

**ORDER SUMMARY**  
**Consumer Services Division Case Number C-22-3380**

***Final Orders** resolve investigations where companies or individuals have been charged and then the Department has imposed sanctions.*

*Once DFI serves the Final Order on the individual or company, the company or individual has 30 days to petition (formally ask) the Director of DFI to reconsider. If the Director denies the petition, the company or individual can appeal in superior court.*

<b>Name</b>	<b>Michael Harrison Kersen, NMLS # 2213203</b>
<b>Order Number</b>	C-22-3380-23-FO01
<b>Date issued</b>	February 7, 2023

**What are the terms of this Final Order?**

- **All terms of this order are complete.**
- Michael Harrison Kersen's Loan Originator license applied is denied.

**Need more information?**

You can contact the Consumer Services Division, Enforcement unit at (360) 902-9703 or [csenforcecomplaints@dfi.wa.gov](mailto:csenforcecomplaints@dfi.wa.gov). Please remember that we cannot provide financial or legal advice to members of the public. We also cannot release confidential information.



**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS**

IN THE MATTER OF INVESTIGATING the  
Loan Originator License Application under the  
Consumer Loan Act of Washington by:

No.: C-22-3380-23-FO01

MICHAEL HARRISON KERSEN,  
NMLS # 2213203,  
Respondent.

FINAL ORDER

**I. DIRECTOR'S CONSIDERATION**

Procedural History. This matter has come before the Director of the Department of Financial Institutions of the State of Washington (Director), pursuant to RCW 34.05.464. On June 27, 2022, the Director, through his designee, Consumer Services Division Director Lucinda Fazio, issued a Statement of Charges and Notice of Intent to Enter an Order to Deny License Application and Recover Costs and Expenses (Statement of Charges) against Michael Harrison Kersen (Respondent). On July 20, 2022, the Department of Financial Institutions (Department) served Respondent with the Statement of Charges and accompanying documents, sent by First-Class mail and Federal Express overnight delivery. The Statement of Charges was accompanied by a blank Application for Adjudicative Hearing for Respondent. On July 29, 2022, the Department received an Application for Adjudicative Hearing from the Respondent. On September 7, 2022, the Department made a request to the Office of Administrative Hearings (OAH) to assign an Administrative Law Judge (ALJ) to schedule and conduct a hearing on the Statement of Charges and issue an Initial Decision. On September 16, 2022, OAH issued a Notice of Prehearing Conference on September 28, 2022, at 10:00 a.m. with ALJ Travis Dupree (ALJ Dupree).

1 On September 28, 2022, all parties attended a telephonic prehearing conference. On October  
2 5, 2022, ALJ Dupree issued a Prehearing Conference Order and Notice of Hearing (Notice of  
3 Hearing) scheduling a hearing on January 9, 2023, at 9:00 a.m.

4 On or about November 1, 2022, a representative for the Department filed a Motion for  
5 Summary Judgment. Oral arguments on the Department's Motion for Summary Judgment were held  
6 on November 23, 2022, and December 2, 2022. On December 28, 2022, ALJ Dupree issued an  
7 Initial Order on Summary Judgment Motion and caused it to be mailed to Respondent. This Initial  
8 Order on Summary Judgment Motion made findings of fact for the purpose of summary judgment  
9 and conclusions of law, which granted the Department's Motion for Summary Judgment and  
10 affirmed the Department's Statement of Charges.

11 Pursuant to RCW 34.05.464 and WAC 10-08-211, Respondent had twenty (20) days from the  
12 date of service of the Initial Order on Summary Judgment Motion to file a Petition for Review of the  
13 Initial Order on Summary Judgment Motion. Respondent did not file a Petition for Review during  
14 the statutory period.

15 A. Record Presented. The record presented to the Director for his review and for entry of  
16 a final decision included the following:

- 17 1. Statement of Charges dated July 20, 2022, and Notice of Opportunity to Defend  
18 and Opportunity for Hearing, with documentation of service.
- 19 2. Application for Adjudicative Hearing for Michael Harrison Kersen.
- 20 3. Request to OAH for Assignment of Administrative Law Judge.
- 21 4. Notice of Prehearing Conference dated September 16, 2022, with documentation  
22 of service.
- 23 5. Prehearing Conference Order, Notice of Motion Hearing, and Notice of Hearing  
24 dated October 5, 2022, with documentation of service.
6. Department's Motion for Summary Judgment dated November 1, 2022, with  
declarations, exhibits, and documentation of service.



1 7. Order Granting Continuance and Notice of Motion Hearing dated November 28,  
2 2022, with documentation of service.

3 8. Initial Order on Department's Motion for Summary Judgment dated December 28,  
4 2022, with documentation of service.

5 B. Factual Findings and Grounds for Order. Pursuant to RCW 34.05.461, the Director  
6 hereby adopts the Proposed Findings of Fact, Conclusions of Law, and Initial Order on Summary  
7 Judgment Motion (attached hereto) with the exception of Section 7.4, which is amended below in  
8 Section II. A.2., herein.

9 II. FINAL ORDER

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

12 A. IT IS HEREBY ORDERED, That:

- 13 1. Respondent Michael Harrison Kersen's application for a license to conduct the  
14 business of a Loan Originator is denied.  
15 2. After a full review of the record and in the interest of justice and fairness, the  
16 Director is eliminating the Respondent Michael Harrison Kersen's requirement to  
17 pay the Department's costs and expenses for prosecuting the violations of the  
18 Consumer Loan Act of Washington.

19 B. Reconsideration. Pursuant to RCW 34.05.470, Respondent Michael Harrison Kersen  
20 has the right to file a Petition for Reconsideration stating the specific grounds upon which relief is  
21 requested. The Petition must be filed in the Office of the Director of the Department of Financial  
22 Institutions by courier at 150 Israel Road SW, Tumwater, Washington 98501, or by U.S. Mail at P.O.  
23 Box 41200, Olympia, Washington 98504-1200, within ten (10) days of service of the Final Order  
24 upon Respondent Michael Harrison Kersen. The Petition for Reconsideration shall not stay the  
effectiveness of this order nor is a Petition for Reconsideration a prerequisite for seeking judicial  
review in this matter.

1 A timely Petition for Reconsideration is deemed denied if, within twenty (20) days from the  
2 date the petition is filed, the agency does not (a) dispose of the petition or (b) serve the parties with a  
3 written 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  
6 Judicial Review made under chapter 34.05 RCW and RCW 34.05.550.

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

11 E. Non-compliance with Order. If you do not comply with the terms of this order,  
12 including payment of any amounts owed within thirty (30) days of receipt of this order, the  
13 Department may seek its enforcement by the Office of the Attorney General to include the collection  
14 of the prosecution costs imposed herein. The Department also may assign the amounts owed to a  
15 collection agency for collection.

16 F. Service. For purposes of filing a Petition for Reconsideration or a Petition for Judicial  
17 Review, service is effective upon deposit of this order in the U.S. mail, declaration of service  
18 attached hereto.

19 DATED this 7th day of February, 2023.

21 STATE OF WASHINGTON  
22 DEPARTMENT OF FINANCIAL INSTITUTIONS

23 /s/  
24 CHARLES E. CLARK  
Director

**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF INVESTIGATING the  
Loan Originator License Application under the  
Consumer Loan Act of Washington by:

MICHAEL HARRISON KERSEN,  
NMLS # 2213203,  
Respondent.

No.: C-22-3380-22-SC01

STATEMENT OF CHARGES and  
NOTICE OF INTENT TO ENTER AN  
ORDER TO DENY LICENSE  
APPLICATION and RECOVER COSTS AND  
EXPENSES

**INTRODUCTION**

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to RCW 31.04.247, 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 Lucinda Fazio, institutes this proceeding and finds as follows:

**I. FACTUAL ALLEGATIONS**

**1.1 Michael Harrison Kersen (Respondent)** submitted an application to the Department of Financial Institutions of the State of Washington (Department) for a mortgage loan originator license under LoanDepot.com, LLC, a consumer loan company licensed under the Act. The Department received Respondent's license application, through the Nationwide Mortgage Licensing System and Registry, on or about December 23, 2021.

**1.2 Prior Criminal Conviction.** On or about October 4, 2010, Respondent entered a guilty plea [REDACTED] in the Douglas County Superior Court, Colorado.

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

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

2 **2.1 Requirement of No Prior Criminal Convictions.** Based upon the Factual Allegations set  
3 forth in Section I above, Respondent fails to meet the requirements of RCW 31.04.247(1)(d) and  
4 WAC 208-620-710(4)(c) by having been convicted of, or having pled guilty or nolo contendere to, a  
5 felony in a domestic, foreign, or military court: (i) during the seven-year period preceding the date of  
6 the application for licensing and registration; or (ii) at any time preceding the date of application, if  
7 the felony involved an act of fraud, dishonesty, breach of trust, or money laundering.

8 **III. AUTHORITY TO IMPOSE SANCTIONS**

9 **3.1 Authority to Deny Application for Mortgage Loan Originator License.** Pursuant to RCW  
10 31.04.247(2), the Director shall not issue a mortgage loan originator license if the director finds the  
11 conditions of RCW 31.04.247 have not been met.

12 **3.2 Authority to Recover Costs and Expenses.** Pursuant to RCW 31.04.205(2), the Director  
13 may recover the state's costs and expenses for prosecuting violations of the Act.

14 **IV. NOTICE OF INTENT TO ENTER ORDER**

15 Respondent's violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC,  
16 as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose  
17 Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, RCW  
18 31.04.205, and RCW 31.04.247. Therefore, it is the Director's intent to ORDER that:

19 4.1 Respondent Michael Harrison Kersen's application for a mortgage loan originator  
20 license be denied.

21 4.2 Respondent Michael Harrison Kersen pay the Department's costs and expenses for  
22 prosecuting violations of the Act in an amount to be determined at hearing or by  
23 declaration with supporting documentation in event of default by Respondent.  
24

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intent to Enter an Order to Deny License  
3 Application and Recover Costs and Expenses (Statement of Charges) is issued pursuant to the  
4 provisions of RCW 31.04.093, RCW 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject  
5 to the provisions of chapter 34.05 RCW, the Administrative Procedure Act. Respondent may make a  
6 written request for a hearing as set forth in the NOTICE OF OPPORTUNITY FOR  
7 ADJUDICATIVE HEARING AND TO DEFEND accompanying this Statement of Charges.

8  
9 Dated this 27th day of June, 2022.



12 /s/  
13 LUCINDA FAZIO, Director  
14 Division of Consumer Services  
Department of Financial Institutions

15 Presented by:

16 /s/  
17 AMANDA B. STARNES  
18 Financial Legal Examiner

19 Approved by:

20 /s/  
21 JACK McCLELLAN  
22 Enforcement Chief  
23  
24