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9
10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
11 OF THE STATE OF CALIFORNIA

12 In the Matter of the Petition for Reinstatement
13 of:

NMLS ID. 320166

14 BEN ALEXANDER-OWENS ANDERSON,
15
16 Petitioner.

ORDER DENYING PETITION FOR
REINSTATEMENT (GOV. CODE § 11522)

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20 TO: Hon. Xavier Becerra
21 ATTORNEY GENERAL, STATE OF CALIFORNIA
California Department of Justice
22 P.O. Box 944255
23 Sacramento, California 94244-2550

24 BEN ALEXANDER-OWENS ANDERSON
1265 Corona Pointe Court, Suite 301
25 Corona, California 92879

26 Petitioner, Ben Alexander-Owens Anderson (Anderson), filed with the Department of
27 Financial Protection and Innovation (formerly the Department of Business Oversight) a petition for
28 reinstatement, dated August 6, 2020 (Petition for Reinstatement), of a mortgage loan originator

1 license which was revoked by order, dated February 21, 2019, in proceedings before an
2 Administrative Law Judge entitled *In the Matter of The Commissioner of Business Oversight v. Ben*
3 *Alexander-Owens Anderson*, OAH Case No. 2018050193 (Revocation Order).

4 After revocation of the mortgage loan originator license on February 21, 2019, Anderson
5 filed a petition for reconsideration, dated March 8, 2019, which was denied by order, dated March
6 22, 2019.

7 Petition is not entitled to reinstatement of a mortgage loan originator license for the following
8 reasons:

9 1. Anderson's most recent Form MU4, dated October 7, 2020, does not disclose
10 business activities, such as Ben Anderson 365, Inc., Homeowner Now, LLC, Monster Now, LLC,
11 Red Media, Inc, Montecito Home Design, LLC, and The Hustle with Ben Anderson, in the Other
12 Business or Employment History sections of his Form MU4. Anderson's Petition for Reinstatement
13 specifically mentions some of these business activities as evidence of his rehabilitation. Anderson's
14 failure to disclose these business activities in his Form MU4 is particularly notable because the
15 Revocation Order was based, in part, on Anderson's failure to disclose information, such as liens and
16 a civil action – *Mount Olympus Mortgage Company v. Anderson, et al. (MOMCO v. Anderson)* – in
17 his Form MU4. In submitting the Form MU4, Anderson signed an oath and attestation agreeing to
18 keep the information contained in the Form MU4 “current and to file accurate supplementary
19 information on a timely basis.”

20 2. Anderson's Petition for Reinstatement erroneously claims the disciplinary actions
21 against him “in other states relate to the underlying [*MOMCO v. Anderson*] civil suit.” Two states
22 that have active disciplinary actions against Anderson are Ohio and Washington.

23 a. On or about March 27, 2019, the Washington Department of Financial
24 Institutions (Washington) issued and served a Statement of Charges and Notice of Intent to Enter an
25 Order to Revoke License, Prohibit from Industry, Impose Fine, Collect Investigation Fee and
26 Recover Costs and Expenses to Anderson, based on Anderson's failure to disclose in his Form MU4
27 the regulatory action initiated against him by the California Department of Business Oversight
28 (California) from issuance of the action until November 5, 2018, and for failure to disclose in his

1 Form MU4 the revocation of his mortgage loan originator license by California at any time.
2 Washington's disciplinary action was not related to the underlying *MOMCO v. Anderson* civil
3 action. Instead, Washington's disciplinary action was related to Anderson's failure to disclose a
4 regulatory action and order in his Form MU4. Anderson did not request a hearing and, on April 26,
5 2019, Washington revoked Anderson's mortgage loan originator license in that state.

6 b. On or about April 16, 2019, the Ohio Department of Commerce (Ohio) issued
7 and served a Notice of Intent to Revoke Mortgage Loan Originator License & Notice of Opportunity
8 for a Hearing to Anderson, based on revocation of Anderson's mortgage loan originator licenses by
9 California and the Illinois Department of Financial and Professional Regulation. Ohio's disciplinary
10 action was not related to the underlying *MOMCO v. Anderson* civil action. Instead, Ohio's
11 disciplinary action was related to the revocation of Anderson's mortgage loan originator licenses in
12 California and Illinois. Anderson did not to request a hearing and, on June 26, 2019, Ohio revoked
13 Anderson's mortgage loan originator license in that state.

14 3. Anderson's Petition for Reinstatement neither shows rehabilitation from harming
15 members of the public nor does it show acknowledgement that his actions harmed members of the
16 public, whose confidential information (loan applications, bank statements, tax returns, appraisals,
17 and other information), the Administrative Law Judge found, Anderson had "systematically"
18 transferred, without customer consent, from MOMCO to Guaranteed Rate. The Administrative Law
19 Judge also points out that the jury in *MOMCO v. Anderson* found that Anderson "engaged in the
20 conduct with malice, oppression, or fraud, so as to warrant punitive damages." Further, the
21 Administrative Law Judge noted that the nature and seriousness of Anderson's misconduct included
22 actual harm to MOMCO and to those consumers whose confidential information was
23 misappropriated for Anderson's personal gain. In his Petition for Reinstatement, Anderson
24 acknowledges the harm caused to MOMCO's business as a result of his conduct. However, little
25 evidence was presented regarding whether Anderson acknowledges the harm to the members of the
26 public and what efforts he has taken to rehabilitate himself in this regard.

27 4. Anderson's conduct, as set forth in the findings of fact made by the Administrative
28 Law Judge in the Revocation Order, was egregious because Anderson: (a) was found to have acted

1 with “malice, oppression, or fraud” when he misappropriated confidential customer information; (b)
2 made material misstatements in his Form MU4 in violation of Financial Code section 50513,
3 subdivision (a)(2); and (c) failed to meet the requisite threshold standards for licensure as a mortgage
4 loan originator under Financial Code section 50141. Pursuant to Financial Code section 50141, a
5 person must demonstrate such "character and general fitness as to command the confidence of the
6 community and to warrant a determination that the mortgage loan originator will operate honestly,
7 fairly, and efficiently within the purposes of this division." (Cal. Fin. Code, § 50141.) Based on the
8 Petition for Reinstatement it cannot be said that Anderson demonstrates the requisite character and
9 general fitness, in light of his past conduct.

10 5. Anderson’s Petition for Reinstatement conflicts with the Administrative Law Judge’s
11 findings of fact regarding the amount of a mechanics lien. Anderson’s Petition for Reinstatement
12 represents that he “has paid off all tax liens, mechanics’ liens and other debts.” Regarding the
13 mechanics lien, the Petition for Reinstatement specifically represents that Anderson “paid off a
14 \$10,000 mechanics lien.” The Administrative Law Judge noted that Anderson provided a financial
15 statement to the Superior Court in *MOMCO v. Anderson* which lists a liability described as a
16 “mechanics lien” in the amount of \$15,000.00. This unexplained discrepancy between the lien
17 amount does not instill confidence that Anderson demonstrates the requisite character and general
18 fitness necessary to operate as a mortgage loan originator.

19 6. Approximately one-and-a-half years have passed since Anderson’s mortgage loan
20 originator license was revoked by California. An insufficient amount of time has passed since the
21 Revocation Order to warrant a finding that Anderson demonstrates the character and general fitness
22 as to command the confidence of the community and warrant a determination that the mortgage loan
23 originator will operate honestly, fairly, and efficiently. When considering the egregiousness of
24 Anderson’s conduct, this is not a sufficient amount of time to ensure that Anderson has completely
25 rehabilitated himself and to ensure that Anderson has gained the requisite character required for a
26 mortgage loan originator license.

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7. In light of the foregoing, Anderson has failed to show that he is presently capable of meeting the threshold standards required for a mortgage loan originator and that he no longer poses a threat to the public.

WHEREFORE, IT IS ORDERED that the Petition for Reinstatement be denied.

Dated: October 21, 2020

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

