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8 Attorneys for Complainant

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

12 In the Matter of:) NMLS ID NO.: 1371590
13)
14 THE COMMISSIONER OF BUSINESS)
OVERSIGHT,)
15) STATEMENT OF ISSUES
16 Complainant,)
v.)
17 COREY EVANS, as an individual)
18 Respondent.)
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20)
21)

22 Manuel P. Alvarez, the Commissioner of Business Oversight (Commissioner), is informed
23 and believes, and based on such information and belief, alleges and charges Respondent Corey Evans
24 (Evans) as follows:

25 I.

26 **Jurisdiction and Venue**

27 1. The Commissioner has jurisdiction over the licensing and regulation of persons engaged
28 in the business of making or servicing residential mortgage loans, including mortgage loan originators,

1 all fines, fees, and he makes the request in writing within 90 days after successfully completing
2 probation, “within a period not to exceed 3 years from sentencing.” The three-year period expires on
3 September 18, 2021.

4 6. Evans failed to disclose the 2018 conviction by answering “No” to the Disclosure
5 Question F (1) in the MU4 that asked “[h]ave you ever been convicted of or pled guilty or nolo
6 contendere (“no contest”) in a domestic, foreign, or military court to any felony.

7 7. On or about December 6, 2019, the Department’s special administrator sent Evans a
8 notification, through NMLS, requesting he amend his response to the Disclosure Question F (1) in the
9 MU4. Evans’ response was due by December 13, 2019, but he failed to submit his response.

10 8. On or about January 14, 2020, Evans submitted a “Letter of Explanation” concerning
11 his arrest on November 23, 2017, resulting in his felony conviction on September 2018. Evans also
12 provided a copy of the plea agreement in which he pled guilty to “Operating a Vehicle as an Habitual
13 Traffic Violator, Level 6 Felony”. Evans also provided a letter from the Hamilton County
14 Department of Probation Services stating that Evans has met the conditions of his probation.
15 However, Evans has not provided any evidence that the Level 6 Felony has been downgraded to a
16 class A misdemeanor.

17 III.

18 Financial Responsibility, Character, and General Fitness

19 9. Under the provisions of Financial Code sections 22109.1 and 50141, an MLO
20 applicant must demonstrate such financial responsibility, character, and general fitness as to
21 command the confidence of the community and to warrant a determination that the MLO will operate
22 honestly, fairly, and efficiently. (Fin. Code sections 22109.1(a)(3) and 50141(a)(3).)

23 10. As described in paragraphs 6 and 7, Evans was convicted in the state of Indiana of one
24 count of “Operating a Vehicle as an Habitual Traffic Violator, Level 6 Felony” under a plea
25 agreement in September 2018. The Level 6 Felony would be downgraded to a class A misdemeanor
26 if Evans meets certain conditions, including the successful completion of his “probation/community
27 corrections without any violation being found and has paid all fines, fees, and he makes the request in
28 writing within 90 days after successfully completing probation, “within a period not to exceed 3 years

1 from sentencing.” The three-year period expires on September 18, 2021. Evans failed to disclose the
2 2018 conviction by answering “No” to the Disclosure Question F(1) in the MU4 that asked “[h]ave
3 you ever been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or
4 military court to any felony.

5 11. As described in paragraph 9, Evans submitted a “Letter of Explanation” concerning
6 his arrest on November 23, 2017 resulting in his felony conviction on September 2018. Evans also
7 provided a copy of the plea agreement in which he pled guilty to “Operating a Vehicle as an Habitual
8 Traffic Violator, Level 6 Felony”. Evans also submitted a letter from the Hamilton County
9 Department of Probation Services stating that Evans has met the conditions of his probation. Evans,
10 however, did not provide any evidence that the Level 6 Felony has been downgraded to class A
11 misdemeanor.

12 12. Thus, Evans has not demonstrated financial responsibility, character, and general
13 fitness as to command the confidence of the community and to warrant a determination that he will
14 operate honestly, fairly, and efficiently as an MLO under Financial Code sections 22109.1,
15 subdivision (a)(3) and 50141, subdivision (a)(3).

16 IV.

17 **Commissioner’s Authority to Revoke**

18 13. Financial Code section 22109.1 provides in pertinent part:

19 (a) The commissioner shall deny an application for a mortgage loan
20 originator license unless the commissioner makes, at a minimum, the
21 following findings:

22 (3) The applicant has demonstrated such financial responsibility,
23 character, and general fitness as to command the confidence of the
24 community and to warrant a determination that the mortgage loan
25 originator will operate honestly, fairly, and efficiently within the
26 purposes of this division[.]

27 14. Financial Code section 50141 provides in relevant part:

28 (a) The commissioner shall deny an application for a mortgage loan
originator license unless the commissioner makes at a minimum the
following findings:

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(3) The applicant has demonstrated such financial responsibility, character, and general fitness as to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purposes of this division.

15. Financial Code section 50513, provides in pertinent part:

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

(2) Deny, suspend, revoke, condition, or decline to renew a mortgage loan originator license if an applicant or licensee fails at any time to meet the requirements of Section 50141 or 50144, or withholds information or makes a material misstatement in an application for a license or license renewal.

VI.

Prayer

The Commissioner finds that by reason of the foregoing, Evans has not demonstrated the financial responsibility, character, and general fitness required under Financial Code sections 22109, subdivision (a)(3) and 50513, subdivision (a)(2).

WHEREFORE IT IS PRAYED that the mortgage loan originator license application filed by Corey Evans be denied.

Dated: August 4, 2020
Los Angeles, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By: _____
MARLOU de LUNA
Senior Counsel
Enforcement Division