

1 CLOTHILDE V. HEWLETT
Commissioner
2 MARY ANN SMITH
Deputy Commissioner
3 SEAN ROONEY
Assistant Chief Counsel
4 SOPHIA C. KIM (State Bar No. 265649)
Senior Counsel
5 Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
6 Los Angeles, CA 90013
Telephone: (213) 503-0457
7 Facsimile: (213) 576-7181

8 Attorneys for Complainant

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

11 In the Matter of:) NMLS ID NO.: 1918387
12)
13 THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION,) STATEMENT OF ISSUES IN SUPPORT OF
14) NOTICE OF INTENTION TO DENY
15) MORTGAGE LOAN ORIGINATOR
16) APPLICATION
17)
18) (Fin. Code §§ 22109.1(a)(3), 22172(a)(2))
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21 The Complainant, the Commissioner of Financial Protection and Innovation
22 (Commissioner) of the Department of Financial Protection and Innovation (Department), is
23 informed and believes, and based on such information and belief, alleges and charges Respondent
24 Jonathan L. Viegas (Viegas):

25 **I.**

26 **Introduction**

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

1 mortgage loan originators (MLO or MLOs), under the California Financing Law (CFL) (Fin. Code,
2 § 22000 et seq.).

3 2. To become licensed by the Commissioner as an MLO, an individual must submit a
4 uniform application form (known as the Form MU4) through the Nationwide Mortgage Licensing
5 System & Registry (NMLS).¹ The NMLS contains a detailed set of instructions for filing license
6 applications, including a checklist of items to be completed by the applicant, who is fully
7 responsible for all the requirements of the license.

8 3. Based on a review of Viegas’ MLO application, the Commissioner determined that
9 Viegas fails to meet the minimum threshold requirement that he demonstrate such financial
10 responsibility, character, and general fitness as to command the confidence of the community and to
11 warrant a determination that he will operate honestly, fairly, and efficiently within the purposes of
12 this division. In addition, Viegas’ MLO application discloses at least one material misstatement,
13 providing further grounds for denying the MLO license.

14 **II.**

15 **Application**

16 4. On or around July 17, 2021, Viegas submitted an application to the Commissioner
17 for an MLO license by submitting a Form MU4 through the NMLS pursuant to Financial Code
18 section 22105.1 (hereinafter, Application). Viegas signed the Application attesting that the answers
19 were “current, true, accurate and complete and are made under the penalty of perjury”

20 5. Regulatory Action Disclosure Question (K) asks

21 “Has any State or federal regulatory agency or foreign financial regulatory
22 authority or self-regulatory organization (SRO) ever: . . .

23 (3) found you to have been a cause of a financial services-related business
24 having its authorization to do business denied, suspended, revoked or
25 restricted? . . .

26 (5) revoked your registration or license? . . .

27 (9) entered an order concerning you in connection with any license ore
28 registration?”

27 ¹ NMLS stands for Nationwide Multistate Licensing System & Registry and is the system of record for non-depository,
28 financial services licensing or registration in participating agencies, including the District of Columbia and U.S.
Territories of Puerto Rico, the U.S. Virgin Islands, and Guam. In these jurisdictions, NMLS is the official system for
companies and individuals seeking to apply for, amend, renew and surrender licenses authorities managed through
NMLS.

- 1 6. To each of the questions in (K)(3), (K)(5), and (K)(9), Viegas answered “Yes.”
- 2 7. Regulatory Action Disclosure Question (K) also asks,
- 3 Has any State or federal regulatory agency or foreign financial regulatory
- 4 authority or self-regulatory organization (SRO) ever:
- 5 (1) found you to have made a false statement or omission or been
- 6 dishonest, unfair or unethical?
- 7 (2) found you to have been involved in a violation of a financial services-
- 8 related business regulation(s) or statute(s)? . . .
- 9 (4) entered an order against you in connection with a financial services-
- 10 related activity? . . .
- 11 (8) issued a final order against you based on violations of any law or
- 12 regulations that prohibit fraudulent, manipulative, or deceptive conduct?
- 13 8. To each of the questions in (K)(1), (K)(4), and (K)(8) Viegas answered, “No.”
- 14 9. Regulatory Action Disclosure Question (M) asks:
- 15 Based upon activities that occurred while you exercised control over an
- 16 organization, has any State or federal regulatory agency or foreign
- 17 financial regulatory authority or self-regulatory organization (SRO) ever
- 18 taken any of the actions listed in (K) through (L) above against any
- 19 organization?”
- 20 10. To Regulatory Action Disclosure Question (M) Viegas answered, “No.”
- 21 11. On or around January 10, 2023, Viegas amended his answer to Disclosure Question
- 22 (M) to “Yes.”
- 23 12. The Application requires an MLO applicant to provide a detailed explanation for any
- 24 affirmative answers in the Disclosure sections. On or around June 17, 2021, Viegas provided the
- 25 following explanation for his affirmative answers to the Disclosure sections:
- 26 (K) (3,5, 9) My Real Estate California Broker license was revoked due to
- 27 some circumstances that occurred at my office in 2015. I am now eligible
- 28 to re-apply and I am in the process of doing that right now.
- 13. On or around January 10, 2023, after changing his answer to Regulatory Action
- Disclosure Question (M) from “No” to “Yes,” Viegas provided the following explanation:
- I have had my California Broker’s license and my company Alpha One
- Group was revoked in Jan 2017. I failed to supervise adequately the office
- I managed and was ultimately held responsible for the actions of
- individuals within my company. It was my first offense but it was serious
- enough to lose my license. I am currently reapplying for my license. I am
- doing so as I am now eligible to do so.

1 (4) Cause exists to discipline . . . Respondent Viegas’ . . . licenses and
2 licensing rights, pursuant to Business and Professions Code section 10176,
3 subdivisions (a) and (j), because their involvement in the falsification of
4 the 2014 WDO inspection report for the Millsap Drive property
constituted a substantial misrepresentation and ‘fraud and dishonest
dealing,’ as set forth in Factual Findings 1 through 21 . . .

5 8(a). Respondents have a discipline-free history. However, the violations
6 in which they engaged are egregious . . . 8(b) . . . Respondent Viegas
7 failed to take full responsibility for his dishonesty in the Officer Renewal
8 Application and for his involvement in the fraudulent WDO inspection
9 reports (blaming a purported former employee) . . . 8(e) . . . given the
10 potential for further violations and opportunities for further theft,
11 permitting Respondent Viegas’ continued licensure, even on a restricted
12 basis, would present a risk to the public . . .

13 ORDERS . . . 2. All licenses and licensing rights of Respondent Jonathan
14 Viegas under the Real Estate Law are revoked

15 **IV.**

16 **Financial Responsibility, Character, and General Fitness**

17 17. The Commissioner must deny an MLO application if the applicant fails to meet the
18 minimum criteria for licensure, which includes a requirement that the applicant “has demonstrated
19 such financial responsibility, character and general fitness as to command the confidence of the
20 community and to warrant a determination that the mortgage loan originator will operate honestly,
21 fairly, and efficiently within the purposes of this division.” (Fin. Code, § 22109.1, subd. (a)(3)).

22 18. Viegas’ disciplinary history from 2013 through 2016 disclose misrepresentations
23 made in a Renewal Application submitted to the DRE, falsifications in WDO inspection reports
24 relating to two different properties at different times, and failure to take responsibility for his
25 involvement in the foregoing events, which are contrary to demonstrating the requisite character and
26 general fitness to command the confidence of the community and to warrant a determination that he
27 will operate honestly, fairly, and efficiently within the purposes of the CFL and CRMLA.

28 19. Moreover, Viegas’ “No” answers in Regulatory Action Disclosure Questions (K)(1),
(K)(2), (K)(4), and (K)(8) and disingenuous explanations in his Application as of January 10, 2023,
demonstrate a continued lack of candor and failure to take responsibility for his actions that led to
the revocation of his DRE license in 2017.

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VI.

Conclusion

The Commissioner finds, by reason of the foregoing, that:

- 1) Viegas does not meet the minimum requirements for issuance of an MLO license pursuant to Financial Code section 22109.1, subdivision (a)(3) in that Viegas has not demonstrated the 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; and
- 2) Viegas’ material misstatements in the Application provide grounds to deny issuance of an MLO license under Financial Code section 22172, subdivision (a)(2).

VII.

Prayer

WHEREFORE IT IS PRAYED that the mortgage loan originator license application filed by Jonathan L. Viegas be denied.

Dated: July 12, 2023
Los Angeles, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By: _____
SOPHIA C. KIM
Senior Counsel
Enforcement Division