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7
8 Attorneys for Complainant

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

12	In the Matter of:)	NMLS LICENSE NO. 399553
13)	
14	THE COMMISSIONER OF BUSINESS)	ORDER DENYING MORTGAGE LOAN
14	OVERSIGHT,)	ORIGINATOR LICENSE APPLICATION
15)	
15	Complainant,)	
16	v.)	
17	EMOGENE McGHEE, aka EMOGENE BYRD,)	
18	EMOGENE WILLIAMS, GWEN HARRIS,)	
19	Respondent.)	
20)	
21)	

22 The Commissioner of Business Oversight (Commissioner) finds that:

- 23 1. The Commissioner has jurisdiction over the licensing and regulation of persons
- 24 engaged in the business of making, servicing, or brokering residential mortgage loans, including
- 25 mortgage loan originators, under the California Financing Law (CFL) (Fin. Code, § 22000 et seq.)
- 26 and the California Residential Mortgage Lending Act (CRMLA) (Fin. Code, § 50000 et seq.). The
- 27
- 28

1 Commissioner is authorized to administer the CFL and CRMLA and the rules and regulations
2 promulgated in title 10 of the California Code of Regulations (CCR).

3 2. Respondent Emogene McGhee, aka Emogene Byrd, Emogene Williams, Gwen Harris
4 (McGhee) applied for a mortgage loan originator (MLO) license with the Commissioner.

5 3. Under the provisions of Financial Code section 22109.1 of the CFL and Financial
6 Code section 50141 of the CRMLA, the Commissioner brought an action to deny McGhee's MLO
7 license application because: (1) McGhee is not employed by, and subject to the supervision of, a CFL
8 or CRMLA-licensed lender, servicer, or broker, and therefore does not meet the minimum criteria to
9 receive a MLO license and (2) McGhee has not demonstrated such financial responsibility, character,
10 and general fitness as to command the confidence of the community and to warrant a determination
11 that she will operate honestly, fairly, and efficiently as a MLO.

12 4. On November 14, 2011, under a felony complaint, the Riverside County District
13 Attorney charged McGhee with one count of grand theft, in violation of Penal Code section 487,
14 subdivision (a). The district attorney alleged that on or about February 4, 2011, in the County of
15 Riverside, McGhee willfully and unlawfully took money and personal property from Kimberly
16 Willford totaling \$4,632.32 in a residential mortgage loan modification scheme.

17 5. On October 2, 2015, McGhee pleaded guilty and was convicted of grand theft, in
18 violation of Penal Code section 487, subdivision (a), a misdemeanor. The court placed McGhee on
19 summary probation for three years, ordering her to be committed to the Riverside County Sheriff for
20 150 days with credit for one day served, to serve 148 days through the Alternative Sentencing Hard
21 Labor Program and one day in custody for booking purposes only, and to pay restitution and fines
22 and fees totaling \$2,397.64.

23 6. On June 1, 2018, McGhee satisfied the terms of her probation.

24 7. Under Penal Code section 1203.4, McGhee subsequently petitioned the court to
25 dismiss her 2015 grand theft conviction. On or about October 26, 2018, the court granted McGhee's
26 request, allowing McGhee to withdraw her plea of guilty and enter a plea of not guilty, thereby
27 dismissing the felony complaint filed against McGhee.

28 8. Despite the dismissal, McGhee is required to disclose her 2015 grand theft conviction

1 in response to any direct question contained in any questionnaire or application for licensure by the
2 state or local agency. (Pen. Code, § 1203.4.)

3 9. On May 31, 2017, effective June 30, 2017, the Department of Insurance revoked
4 McGhee's Life Only agent and Accident and Health agent licenses in the "Matter of the Licenses and
5 Licensing Rights of: Emogene Williams, aka Emogene Williams Byrd, aka Emogene MGhee, aka
6 Emiagee Williams, aka E'Mia'Gene Williams, aka Gwen Harris, aka Anna Marie Barnes, aka
7 Katrina Marie La Beau, aka Deborah Palmer, aka Elnora Florence Scoot, aka Madeline Williams."

8 10. Under the adopted decision, the insurance commissioner concluded McGhee's Life
9 Only agent and Accident and Health agent licenses must be revoked as a result of her 2015 grand
10 theft conviction, McGhee's failure to disclose the grand theft conviction on her January 31, 2016
11 license renewal application filed with the department, and McGhee's lack of candor and honesty
12 concerning her criminal conviction and her failure to disclose the conviction on her license renewal
13 application filed with the department.

14 11. On January 5, 2018, effective February 5, 2018, the Department of Real Estate
15 revoked McGhee's real estate salesperson's license in the "Matter of the Accusation of Emogene
16 Williams."

17 12. Under the decision after rejection, the real estate commissioner concluded McGhee's
18 real estate salesperson's license must be revoked as a result of her 2015 grand theft conviction,
19 McGhee's failure to disclose the grand theft conviction on her Salesperson Renewal Application filed
20 with the department on March 31, 2016, and McGhee's lack of candor and honesty concerning her
21 criminal conviction and her failure to disclose the conviction on her license renewal application filed
22 with the department.

23 13. To become licensed by the Commissioner as a MLO, an individual must submit a
24 uniform application form (known as the MU4) through the Nationwide Mortgage Licensing System
25 and Registry (the NMLS).

26 14. On March 13, 2019, McGhee first applied for a MLO license by filing a Form MU4
27 through the NMLS.

28 15. In her March 13 MU4, McGhee truthfully responded to the disclosure questions that

1 asked about her criminal conviction and the state license revocation proceedings before the
2 Departments of Insurance and Real Estate.

3 16. On April 12, the Commissioner's staff reviewed McGhee's MU4. The examiner noted
4 a number of deficiencies with McGhee's application, including McGhee's failure to designate a
5 sponsoring employer; failure to submit fingerprints for a criminal background check; failure to
6 provide criminal conviction documents concerning the 2011-2015 grand theft proceedings; failure to
7 provide copies of the pleadings filed by the Departments of Insurance and Real Estate in McGhee's
8 license revocation proceedings before the state; and her failure to provide a statement of citizenship,
9 alienage, or immigration.

10 17. That same day, April 12, the examiner placed several license items on McGhee's
11 account, requesting McGhee correct the deficiencies the examiner had identified on McGhee's MU4.

12 18. On April 16, McGhee received sponsorship from American Advisors Group (AGG),
13 which holds CRMLA and CFL licenses with the department.

14 19. Between April 16 and May 21, McGhee attested and filed six amended MU4
15 applications. In each of the six amended MU4s McGhee attested and filed, the examiner determined
16 McGhee had failed to provide the requested documents concerning her criminal conviction and the
17 license revocation proceedings before the Departments of Insurance and Real Estate.

18 20. On May 31, AAG withdrew its sponsorship of McGhee's MLO application.

19 21. On July 1, Apex Lending, Inc. (Apex), a CFL-licensed lender, requested sponsorship
20 of McGhee's license application. Apex withdrew its sponsorship of McGhee's MLO license
21 application on July 31.

22 22. Under CCR sections 1422.6 and 1950.122.5, the Commissioner abandoned McGhee's
23 application on July 31, based on McGhee's failure to timely provide the required documentation
24 requested through the license items placed on McGhee's NMLS account.

25 23. McGhee subsequently contacted the department concerning the abandonment of her
26 application and asked that her application be reinstated. The Commissioner granted McGhee's
27 request and reinstated McGhee's MLO application on December 17.

28 24. On December 23 and 24, McGhee uploaded to the NMLS additional documents

1 related to her criminal conviction and the license revocation proceedings before the Department of
2 Real Estate.

3 25. The Commissioner must deny a MLO license if the licensee fails to meet the
4 minimum criteria for licensure, which includes a requirement that the applicant be employed by, and
5 subject to the supervision of, a licensed CFL or CRMLA lender, servicer, or broker. (Fin. Code, §§
6 22109.1, subd. (a)(6) and 50141, subd. (a)(6).)

7 26. As described in paragraphs 20 and 21, above, McGhee was initially employed and
8 sponsored by AAG. AAG withdrew its sponsorship of McGhee's application on May 31. Apex
9 applied to sponsor McGhee's application on July 1. Apex withdrew its sponsorship of McGhee's
10 application on July 31, and McGhee has not found employment with another licensed lender,
11 servicer, or broker.

12 27. Thus, McGhee does not meet the minimum criteria for licensure under either the CFL
13 or CRMLA, and her application must be denied.

14 28. The Commissioner must deny a MLO license if a licensee fails to demonstrate such
15 financial responsibility, character, and general fitness as to command the confidence of the
16 community and to warrant a determination that the MLO will operate honestly, fairly, and efficiently.
17 (Fin. Code, §§ 22109.1, subd. (a)(3) and 50141, subd. (a)(3).)

18 29. As described in paragraphs 9 and 10, above, the Department of Insurance revoked
19 McGhee's Life Only agent and Accident and Health agent licenses, effective June 30, 2017, and
20 McGhee's licenses have not been reinstated.

21 30. As described in paragraphs 11 and 12, above, the Department of Real Estate revoked
22 McGhee's real estate salesperson's license, effective February 5, 2018, and McGhee's license has not
23 been reinstated.

24 31. Thus, McGhee has not demonstrated such financial responsibility, character, and
25 general fitness as to command the confidence of the community and to warrant a determination that
26 she will operate honestly, fairly, and efficiently as a MLO. Under Financial Code sections 22109.1,
27 subdivision (a)(3) and 50141, subdivision (a)(3), McGhee's application must be denied.

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1 32. Based on the foregoing findings, Financial Code sections 22109.1, subdivisions (a)(3)
2 and (a)(6) and 50141, subdivisions (a)(3) and (a)(6) require that the Commissioner deny McGhee’s
3 application for a mortgage loan originator license.

4 33. On March 17, 2020, the Commissioner issued McGhee his notice of intention to deny
5 McGhee’s MLO license application, statement of issues, and other supporting pleadings (collectively,
6 Statement of Issues).

7 34. On March 17, the Commissioner served McGhee with the Statement of Issues at her
8 address of record on file with the Commissioner.

9 35. McGhee did not file her notice of defense with the Commissioner within the time
10 required, and the time to file her hearing request concerning the Statement of Issues has now expired.

11 NOW GOOD CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED that the
12 application for a mortgage loan originator license of Emogene McGhee, aka Emogene Byrd,
13 Emogene Williams, Gwen Harris is denied. This order is effective immediately.

14 Dated: April 27, 2020
15 Los Angeles, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

17 By: _____
18 Mary Ann Smith
19 Deputy Commissioner
20 Enforcement Division