein. Accordingly, Respondent
4 agrees to withdraw his appeal and to inform the Office of Administrative Hearings in writing of his withdrawal.

5 **C. No Admission of Liability.** The parties intend this Consent Order to fully resolve the Statement of
6 Charges and agree that Respondent does not admit to any wrongdoing by its entry.

7 **D. License Application Denial.** It is AGREED that Respondent's application for a Loan Originator
8 license is denied.

9 **E. Prohibition from Industry.** It is AGREED that Respondent is prohibited from participating in the
10 conduct of the affairs of any mortgage broker licensed by the Department or any mortgage broker exempt from
11 Washington law under RCW 19.146.020(1)(e) or (g) for six (6) months from the date of entry of this Consent Order
12 in any capacity, including but not limited to: (1) any financial capacity whether active or passive or (2) as an officer,
13 director, principal, designated broker, employee, or loan originator or (3) any management, control, oversight or
14 maintenance of any trust account(s) in any way related to any residential mortgage transaction or (4) receiving,
15 disbursing, managing or controlling in any way, consumer trust funds in any way related to any residential mortgage
16 transaction.

17 **F. Declaration of No Unlicensed Activity.** Respondent agrees to and has executed a Declaration of No
18 Unlicensed Activity stating and declaring that from December 21, 2007, to the date of this Consent Order he has not
19 acted as a loan originator or mortgage broker, as defined by RCW 19.146.010, or in any capacity requiring licensure
20 by the Department in the State of Washington and agrees not to act as a loan originator or mortgage broker until he
21 obtains a license pursuant to chapter 19.146 RCW. Said Declaration of No Unlicensed Activity is hereby attached to
22 and incorporated as a part of this Consent Order by this reference.

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

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

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

7 **RESPONDENT:**

8 Grant Takeo Kuwada
9 GRANT TAKEO KUWADA

6-19-08
Date

10 [Signature]
11 BEVAN MAXEY, WSBA No. 13827
12 Attorney at Law
Attorney for Respondent

6-23-08
Date

13 DO NOT WRITE BELOW THIS LINE

14 THIS ORDER ENTERED THIS 15th DAY OF August, 2008.



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

21 Presented by:

22 [Signature]
23 ROBERT E. JONES
24 Financial Legal Examiner

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1 Approved by:

2 *James R. Brusselback*

3 JAMES R. BRUSSELBACK
4 Enforcement Chief

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CONSENT ORDER
C-07-072-08-CO01
Grant Takeo Kuwada

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

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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:

GRANT TAKEO KUWADA,

Respondent.

NO. C-07-072-07-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)¹. After having conducted an investigation pursuant to RCW 19.146.235 and 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:

I. FACTUAL ALLEGATIONS

1.1 Respondent Grant Takeo Kuwada (Respondent Kuwada) submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a loan originator license under Prime One Mortgage, Inc., a mortgage broker licensed under the Act. The on-line application was received by the Department on or about December 13, 2006. Respondent Kuwada later transferred his application to Independent Mortgage Company, a mortgage broker licensed under the Act.

1.2 O'Bleness Transaction. In 2003, Respondent Kuwada acted as a loan originator for borrowers Alvin J. "Jeff" O'Bleness and Christine M. O'Bleness (the O'Blenesses). Respondent Kuwada did not provide a Good Faith Estimate to the O'Blenesses. Two weeks before their loan was due to close, the O'Blenesses

¹ RCW 19.146 (Amended 2006; Effective January 1, 2007)

1 requested a Good Faith Estimate from Respondent Kuwada. Respondent Kuwada faxed a Good Faith Estimate
2 to the O'Blenesses through their real estate agent, Linda Jacobs, f.k.a. Linda Krupke. The Good Faith Estimate
3 purportedly bore Christine M. O'Bleness's signature and the date June 15, 2003. However Christine M.
4 O'Bleness did not sign the Good Faith Estimate and was not in Respondent Kuwada's office on that date.

5 **1.3 On Going Investigation.** The Department's investigation into the alleged violations of the Act by
6 Respondent continues to date.

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

8 **2.1 Prohibited Practices.**

9 **A.** Based on the Factual Allegations set forth in Section I above, Respondent Kuwada is
10 in apparent violation of RCW 19.146.0201(1), RCW 19.146.0201(2) and WAC 208-
11 660-500(3)(a) for directly or indirectly employing any scheme, device, or artifice to
12 defraud or mislead borrowers or lenders or to defraud any person and engaging in any
13 unfair or deceptive practice toward any person.

14 **B.** Based on the Factual Allegations set forth in Section I above, Respondent Kuwada is in
15 apparent violation of RCW 19.146.0201(6) and WAC 208-660-430(1) for failing to
16 make disclosures to loan applicants and noninstitutional investors as required by RCW
17 19.146.030 and any other applicable state or federal law.

18 **2.2 Requirement to Demonstrate Character and General Fitness.** Based on the Factual Allegations set
19 forth in Section I above, Respondent Kuwada fails to meet the requirements of RCW 19.146.310(1)(g) and
20 WAC 208-660-350(2)(a) by failing to demonstrate character and general fitness such as to command the
21 confidence of the community and to warrant a belief that the business will be operated honestly and fairly
22 within the purposes of the Act.

23 **III. AUTHORITY TO IMPOSE SANCTIONS**

24 **3.1 Authority to Deny Application for Loan Originator License.** Pursuant to RCW 19.146.220(1), the
25 Director may deny licenses to loan originators. Pursuant to RCW 19.146.310(2) and WAC 208-660-350(7), the

1 Director shall not issue a loan originator license if the conditions of RCW 19.146.310(1) have not been met by
2 the applicant, and shall notify the loan originator applicant and any mortgage brokers listed on the application
3 of the denial.

4 **3.2 Authority to Prohibit from Industry.** Pursuant to RCW 19.146.220(5)(a), the Director may issue
5 orders removing from office or prohibiting from participation in the conduct of the affairs of a licensed
6 mortgage broker, or both, any officer, principal, employee, or loan originator of any licensed mortgage broker
7 or any person subject to licensing under the Act for any violation of RCW 19.146.0201(1) through (9).

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

9 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth
10 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis
11 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, RCW 19.146.223 and RCW 19.146.310.

12 Therefore, it is the Director's intention to ORDER that:

13 **4.1** Respondent Grant Takeo Kuwada's application for a loan originator license be denied.

14 **4.2** Respondent Grant Takeo Kuwada be prohibited from participation in the conduct of the affairs of any
15 mortgage broker subject to licensure by the Director, in any manner, for a period of five (5) years.


16 **V. AUTHORITY AND PROCEDURE**

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

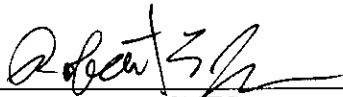
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Dated this 21st day of December, 2007.


DEBORAH BORTNER
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:


ROBERT E. JONES
Financial Legal Examiner



Approved by:


JAMES R. BRUSSELBACK
Enforcement Chief