

**ORDER SUMMARY – Case Number: C-07-446**

**Name(s):** Ara Hakobyan

**Order Number:** C-07-446-10-CO01

**Effective Date:** April 22, 2011

**License Number:** DFI: 36979 NMLS ID: 110564

**Or NMLS Identifier [U/L]** (Revoked, suspended, stayed, application denied or withdrawn)

**License Effect:** n/a -expired  
If applicable, you must specifically note the ending dates of terms.

**Not Apply Until:** April 23, 2026

**Not Eligible Until:** \_\_\_\_\_

**Prohibition/Ban Until:** April 23, 2026

<b>Investigation Costs</b>	\$2,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Fine</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Assessment(s)</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Restitution</b>	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Judgment</b>	\$2,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date
<b>Satisfaction of Judgment Filed?</b>		<input type="checkbox"/> Y <input checked="" type="checkbox"/> N		
No. of Victims:				

**Comments:** \_\_\_\_\_  
\_\_\_\_\_  
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APR 19 2011

ENFORCEMENT UNIT  
DIVISION OF CONSUMER SERVICES  
DEPT OF FINANCIAL INSTITUTIONS

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-07-446-10-CO01

ARA HAKOBYAN,

CONSENT ORDER

Respondent.

COMES NOW the Director of the Department of Financial Institutions (Director), through his designee Deborah Bortner, Division Director, Division of Consumer Services, and Ara Hakobyan (Respondent), 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 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-07-446-09-SC01 (Statement of Charges), entered May 21, 2009, (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.

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-07-446-10-CO01  
Ara Hakobyan

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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  
2 before an administrative law judge, and 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 by his signature below, withdraws his appeal to the Office of Administrative Hearings.

5           **C. Mortgage Loan Originator License.** It is AGREED that Respondent's mortgage loan originator  
6 license expired effective December 31, 2009, and Respondent does not currently hold a mortgage loan originator  
7 license.

8           **D. Prohibition from Industry.** It is AGREED that, for a period of fifteen years from the date of entry  
9 of this Consent Order, Respondent is prohibited from participating in the conduct of the affairs of any mortgage  
10 broker licensed by the Department or subject to licensure or regulation by the Department under the Act, in any  
11 capacity, including but not limited to: (1) any financial capacity whether active or passive; or (2) as an officer,  
12 director, principal, partner, LLC member, designated broker, employee, or loan originator.

13           **E. Application for License.** It is AGREED that, for a period of fifteen years from the date of entry of  
14 this Consent Order, Respondent shall not apply to the Department for any license under any name. It is further  
15 AGREED that, should Respondent apply to the Department for any license under any name at any time later than  
16 fifteen years from the date of entry of this Consent Order, Respondent shall be required to meet any and all  
17 application requirements in effect at that time.

18           **F. Declaration of Financial Condition and Confession of Judgment.** It is AGREED that Respondent  
19 has provided the Department with a Declaration comprehensively describing his current financial condition and  
20 representing his current inability to pay the investigation fee obligation agreed to in Paragraph G of this Consent  
21 Order. It is further AGREED that, based on this Declaration, the Department has accepted a Confession of  
22 Judgment from Respondent for the investigation fee obligation agreed to in Paragraph G of this Consent Order. A  
23 copy of this Confession of Judgment is attached and incorporated into this Consent Order by this reference.  
24 Consistent with RCW 4.60, the Department may immediately seek entry of the judgment. Respondent shall, upon  
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1 the Department's request, fully and promptly cooperate with the Department in its efforts to get the judgment  
2 entered by the superior court.

3 **G. Confession of Judgment for Investigation Fee.** It is AGREED that Respondent has entered into a  
4 Confession of Judgment for an investigation fee in the amount of \$2,500 owed to the Department.

5 **H. Change of Address.** It is AGREED that for the duration of the period this Consent Order is in effect,  
6 unless otherwise agreed to in writing by the Department and Respondent, Respondent shall provide the  
7 Department with a mailing address and telephone number at which Respondent can be contacted and Respondent  
8 shall notify the Department in writing of any changes to his mailing address or telephone number within fifteen  
9 calendar days of any such change.

10 **I. Complete Cooperation with the Department (Statements).** It is AGREED that, upon written  
11 request by the Department, Respondent shall provide the Department truthful and complete sworn statements  
12 outlining his activities with respect to America One Finance, Inc. (America One) and any and all persons involved  
13 or in any way associated with America One, including but not limited to owners, employees, independent  
14 contractors, agents, businesses and persons with whom America One dealt, communicated, or otherwise related.  
15 The "sworn statements" may take the form of affidavits, declarations, or deposition testimony, at the Department's  
16 discretion. A failure to cooperate fully, truthfully, and completely is a breach of this Consent Order.

17 **J. Complete Cooperation with the Department.** In addition to providing sworn statements as  
18 described in paragraph I, it is AGREED that, upon written request by the Department, Respondent shall cooperate  
19 fully, truthfully, and completely with the Department and provide any and all information known to him relating in  
20 any manner to America One and any and all persons involved or in any way associated with America One,  
21 including but not limited to owners, employees, independent contractors, agents, businesses and persons with  
22 whom America One dealt, communicated, or otherwise related. It is further AGREED that, upon written request  
23 by the Department, Respondent shall provide any and all documents, writings or materials, or objects or things of  
24 any kind in his possession or under his care, custody, or control that he is authorized to possess, obtain, or

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1 distribute relating directly or indirectly to all areas of inquiry and investigation. It is further AGREED that  
2 Respondent shall testify fully, truthfully, and completely at any and all proceedings related to any Department  
3 investigation or enforcement action or both related to any and all persons involved or in any way associated with  
4 America One, and any respondents named therein. A failure to cooperate fully, truthfully, and completely is a  
5 breach of this Consent Order.

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

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

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

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**RESPONDENT:**

[Redacted]

Ara Hakobyan

3/28/11  
Date

[Redacted]

Edward C. Chung, WSBA No. 34292  
Attorney for Respondent

4/13/2011  
Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 22<sup>nd</sup> DAY OF April, 2011.



[Redacted]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted]

MARK T. OLSON  
Financial Legal Examiner

Approved by:

[Redacted]

JAMES R. BRUSSELBACK  
Enforcement Chief

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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:

ARA HAKOBYAN,

Respondent.

NO. C-07-446-09-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENTION TO ENTER  
AN ORDER TO REVOKE LICENSE,  
IMPOSE FINE, PROHIBIT FROM INDUSTRY,  
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 (Act)<sup>1</sup>. After having conducted an investigation pursuant to RCW 19.146.235 of both the 1994 and 2007 Acts, 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 Ara Hakobyan (Respondent)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a loan originator on December 31, 2007 and continues to be licensed to date. Respondent's loan originator license is currently inactive as Respondent is not associated with any mortgage broker licensed by the Department.

**1.2 Respondent's Residence.** Respondent has provided a residential history to the Department under oath and indicating Respondent resided at 13626 SE 10<sup>th</sup> St, Bellevue, WA from July 2005 to January 2007 and at 8616 137<sup>th</sup> Ave SE, Bellevue, WA from January 2007 to November 2008.

<sup>1</sup> The Act, effective in 1994, was amended in 2006, with the changes effective January 1, 2007. Alleged violations referenced in this Statement of Charges that occurred in 2006 are cited as violating the 1994 Act; those that occurred in 2007 are cited as violating the 2007 Act.

1 **1.3 Prohibited Acts.**

2 A. In at least five residential mortgage loan transactions totaling nearly \$2.7 million and involving at  
3 least three properties, Respondent misrepresented information to lenders in order to obtain residential mortgage  
4 loans for himself. Such information included income, liabilities, and intent to occupy properties as a primary  
5 residence. At least two of the properties involved were ultimately foreclosed or sold for less than the  
6 outstanding loan balance, resulting in over \$300,000 in losses to lenders.

7 **Transaction 1.** In or around April 2006, Respondent obtained two residential mortgage loans totaling  
8 \$704,000 to purchase property located at 8616 137<sup>th</sup> Ave SE, Bellevue, WA (Property 1). The purchase price  
9 was \$704,000. In this transaction, Respondent represented to the lender that he earned \$15,500 per month as  
10 "Owner-Marketing" for International Marketing and that he would be occupying Property 1 as his primary  
11 residence. Respondent did not disclose to the lender that he was also in the process of obtaining two residential  
12 mortgage loans totaling \$349,950 from another lender to purchase Property 2 (see Transaction 2 below) and that  
13 he had represented to that other lender that he would be occupying Property 2 as his primary residence.

14 **Transaction 2.** In or around June 2006, Respondent obtained two residential mortgage loans totaling  
15 \$349,950 to purchase property located at 12518 SE 236<sup>th</sup> Ct, Kent, WA (Property 2). The purchase price was  
16 \$349,950. In this transaction, Respondent represented to the lender that he earned \$15,500 per month as  
17 "Owner-Marketing" for International Marketing and that he would be occupying Property 2 as his primary  
18 residence. Respondent did not disclose to the lender that he had also recently obtained two residential mortgage  
19 loans totaling \$704,000 from another lender to purchase Property 1 and that he had represented to that other  
20 lender that he would be occupying Property 1 as his primary residence.

21 **Transaction 3.** In or around April 2007, Respondent obtained two residential mortgage loans totaling  
22 \$572,400 to refinance property located at 13626 SE 10<sup>th</sup> St, Bellevue, WA (Property 3). In this transaction,  
23 Respondent represented to the lender that he would be occupying Property 3 as his primary residence.

24 **Transaction 4.** In or around June 2007, Respondent obtained a \$352,000 residential mortgage loan to  
25 refinance Property 2. In this transaction, Respondent represented to the lender that he would be occupying

1 Property 2 as his primary residence. In or around October 2008, a Notice of Trustee's Sale was recorded  
2 scheduling a Trustee's Sale for Property 2 and indicating Respondent had not made any payments on the  
3 underlying residential mortgage loan since at least April 1, 2008. In or around October 2008, Respondent sold  
4 Property 2 for \$287,500, resulting in a loss to the lender of approximately \$65,000.

5 **Transaction 5.** In or around July 2007, Respondent obtained two residential mortgage loans totaling  
6 \$719,000 to refinance Property 1. In this transaction, Respondent represented to the lender that he would be  
7 occupying Property 1 as his primary residence. In or around September 2008, a Notice of Trustee's Sale was  
8 recorded scheduling a Trustee's Sale for Property 1 and indicating Respondent had not made any payments on  
9 at least one of the underlying residential mortgage loans since at least May 1, 2008. In or around December  
10 2008, the lender obtained Property 1 with a Trustee's Deed (foreclosure). In or around April 2009, Property 1  
11 was sold for \$455,000, resulting in a loss to the lender of approximately \$264,000.

12 **B.** In at least two residential mortgage loan transactions totaling nearly \$1.3 million and involving at  
13 least two properties, Respondent misrepresented information to lenders in order to obtain residential mortgage  
14 loans for a borrower. Such information included income, liabilities, and intent to occupy properties as a  
15 primary residence. These properties were ultimately foreclosed and sold or listed for sale for less than the  
16 outstanding loan balance, resulting in over \$200,000 (and potentially over \$350,000) in losses to lenders.

17 **Transaction 1.** In or around February 2007, Respondent assisted Borrower DK in obtaining two  
18 residential mortgage loans totaling \$648,800 to purchase property located at 16424 NE 21<sup>st</sup> Pl, Bellevue, WA  
19 (Property 4). The purchase price was \$686,000. In this transaction, Respondent represented to the lender that  
20 Borrower DK earned \$16,000 per month as the owner of Action Towncar & Limousine and that Borrower DK  
21 would be occupying Property 4 as his primary residence. Respondent did not disclose to the lender that  
22 Respondent was also in the process of obtaining a \$631,750 residential mortgage loan for Borrower DK to  
23 purchase Property 5 (see Transaction 2 below) and that Respondent had represented to that other lender that  
24 Borrower DK would be occupying Property 5 as his primary residence. In or around September 2008, a Notice  
25 of Trustee's Sale was recorded scheduling a Trustee's Sale for Property 4 and indicating Borrower DK had not

1 made any payments on at least one of the underlying residential mortgage loans since at least May 1, 2008. In  
2 or around January 2009, Property 4 was sold at a Trustee's Sale for \$445,514, resulting in a loss to the lender of  
3 approximately \$203,000.

4 **Transaction 2.** In or around February 2007, Respondent assisted Borrower DK in obtaining a  
5 \$631,750 residential mortgage loan to purchase property located at 815 170<sup>th</sup> PI NE, Bellevue, WA (Property  
6 5). The purchase price was \$665,000. In this transaction, Respondent represented to the lender that Borrower  
7 DK earned \$12,750 per month as the owner of Action Towncar & Limousine and that Borrower DK would be  
8 occupying Property 5 as his primary residence. Respondent did not disclose to the lender that Respondent was  
9 also in the process of obtaining two residential mortgage loans totaling \$648,800 from another lender for  
10 Borrower DK to purchase Property 4 and that Respondent had represented to that other lender that Borrower  
11 DK would be occupying Property 4 as his primary residence. In or around October 2008, a Notice of Trustee's  
12 Sale was recorded scheduling a Trustee's Sale for Property 5 and indicating Borrower DK had not made any  
13 payments on the underlying residential mortgage loan since at least April 1, 2008. In or around January 2009,  
14 the lender obtained Property 5 with a Trustee's Deed (foreclosure). As of the date of this Statement of Charges,  
15 Property 5 is listed for sale for \$474,900, which would result in a loss to the lender of approximately \$157,000.

16 **1.4 Change of Address.** Property 1 is the last residential address Respondent has provided to the  
17 Department. As noted in paragraph 1.3A (Transaction 5), Property 1 was foreclosed in or around December  
18 2008. To date, Respondent has failed to notify the Department of his current residential address.

19 **1.5 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by  
20 Respondent continues to date.

## 21 II. GROUNDS FOR ENTRY OF ORDER

22 **2.1 Definition of Mortgage Broker.** Pursuant to RCW 19.146.010(12) of both the 1994 and 2007 Acts,  
23 "Mortgage Broker" means any person who for compensation or gain, or in the expectation of compensation or  
24 gain (a) makes a residential mortgage loan or assists a person in obtaining or applying to obtain a residential  
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1 mortgage loan or (b) holds himself or herself out as being able to make a residential mortgage loan or assist a  
2 person in obtaining or applying to obtain a residential mortgage loan.

3 **2.2 Definition of Loan Originator.** Pursuant to RCW 19.146.010(10) of the 1994 Act, "Loan Originator"  
4 means a person employed, either directly or indirectly, or retained as an independent contractor by a person  
5 required to be licensed as a mortgage broker, or a natural person who represents a person required to be licensed  
6 as a mortgage broker, in the performance of any act specified in RCW 19.146.010(12) of the 1994 Act (see  
7 paragraph 2.1 above). Pursuant to RCW 19.146.010(10) of the 2007 Act, "Loan Originator" means a natural  
8 person who (a) takes a residential mortgage loan application for a mortgage broker, or (b) offers or negotiates  
9 terms of a mortgage loan, for direct or indirect compensation or gain, or in the expectation of direct or indirect  
10 compensation or gain. "Loan originator" also includes a person who holds themselves out to the public as able  
11 to perform any of these activities. "Loan Originator" does not mean persons performing purely administrative  
12 or clerical tasks for a mortgage broker. For the purposes of this subsection, "administrative or clerical tasks"  
13 means the receipt, collection, and distribution of information common for the processing of a loan in the  
14 mortgage industry and communication with a borrower to obtain information necessary for the processing of a  
15 loan. A person who holds himself or herself out to the public as able to obtain a loan is not performing  
16 administrative or clerical tasks.

17 **2.3 Prohibited Acts.** Based on the Factual Allegations set forth in Section I above, Respondent is in  
18 apparent violation of RCW 19.146.0201(1), (2), and (3) of both the 1994 and 2007 Acts for directly or  
19 indirectly employing a scheme, device or artifice to defraud or mislead borrowers or lenders or any person,  
20 engaging in an unfair or deceptive practice toward any person, and obtaining property by fraud or  
21 misrepresentation.

22 **2.4 Requirement to Notify Department.** Based on the Factual Allegations set forth in Section I above,  
23 Respondent is in apparent violation of WAC 208-660-400(6) for failing to notify the Department in writing  
24 within thirty days of a change in his residential address.

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1 **III. AUTHORITY TO IMPOSE SANCTIONS**

2 **3.1 Authority to Revoke License.** Pursuant to RCW 19.146.220(2) of the 2007 Act, the Director may  
3 revoke a license for any violation of the Act.

4 **3.2 Authority to Impose Fine.** Pursuant to RCW 19.146.220(2)(c) of the 1994 Act and RCW  
5 19.146.220(3)(a) of the 2007 Act, the Director may impose fines on an employee, loan originator, independent  
6 contractor, or agent of the licensee, or other person subject to the Act for any violation of RCW 19.146.0201(1)  
7 through (9) of both the 1994 and 2007 Acts.

8 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 19.146.220(2)(e) of the 1994 Act and  
9 RCW 19.146.220(5)(a) of the 2007 Act, the Director may issue orders removing from office or prohibiting from  
10 participation in the conduct of the affairs of a licensed mortgage broker, or both, any officer, principal,  
11 employee, or loan originator of any licensed mortgage broker or any person subject to licensing under the Act  
12 for any violation of RCW 19.146.0201(1) through (9) of both the 1994 and 2007 Acts.

13 **3.4 Authority to Collect Investigation Fee.** Pursuant to RCW 19.146.228(2) of the 2007 Act and WAC 208-  
14 660-550(4)(a), the Department may charge forty-eight dollars (\$48) per hour for an examiner's time devoted to an  
15 investigation of the books and records of a licensee or other person subject to the Act.

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

17 Respondent's violations of the provisions of chapter 19.146 RCW and chapter 208-660 WAC, as set forth  
18 in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis  
19 for the entry of an Order under RCW 19.146.220, RCW 19.146.221, and RCW 19.146.223 of the 2007 Act.

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

- 21 **4.1** Respondent Ara Hakobyan's loan originator license be revoked;
- 22 **4.2** Respondent Ara Hakobyan pay a fine which as of the date of this Statement of Charges totals \$15,000;
- 23 **4.3** Respondent Ara Hakobyan be prohibited from participation in the conduct of the affairs of any  
24 mortgage broker subject to licensure by the Director, in any manner, for a period of ten years;
- 25 **4.4** Respondent Ara Hakobyan pay an investigation fee which as of the date of this Statement of Charges totals  
\$1,920.

V. AUTHORITY AND PROCEDURE

This Statement of Charges and Notice of Intention to Enter an Order to Revoke License, Impose Fine, Prohibit from Industry, and Collect Investigation Fee (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 of the 2007 Act, and is subject to the provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondent 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 21st day of May, 2009.

[Redacted Signature]

DEBORAH BORTNER  
Director  
Division of Consumer Services  
Department of Financial Institutions

Presented by:

[Redacted Signature]

MARK T. OLSON  
Financial Examiner



Approved by:

[Redacted Signature]

JAMES R. BRUSSELBACK  
Enforcement Chief