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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
11 OF THE STATE OF CALIFORNIA

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13 In the Matter of:) CRMLA LICENSE NO.: 417-0050
)
14 THE COMMISSIONER OF BUSINESS) ACCUSATION IN SUPPORT OF NOTICE OF
OVERSIGHT,) INTENTION TO ISSUE ORDERS
15) SUSPENDING LICENSE AND IMPOSING
16 Complainant,) PENALTIES
)
17 v.)
)
18 VITEK REAL ESTATE INDUSTRIES)
GROUP, INC.,)
19)
20 Respondent.)
21)

22 Jan Lynn Owen, the Commissioner of Business Oversight of the State of California
23 (Commissioner), finds the following:

24 **I.**
25 **Introduction**

26 1. Vitek Real Estate Industries Group, Inc. (Vitek) is licensed as a Residential Mortgage
27 Lender and Loan Servicer under the California Residential Mortgage Lending Act (CRMLA)
28 (Financial Code §50000 et seq.).

1 Notice Disclosure that contained multiple contact agencies to borrower(s) in 18 of the 21 funded
2 loans reviewed in violation of Financial Code section 50204, subdivision (i); Health and Safety Code
3 section 35830; and California Code of Regulations section 7114. Vitek was noted to
4 have similarly violated Financial Code section 50204, subdivision (i); Health and Safety Code section
5 35830; and California Code of Regulations section 7114 in the 2011 regulatory examination.

6 7. In the 2014 regulatory examination, Vitek failed to timely provide the Fair Lending
7 Notice Disclosure to the borrower(s) in 17 of the 21 funded loans reviewed in violation of Financial
8 Code section 50204, subdivision (i); Health and Safety Code section 35830; and California Code of
9 Regulations section 7114.

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11 **III.**
12 **CRMLA Suspension/Penalty Statutes**

13 8. Financial Code section 50327 provides in pertinent part:

14 (a) The commissioner may, after notice and a reasonable opportunity to be
15 heard, suspend or revoke any license, if the commissioner finds that:

16 (1) the licensee has violated any provision of this division or rule or order
17 of the commissioner thereunder; or (2) any fact or condition exists that, if
18 it had existed at the time of the original application for license, reasonably
19 would have warranted the commissioner in refusing to issue the license
originally.

20 9. Financial Code section 50513 provides in pertinent part:

21 (a) The commissioner may do one or more of the following:

22 (4) Impose fines on a mortgage loan originator or any residential mortgage
23 lender or servicer licensee employing a mortgage loan originator pursuant
to subdivisions (b), (c), and (d).

24 (b) The commissioner may impose a civil penalty on a mortgage loan
25 originator or any residential mortgage lender or servicer licensee
26 employing a mortgage loan originator, if the commissioner finds, on the
27 record after notice and opportunity for hearing, that the mortgage loan
28 originator or any residential mortgage lender or servicer licensee
employing a mortgage loan originator has violated or failed to comply
with any requirement of this division or any regulation prescribed by the
commissioner under this division or order issued under authority of this

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division.

(c) The maximum amount of penalty for each act or omission described in subdivision (b) shall be twenty-five thousand dollars (\$25,000).

(d) Each violation or failure to comply with any directive or order of the commissioner is a separate and distinct violation or failure.

IV.
Conclusion

10. The Commissioner finds that, by reason of the foregoing, Vitek has violated Financial Code sections 50701 and 50204 subdivision (i); Health and Safety Code section 35830; and California Code of Regulations section 7114. Based thereon, grounds exist to: (i) suspend the residential mortgage lender and loan servicer license of Vitek, and (ii) assess penalties against Vitek pursuant to Financial Code section 50513, subdivision (b).

V.
Prayer

WHEREFORE, IT IS PRAYED that:

1. Pursuant to Financial Code section 50327, the residential mortgage lender and loan service license of Vitek be suspended for a period of up to 12 months.

2. Pursuant to Financial Code section 50513, subdivision (b), penalties be levied against Vitek for at least 9 violations of Financial Code section 50701, failing to provide brokerage agreements, according to proof, but in an amount of at least \$1,000.00 per violation;

3. Pursuant to Financial Code section 50513, subdivision (b), penalties be levied against Vitek for at least 18 violations of Financial Code section 50204, subdivision (i); Health and Safety Code section 35830; and California Code of Regulations section 7114, providing a Fair Lending Notice Disclosure that contained multiple contact agencies to borrowers, according to proof, but in an amount of at least \$1,000.00 per violation.

4. Pursuant to Financial Code section 50513, subdivision (b), penalties be levied against Vitek for at least 17 violations of Financial Code section 50204, subdivision (i); Health and Safety Code section 35830; and California Code of Regulations section 7114, failing to timely provide the

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Fair Lending Notice Disclosure to borrowers, according to proof, but in an amount of at least \$1,000.00 per violation.

Dated: April 17, 2017
Los Angeles, CA

JAN LYNN OWEN
Commissioner of Business Oversight

By _____
Vanessa T. Lu
Counsel
Enforcement Division