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8 Attorneys for Complainant  
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11 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
12 OF THE STATE OF CALIFORNIA

13 In the Matter of: ) CRMLA LICENSE NO. 4130940  
14 )  
15 THE COMMISSIONER OF BUSINESS ) CFL LICENSE NO. 603A581  
OVERSIGHT, )  
16 )  
Complainant ) CONSENT ORDER  
17 )  
18 v. )  
19 )  
MORTGAGE RESEARCH CENTER, LLC )  
20 doing business as VALOANS.COM, )  
VETERAN LOAN CENTER, VETERANS )  
21 UNITED HOME LOANS, VETERANS )  
UNITED HOME LOANS OF HAWAII, )  
22 VETERANS UNITED HOME LOANS OF )  
SAN DIEGO, and )  
23 www.VAMORTGAGECENTER.com )  
24 )  
Respondent. )

25  
26 This Consent Order is entered into between the Commissioner of Business Oversight  
27 (Commissioner) and Mortgage Research Center, LLC, doing business as VALoans.com, Veteran  
28 Loan Center, Veterans United Home Loans, Veterans United Home Loans of Hawaii, Veterans  
United Home Loans of San Diego, and www.VAMortgageCenter.com (collectively, Mortgage

1 Research), and is made with respect to the following facts:

2 **Recitals**

3 A. The Commissioner has jurisdiction over the licensing and regulation of persons  
4 and entities engaged in the business of lending and/or servicing residential mortgage loans  
5 pursuant to the California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et  
6 seq.)

7 B. Mortgage Research is a residential mortgage lender and loan servicer licensed  
8 by the Commissioner since April 3, 2008 pursuant to the CRMLA. Mortgage Research is also a  
9 finance lender licensed by the Commissioner since October 15, 2014, pursuant to the California  
10 Financing Law (CFL) (Fin. Code, § 22000 et seq.). Mortgage Research has its principal place  
11 of business located at 1400 Veterans United Drive, Columbia, Missouri, 65023. Mortgage  
12 Research operates branch offices in California.

13 C. Nathaneal Long is the CEO of Mortgage Research and is authorized to enter into  
14 this Consent Order on behalf of Mortgage Research.

15 D. On April 17, 2018, the Department of Business Oversight (Department)  
16 commenced a duly noticed regulatory examination of the books and records (Examination) at  
17 Mortgage Research’s principal place of business. In part, the Examination disclosed:

18 1. Mortgage Research, in connection with certain closed loans, and in  
19 addition to providing a compliant Fair Lending Notice at the time borrowers completed the loan  
20 application, provided borrowers a Fair Lending Notice that, in some instances, identified multiple  
21 contact agencies, rather than listing the Department only, as required by Health and Safety Code  
22 section 35830 and California Code of Regulations, title 21, section 7114. In addition, Mortgage  
23 Research, subsequent to the Examination, discovered and disclosed to the Department that, in  
24 some instances, its Fair Lending Notice used with Notices of Action Taken may have been  
25 deficient.

26 2. Mortgage Research provided borrowers with a disclosure required under  
27 the CFL even though the loans were made under the CRMLA.

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1 F. Mortgage Research agrees to the issuance of this Consent Order without the need  
2 for the Commissioner to file an administrative action and desires to cooperate fully with the  
3 Department to resolve any issues disclosed by the Examination.

4 G. It is the intention and desire of the parties to resolve this matter without the  
5 necessity of a hearing and/or other litigation.

6 H. The Commissioner finds that this action is appropriate, in the public interest,  
7 protects consumers, and is consistent with the purposes fairly intended by the policy and  
8 provisions of the CRMLA.

9 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions  
10 set forth herein, the parties agree as follows:

11 **Terms and Conditions**

12 1. Purpose. The purpose of this Consent Order is to resolve the Commissioner’s  
13 findings during the Examination and also those identified herein in a manner that avoids the  
14 expense of court proceedings and a hearing.

15 2. Finality of Order. Mortgage Research hereby agrees to comply with the Consent  
16 Order and, further, stipulates that this Consent Order is hereby deemed a final and enforceable  
17 order issued pursuant to the Commissioner’s authority under Financial Code sections 50321,  
18 50314, and 50513, Health and Safety Code section 35830, and California Code of Regulations,  
19 title 21, section 7114.

20 3. Waiver of Hearing Rights. Mortgage Research acknowledges that the  
21 Commissioner is ready, willing, and able to proceed with the filing of an administrative action  
22 on the charges contained in this Consent Order, and Mortgage Research hereby waives the right  
23 to a hearing, and to any reconsideration, appeal, or other right to review which may be afforded  
24 pursuant to the CRMLA. Mortgage Research further expressly waives any requirement for the  
25 filing of an Accusation that may be afforded by Government Code section 11415.60,  
26 subdivision (b); the Administrative Procedure Act, the Code of Civil Procedure, or any other  
27 provision of law; and by waiving such rights, Mortgage Research effectively consents to this  
28 Consent Order becoming final.

1           4.       Order to Discontinue Violations. Mortgage Research stipulates that in accordance  
2 with Financial Code Section 50321, Mortgage Research will immediately discontinue the violations  
3 described herein to ensure compliance with Health and Safety Code section 35830, California Code  
4 of Regulations, title 21, section 7114, by providing a Fair Lending Notice listing the Department  
5 only, and Financial Code section 50314, by not providing a CFL disclosure to CRMLA borrowers.  
6 With regard to compliance with Health and Safety Code section 35830, California Code of  
7 Regulations, title 21, section 7114, Mortgage Research will discontinue providing Fair Lending  
8 Notices: (a) listing the names and contact information for several regulators instead of only listing  
9 the name and contact information for the Department, and (b) providing a deficient Fair Lending  
10 Notice in connection with its Notice of Action Taken. Regarding compliance with Financial Code  
11 section 50314, Mortgage Research will discontinue providing borrowers who obtained loans under  
12 the CRMLA with disclosures required under the CFL.

13           5.       Payment of Penalties. Mortgage Research shall pay the sum of \$55,000.00,  
14 which shall be due within 30 calendar days of the effective date of this Consent Order, as such  
15 date is defined in Paragraph 21, made payable in the form of a cashier's check or Automated  
16 Clearing House deposit to the "Department of Business Oversight," and transmitted to the  
17 attention of: Accounting-Enforcement Division, at the Department of Business Oversight  
18 located at 1515 K Street, Suite 200, Sacramento, California, 95814. Notice of the payment shall  
19 be sent to: Department of Business Oversight, Enforcement Division, Alex M. Calero, 1350  
20 Front Street, Room 2034, San Diego, CA 92101.

21           6.       Declaration of Policies and Procedures. Mortgage Research has submitted to the  
22 Commissioner a declaration under the penalty of perjury (Declaration) from an officer with  
23 personal knowledge of Mortgage Research's policies and procedures that sets forth all policies and  
24 procedures that have been implemented as of the date of this Consent Order by Mortgage Research  
25 to ensure compliance with Health and Safety Code section 35830, California Code of Regulations,  
26 title 21, section 7114, and Financial Code section 50314. The Commissioner has reviewed the  
27 Declaration and deemed the policies and procedures contained therein as satisfactory. Mortgage  
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1 Research agrees to continue implementing those policies and procedures and to make updates as  
2 required in the future.

3           7. Effect of Consent Order on License. In consideration of Mortgage Research’s  
4 agreement to the entry of this Consent Order, and to pay penalties required by Paragraph 5 hereof,  
5 the Commissioner hereby agrees that except as set forth in this Consent Order, he shall not  
6 suspend the residential mortgage lender/servicer license or the finance lender license of Mortgage  
7 Research or take any further action, except as set forth in Paragraph 13, based on the  
8 Commissioner’s findings respecting the code provisions cited in this order for the period of May 1,  
9 2014 through the effective date of this Consent Order, as such date is defined in Paragraph 21.  
10 Accordingly, this Consent Order does not affect the licensing status of Mortgage Research. It is  
11 further agreed that this Consent Order resolves any and all issues arising from the Examination.

12           8. Suspension of License for Failure to Comply with Order. If Mortgage Research  
13 fails to comply with Paragraph 5, and that failure is not corrected within 10 days after written  
14 notification by the Commissioner, Mortgage Research shall be immediately suspended from  
15 lending/servicing under its CRMLA license and its CFL license until the requirements of  
16 Paragraph 5 are complied with.

17           9. Full and Final Settlement. The parties hereby acknowledge and agree that this  
18 Consent Order is intended to constitute a full, final, and complete resolution of the Department’s  
19 investigation of Mortgage Research for the conduct discovered during its Examination or  
20 identified herein and that no further proceedings or actions will be brought by the Commissioner in  
21 connection with these matters either under the CRMLA, or any other provision of law, excepting  
22 therefrom any proceeding to enforce compliance with the terms of this Consent Order, or action if  
23 such proceeding or action is based upon discovery of new and further violations of the CRMLA  
24 which do not form the basis for this Consent Order or which are not related to violations of Health  
25 and Safety Code section 35830 and California Code of Regulations, title 21, section 7114, and  
26 Financial Code Section 50314 or Code of Federal Regulations, title 12, section 1024.34, or which  
27 were knowingly concealed from the Commissioner by Mortgage Research.

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1           10. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in  
2 interest.

3           11. Commissioner’s Duties. The parties further acknowledge and agree that nothing  
4 contained in this Consent Order shall operate to limit the Commissioner’s ability to assist any  
5 other agency (city, county, state or federal) with any prosecution, administrative, civil or criminal,  
6 brought by any such agency against Mortgage Research or any other person based upon any of the  
7 activities alleged in these matters or otherwise.

8           12. Third Party Actions. It is the intent and understanding between the parties that this  
9 Consent Order does not create any private rights or remedies against Mortgage Research, create  
10 any liability for Mortgage Research or limit defenses of Mortgage Research for any person or  
11 entity not a party to this Consent Order.

12           13. Future Actions by Commissioner. This Consent Order may be revoked and the  
13 Commissioner may pursue any and all remedies available under law against Mortgage Research if  
14 the Commissioner later discovers that Mortgage Research knowingly or willfully withheld  
15 information used for and relied upon in this Consent Order. Further, Mortgage Research agrees  
16 that this Consent Order does not resolve any penalties that may be assessed by the Commissioner  
17 upon discovery of new or further violations of the CRMLA.

18           14. Independent Legal Advice. Each of the parties represents, warrants, and agrees that  
19 it has received independent advice from its attorney(s) and/or representatives with respect to the  
20 advisability of executing this Consent Order.

21           15. Counterparts. The parties agree that this Consent Order may be executed in one or  
22 more separate counterparts, each of which when so executed, shall be deemed an original. Such  
23 counterparts shall together constitute and be one and the same instrument.

24           16. Waiver, Modification, and Qualified Integration. The waiver of any provision of  
25 this Consent Order shall not operate to waive any other provision set forth herein. No waiver,  
26 amendment, or modification of this Consent Order shall be valid or binding to any extent unless it  
27 is in writing and signed by all of the parties affected by it.

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1           17. Headings and Governing Law. The headings to the paragraphs of this Consent  
2 Order are inserted for convenience only and will not be deemed a part hereof or affect the  
3 construction or interpretation of the provisions hereof. This Consent Order shall be construed and  
4 enforced in accordance with and governed by California law.

5           18. Full Integration. Each of the parties represents, warrants, and agrees that in  
6 executing this Consent Order it has relied solely on the statements set forth herein and the advice  
7 of its own counsel. Each of the parties further represents, warrants, and agrees that in executing  
8 this Consent Order it has placed no reliance on any statement, representation, or promise of any  
9 other party, or any other person or entity not expressly set forth herein, or upon the failure of any  
10 party or any other person or entity to make any statement, representation or disclosure of anything  
11 whatsoever. The parties have included this clause to preclude any claim that any party was in any  
12 way fraudulently induced to execute this Consent Order.

13           19. Presumption from Drafting. In that the parties have had the opportunity to draft,  
14 review and edit the language of this Consent Order, no presumption for or against any party arising  
15 out of drafting all or any part of this Consent Order will be applied in any action relating to,  
16 connected to, or involving this Consent Order. Accordingly, the parties waive the benefit of Civil  
17 Code section 1654 and any successor or amended statute, providing that in cases of uncertainty,  
18 language of a contract should be interpreted most strongly against the party who caused the  
19 uncertainty to exist.

20           20. Voluntary Agreement. Mortgage Research enters into this Consent Order  
21 voluntarily and without coercion and acknowledges that no promises, threats or assurances have  
22 been made by the Commissioner or any officer, or agent thereof, about this Consent Order.

23           21. Effective Date. This Consent Order shall not become effective until signed by all  
24 parties and delivered by the Commissioner’s agent by email to Mortgage Research’s counsel at  
25 flevin@buckleyfirm.com.

26           22. Public Record. This Consent Order is a public record.

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23. Authority to Execute. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Consent Order.

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

BY: \_\_\_\_\_  
Mary Ann Smith, Deputy Commissioner

Dated: September 25, 2019

MORTGAGE RESEARCH CENTER, LLC  
doing business as VALOANS.COM,  
VETERAN LOAN CENTER, VETERANS  
UNITED HOME LOANS, VETERANS  
UNITED HOME LOANS OF HAWAII,  
VETERANS UNITED HOME LOANS  
OF SAN DIEGO, and  
www.VAMORTGAGECENTER.com

BY: \_\_\_\_\_  
Nathaneal Long, CEO

Dated: September 24, 2019