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8
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

11 In the Matter of:)	NMLS NO.: 502295
)	
12 THE COMMISSIONER OF BUSINESS)	ACCUSATION IN SUPPORT OF NOTICE OF
OVERSIGHT,)	INTENT TO ISSUE ORDER REVOKING
)	MORTGAGE LOAN ORIGINATOR LICENSE
14 Complainant,)	
)	
15 v.)	
)	
16 ELIZABETH ALEJO,)	
)	
17 Respondent.)	
)	

19
20 The Commissioner of Business Oversight (Commissioner) charges Respondent Elizabeth
21 Alejo (Alejo) as follows:

22 **I. INTRODUCTION**

- 23 1. Alejo’s mortgage loan originator license (MLO) was first issued by the Commissioner on
24 September 8, 2011.
- 25 2. On September 19, 2017, Alejo filed an application for renewal of her MLO license with the
26 Commissioner pursuant to Financial Code section 50140. The application was for approval of
27 employment with, or working on behalf of Platinum Home Mortgage Corporation located at 175
28 Bernal Road, San Jose, California. The application was submitted to the Commissioner by filing

1 Form MU4 through the Nationwide Mortgage Licensing System Registry (NMLS). The
2 application was approved, and Alejo’s mortgage loan originator license was renewed on December
3 13, 2017.

4 3. In submitting her application, Alejo answered “No” to question (Q) under the heading
5 “Termination Disclosure” which asks the following:

6 (Q) Have you ever voluntarily resigned, been discharged, or permitted to resign
7 after allegations were made that accused you of:

8 (1) violating statute(s), regulation(s), rule(s), or industry standards of conduct?

9 (2) fraud, dishonesty, theft, or the wrongful taking of property?

10 4. In submitting her application, Alejo attested that the answers were true and complete to the
11 best of her knowledge.

12 **II. GROUNDS EXIST FOR REVOKING ALEJO’S LICENSE**

13 5. Financial Code section 50327 provides that the Commissioner may revoke a MLO license if
14 the Commissioner finds that any fact or condition exists that, if it had existed at the time of the
15 original application for the license, reasonably would have warranted the Commissioner in refusing
16 to issue the license originally. Similarly, Financial Code section 50513 authorizes the
17 Commissioner to revoke a mortgage loan originator license if the licensee fails to meet the
18 requirements of Financial Code section 50141.

19 6. Financial Code section 50141 requires the Commissioner to deny an application for a
20 mortgage loan originator license if the Commissioner cannot find that the applicant “has
21 demonstrated such financial responsibility, character, and general fitness as to command the
22 confidence of the community and to warrant a determination that the mortgage loan originator will
23 operate honestly, fairly, and efficiently within the purposes of the division.”

24 7. After Alejo’s mortgage loan originator application was approved, the Commission
25 discovered that Alejo was involuntarily terminated for falsification of records from a prior job as a
26 mortgage loan originator and branch manager for Envoy Mortgage in San Jose, California on April
27 8, 2016.
28

1 8. Envoy Mortgage alleged in terminating Alejo that she acted in concert with another Envoy
2 Mortgage employee to coerce money from a mortgage loan applicant in a scheme to create false
3 income documentation used in a mortgage loan decision for that applicant. Envoy Mortgage
4 classified the termination as involuntary.

5 9. Alejo was hired by Envoy Mortgage in August 2015 as a branch manager. Envoy Mortgage
6 alleged that shortly after being hired, Alejo conspired with another individual, who would later be
7 hired by Envoy Mortgage, to charge a loan applicant \$800.00 for the purpose of falsifying the
8 applicant's income documentation in order to get the applicant's loan approved. In the course of
9 obtaining the \$800.00 from the applicant, Alejo disclosed to the applicant another loan where a
10 similar fee was requested. Further, Envoy Mortgage alleged that Alejo was operating other
11 businesses in conflict with Envoy Mortgage's business. These acts were in violation of Envoy
12 Mortgage's policies, and with regards to falsifying documents, also fraudulent.

13 10. Alejo's involuntarily termination from her job at Envoy Mortgage is the type of termination
14 that she was required to disclose in response to the mortgage loan originator application, question
15 Q. Alejo falsely answered question Q and did not disclose her involuntary termination from Envoy
16 Mortgage.

17 11. Furthermore, the Commissioner finds that the foregoing circumstances, including the fact
18 that Alejo falsely answered question Q to the mortgage loan originator application and was
19 involuntarily terminated for falsification of records, if known at the time of the filing of her
20 mortgage loan originator application on September 19, 2017, would have warranted denial of the
21 license application under Financial Code section 50141. Accordingly, grounds exist under
22 Financial Code sections 50327 and 50513 to revoke the license of Alejo.

23 III. CONCLUSION

24 9. The Commissioner finds, by reason of the foregoing, that Alejo, having falsely answered
25 question Q to the mortgage loan originator application and denying that she was involuntarily
26 terminated for falsification of records, has failed to demonstrate such financial responsibility,
27 character, or general fitness as to command the confidence of the community and to warrant a
28 determination that she will operate honestly, fairly, and efficiently within the purposes of the

1 California Residential Mortgage Lending Act.

2 THEREFORE, Financial Code sections 50327 and 50513 authorize the Commissioner to
3 revoke the mortgage loan originator license of Elizabeth Alejo.

4 WHEREFORE IT IS PRAYED that the mortgage loan originator license of Elizabeth Alejo
5 be revoked.

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7 Dated: May 8, 2018
8 San Francisco, California

JAN LYNN OWEN
Commissioner of Business Oversight

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10 By _____
11 PAUL YEE
12 Senior Counsel
13 Enforcement Division
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