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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:) NMLS LICENSE NO.: 242719
)
13 THE COMMISSIONER OF FINANCIAL) SETTLEMENT AGREEMENT
PROTECTION AND INNOVATION,)
14)
15 Complainant,)
)
16 v.)
)
17 PETER JOHN TRESSA,)
)
18 Respondent.)
19)
20)
21)

22 This Settlement Agreement (Settlement Agreement) is entered between the Commissioner of
23 Financial Protection and Innovation (Commissioner) and Respondent Peter John Tressa (Tressa)
24 (collectively, the Parties) and is made with respect to the following facts.

25 I.

26 Recitals

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

1 mortgage loan originators, under the California Financing Law (CFL) (Fin. Code, § 22000 et seq.),
2 and California Residential Mortgage Lending Act (CRMLA) (Fin. Code, §50000 et seq.). The
3 Commissioner is authorized to administer the CFL and CRMLA, and the rules and regulations
4 promulgated in title 10 of the California Code of Regulations (CCR).

5 B. Tressa applied for and received a mortgage loan originator (MLO) license from the
6 Commissioner on July 7, 2010.

7 C. Tressa is currently sponsored by Bay-Valley Mortgage Group, a CFL Licensee.

8 D. Tressa was at one time employed and sponsored by OnY Glo, Inc., dba OGI
9 Mortgage Bankers, Capitalend Home loans, LoanLock (OnY Glo), a CFL licensee. OnY Glo’s
10 sponsorship of Tressa was removed on or about April 20, 2020.

11 E. The Commissioner has continuous authority to exercise the powers set forth in the
12 CFL over persons subject to the CFL, including MLOs. (Fin. Code, § 22705.)

13 F. After having granted Tressa the MLO license, the Commissioner learned that Tressa
14 offered to give money, kickback or other thing of value to at least two former clients to refer him new
15 clients for federally related loans.

16 G. The Real Estate Settlement Procedures Act of 1974 (RESPA) prohibits certain referral
17 fees and provides: “No person shall give and no person shall accept any fee, kickback or other thing
18 of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or
19 part of a settlement service involving a federally related mortgage loan shall be referred to any
20 person.” (12 C.F.R. § 1024.14, subd. (a), and 12 C.F.R. § 1024.14, subd. (b).)

21 H. Beginning in or about 2017, Tressa told at least two former clients that he would pay
22 them \$500.00 to \$1,000.00 for referring or sending him new clients.

23 I. The former clients were to receive \$500.00 to \$1,000.00 for each referred client who
24 used Tressa as a loan officer and closed on a mortgage loan.

25 J. One of the former clients referred a new client to Tressa. After the new client closed
26 on a mortgage loan, Tressa paid the former client only \$425.00 – not the agreed \$1,000.00 referral
27 fee.

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1 K. The Commissioner finds that Tressa violated RESPA’s prohibition against accepting
2 any fee, kickback or other thing of value pursuant. These RESPA violations by Tressa demonstrate a
3 lack of the required qualifications of character and general fitness to carry out the functions and duties
4 of an MLO.

5 L. On July 22, 2021, under the provisions of Financial Code sections 22109.1, 22172,
6 and CCR section 1422.6.2 of the CFL, the Commissioner issued a notice of intention and accusation
7 (Accusation) to revoke Tressa’s MLO license because Tressa demonstrated a lack of the required
8 qualifications of character and general fitness to carry out the functions and duties of an MLO by
9 violating the RESPA.

10 M. The Commissioner timely served Tressa with the Accusation.

11 N. On August 5, 2021, Tressa requested a hearing in connection with the Accusation.

12 O. The Commissioner finds that entering into this Settlement Agreement is in the public
13 interest, protects consumers, and is consistent with the purposes fairly intended by the provisions of
14 the CFL.

15 NOW, THEREFORE, in consideration of the foregoing and the terms and conditions set forth
16 herein, the Parties agree as follows.

17 II.

18 Terms and Conditions

19 1. Purpose. The Parties have entered into this Settlement Agreement to resolve the matter
20 described in the Recitals for the purpose of judicial economy and expedience, and to avoid the
21 expense of a hearing, and further court proceedings.

22 2. Waiver of Hearing Rights. Tressa agrees that this Settlement Agreement shall have the
23 effect of withdrawing his request for an administrative hearing on the matter described in the Recitals,
24 above. Tressa acknowledges his right to an administrative hearing under the CFL in connection with
25 the Accusation and hereby waives such right to a hearing and to any reconsideration, appeal, or other
26 rights that may be afforded to him under the CFL, CRMLA, the Administrative Procedure Act (APA)
27 (Gov. Code, § 11340 et seq.), the Code of Civil Procedure (CCP) (Code Civ. Proc., § 1 et seq.), or
28 any provision of law in connection with this matter.

1 3. Acknowledgment. Tressa acknowledges that the Commissioner issued and served him
2 with the Accusation, in which the Commissioner sought to revoke Tressa’s MLO license under
3 Financial Code sections 22109.1, 22172, and CCR section 1422.6.2 of the CFL, as discussed in the
4 Recitals, above.

5 4. Final Desist and Refrain Order. Pursuant to Financial Code section 22712, Peter John
6 Tressa is hereby ordered to desist and refrain from offering to give or giving a referral fee, kickback
7 or other thing of value pursuant to any agreement or understanding, oral or otherwise, involving a
8 federally related mortgage loan in violation of the RESPA, set forth herein. This desist and refrain
9 order is final and effective from the effective date of this Settlement Agreement, as defined in
10 paragraph 26 (Effective Date).

11 5. Surrender of License. Peter John Tressa hereby agrees to surrender his MLO license to
12 the Commissioner. Peter John Tressa shall have 15 days within which to surrender his MLO license
13 to the Commissioner, and the 15-day period shall commence on the Effective Date of this Settlement
14 Agreement. If during the 15-day period, prior to the surrender of Tressa’s license, the Department
15 makes a finding that Tressa has violated or is violating any provision of the CFL, CRMLA, RESPA,
16 or any law, rule, or regulation under the jurisdiction of the Commissioner, the Commissioner may
17 revoke any license held by Tressa or deny any pending application(s) of Tressa, provided that the
18 Commissioner give Tressa five days’ written notice of such a finding. Tressa hereby waives any
19 hearing rights to contest such revocation or denial(s) under the CFL, CRMLA, APA, CCP, or any
20 other provision of law in connection with this matter.

21 6. Bar from Applying for MLO License. Peter John Tressa agrees that he will not apply
22 for an MLO license or, as applicable, petition for the reinstatement of the MLO license before the
23 Commissioner for a period of 90 business days from the date of surrender of his MLO license (Bar
24 Period). Should Tressa apply or petition for such a license during the Bar Period, the Commissioner
25 shall automatically deny the MLO application or petition. Peter John Tressa hereby waives any
26 hearing rights he may have to contest such denial under the CFL, CRMLA, APA, CCP, or any other
27 provision of law in connection with this matter.

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1 7. Penalties. Peter John Tressa is hereby ordered to pay \$5,000.00 for the violations
2 discussed herein, no later than 15 days after the Effective Date of this Settlement Agreement. The
3 penalty payment shall be made in the form of a cashier’s check or Automated Clearing House deposit
4 to the “Department of Financial Protection and Innovation,” and transmitted to the attention of:
5 Accounting - Litigation, at the Department of Financial Protection and Innovation, located at 2101
6 Arena Boulevard, Sacramento, California 95834. Notice of payment shall be sent concurrently to
7 Afsaneh Eghbaldari, by email at: affi.eghbaldari@dfpi.ca.gov.

8 8. Reporting Requirement. Should Peter John Tressa receive an MLO license from the
9 Commissioner, Peter John Tressa shall report to the Commissioner any disciplinary investigation or
10 action against him by any licensing agency; any criminal investigation, prosecution, or conviction; or
11 any civil judgment against him no later than 30 days after discovering such investigation, proceeding,
12 action, or judgment. Tressa is not required to report any traffic citations.

13 9. Continuing Education. Should Peter John Tressa receive an MLO license from the
14 Commissioner, for 12 months effective from the date of the licensure, Peter John Tressa shall take at
15 least four hours of continuing education per year in addition to the eight hours required under
16 Financial Code sections 22109.4 and 22109.5. The courses and course providers must be approved by
17 the Nationwide Mortgage Licensing System and Registry. Peter John Tressa shall submit proof of
18 compliance to the Commissioner no later than the expiration of the 12-month period or December 31,
19 2022, whichever date is later. If the reporting date falls on a Saturday, Sunday, or a state holiday,
20 Tressa must submit the report no later than the following business day.

21 10. Remedy for Breach. Tressa acknowledges that failure to comply with the terms of this
22 Settlement Agreement, including, but not limited to failure to comply with the desist and refrain
23 order, failure to surrender his MLO license, or failure to satisfy the Bar Period, reporting, penalties or
24 continuing-education requirements in paragraphs 4 through 9, above, shall be deemed a breach and
25 cause for the Commissioner to immediately revoke any license held by or deny any pending
26 application(s) of Tressa. Peter John Tressa hereby waives any notice and hearing rights to contest any
27 such revocation or denial which may be afforded under the CFL, CRMLA, APA, CCP, or any other
28 provision of law. Peter John Tressa further waives any requirement for the filing of an accusation or

1 statement of issues under Government Code section 11415.60, subdivision (b), in connection with
2 any revocation or denial under this paragraph.

3 11. Information Willfully Withheld or Misrepresented. This Settlement Agreement may
4 be revoked, and the Commissioner may pursue any and all remedies available under law against
5 Tressa if the Commissioner discovers that Tressa knowingly or willfully withheld or misrepresented
6 information used for and relied upon in this Settlement Agreement.

7 12. Future Actions by Commissioner. If Tressa fails to comply with any terms of the
8 Settlement Agreement, the Commissioner may institute proceedings for any and all violations
9 otherwise resolved under this Settlement Agreement. The Commissioner reserves the right to bring
10 any future actions against Tressa for any and all unknown violations of the CFL, CRMLA and
11 RESPA.

12 13. Full and Final Settlement. The Parties hereby acknowledge and agree that this
13 Settlement Agreement is intended to constitute a full, final, and complete resolution of Tressa's
14 alleged violations of the CFL as identified herein. No further proceedings or actions will be brought
15 by the Commissioner in connection with these matters under the CFL or any other provision of law,
16 excepting any proceeding to enforce compliance with the terms of this Settlement Agreement or
17 action if such proceeding is based upon discovery of new and further violations of the CFL or RESPA
18 which do not form the basis for this Settlement Agreement or which Tressa knowingly concealed
19 from the Commissioner.

20 14. Assisting Other Agencies. The Parties further acknowledge and agree that nothing in
21 this Settlement Agreement shall limit the Commissioner's ability to assist any other agency (city,
22 county, state, or federal) with any prosecution, administrative, civil, or criminal, brought by any such
23 agency against Tressa or any other person based upon any of the activities alleged in these matters or
24 otherwise.

25 15. Binding. This Settlement Agreement is binding on all heirs, assigns, or successors in
26 interest.

27 16. Independent Legal Advice. Each of the Parties represents, warrants, and agrees that he,
28 she, or it has received independent advice from its attorney(s) or representative(s) with respect to the

1 advisability of executing this Settlement Agreement.

2 17. Waiver, Modification, and Qualified Integration. The waiver of any provision of this
3 Settlement Agreement shall not operate to waive any other provision set forth herein. No waiver,
4 amendment, or modification of this Settlement Agreement shall be valid or binding to any extent
5 unless it is in writing and signed by all the parties affected by it.

6 18. Headings and Governing Law. The headings to the paragraphs of this Settlement
7 Agreement are inserted for convenience only and will not be deemed a part hereof or affect the
8 construction or interpretation of the provisions hereof. This Settlement Agreement shall be construed
9 and enforced in accordance with and governed by California law.

10 19. Full Integration. Each of the Parties represents, warrants, and agrees that in executing
11 this Settlement Agreement he, she, or it has relied solely on the statements set forth herein and the
12 advice of its own counsel. Each of the Parties further represents, warrants, and agrees that in
13 executing this Settlement Agreement he, she, or it has placed no reliance on any statement,
14 representation, or promise of any other party, or any other person or entity not expressly set forth
15 herein, or upon the failure of any party or any other person or entity to make any statement,
16 representation, or disclosure of anything whatsoever. The Parties have included this clause (1) to
17 preclude any claim that any party was in any way fraudulently induced to execute this Settlement
18 Agreement and (2) to preclude the introduction of parol evidence to vary, interpret, supplement, or
19 contradict the terms of this Settlement Agreement.

20 20. Presumption from Drafting. In that the Parties have had the opportunity to draft,
21 review, and edit the language of this Settlement Agreement, no presumption for or against any party
22 arising out of drafting all or any part of this Settlement Agreement will be applied in any action
23 relating to, connected to, or involving this Settlement Agreement. Accordingly, the Parties waive the
24 benefit of Civil Code section 1654 and any successor or amended statute, providing that in cases of
25 uncertainty, language of a contract should be interpreted most strongly against the party that caused
26 the uncertainty to exist.

27 21. Counterparts. The Parties agree that this Settlement Agreement may be executed in
28 one or more separate counterparts, each of which shall be deemed an original when so executed. Such

1 counterparts shall together constitute and be one and the same instrument.

2 22. Voluntary Agreement. Tressa enters into this Settlement Agreement voluntarily and
3 without coercion and acknowledges that no promises, threats, or assurances have been made by the
4 Commissioner, or any officer or agent thereof, about this Settlement Agreement.

5 23. Notice. Any notices required under this Settlement Agreement shall be provided to
6 each party at the following addresses:

7 To Respondent: Peter John Tressa
8 17740 Olson Place
9 Salinas, California 93907

10 To the Commissioner: Afsaneh Eghbaldari, Senior Counsel
11 Department of Financial Protection and Innovation
12 1455 Frazee Road, Suite 315
San Diego, California 92108
Affi.eghbaldari@dfpi.ca.gov

13 24. Signatures. A fax or electronic mail signature shall be deemed the same as an original
14 signature.

15 25. Public Record. Tressa hereby acknowledges that this Settlement Agreement is and
16 will be a matter of public record.

17 26. Effective Date. This Settlement Agreement shall become final and effective when
18 signed by all parties and delivered by the Commissioner’s agent to Charles Katz, Tressa’s counsel,
19 via e-mail at charles.k@pacbaylending.com.

20 27. Authority to Execute. Each signatory hereto covenants that he/she possesses all
21 necessary capacity and authority to sign and enter into this Settlement Agreement.

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IN WITNESS WHEREOF, the Parties hereto have approved and executed this Settlement Agreement on the dates set forth opposite their respective signatures.

Dated: September 7, 2021

CHRISTOPHER S. SHULTZ
Acting Commissioner of Financial Protection and
Innovation

By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: August 31, 2021

PETER JOHN TRESSA, Respondent

By _____
PETER JOHN TRESSA

APPROVED AS TO FORM AND CONTENT:

By: _____
Charles Katz, Esq., Attorney for the Respondent