


Flaw

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FILED
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DEPT. OF REAL ESTATE
By 

9 **BEFORE THE DEPARTMENT OF REAL ESTATE**
10 **STATE OF CALIFORNIA**

11 * * *

12 In the Matter of the Application of) No. H-05064 SD
13 ALDO ARTURO AVILES,) STATEMENT OF ISSUES
14 Respondent.) Mortgage Loan Originator
15) License Endorsement

16 The Complainant, Chika Sunquist, a Supervising Special Investigator of the
17 State of California, for cause of Statement of Issues against ALDO ARTURO AVILES
18 ("Respondent") alleges as follows:

19 1.

20 The Complainant, Chika Sunquist, Supervising Special Investigator of the State
21 of California, makes this Statement of Issues against Respondent in her official capacity.

22 LICENSE HISTORY

23 2.

24 Respondent is presently licensed and/or has license rights under the Real Estate
25 Law, Part 1 of Division 4 of the California Business and Professions Code ("Code"), as a real
26 estate broker (License ID 01272634). The Department of Real Estate ("Department") of the
27 State of California originally issued a salesperson license to Respondent on or about February

1 29, 2000. The Department issued Respondent a broker license on or about April 21, 2004,
2 which is set to expire on April 20, 2020, unless renewed.

3 MORTGAGE LOAN ORIGINATOR ENDORSEMENT APPLICATION

4 3.

5 On or about March 19, 2018, Respondent made application to the Department in
6 an MU4 application seeking an individual mortgage loan originator ("MLO") license
7 endorsement under the Nationwide Mortgage Licensing System ("NMLS") identification
8 number 1495023.

9 GROUND FOR DENIAL OF MLO LICENSE ENDORSEMENT

10 4.

11 Section 10166.05 of the Code provides, "Notwithstanding any other provision of
12 law, the commissioner shall not issue a license endorsement to act as a mortgage loan originator
13 to an applicant unless the commissioner makes all of the following findings:

14 ...

15 (b)(1) The applicant has not been convicted of, or pled guilty or nolo contendere
16 to, a felony in a domestic, foreign, or military court during the seven-year period preceding the
17 date of the application for licensing, or at any time preceding the date of application, if the
18 felony involved an act of fraud, dishonesty, a breach of trust, or money laundering...

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

23 5.

24 Section 10166.051 of the Code provides, "the commissioner may do one or more
25 of the following, after appropriate notice and opportunity for hearing:

26 ...

1 (b) Deny, suspend, revoke, condition, or decline to renew a mortgage loan
2 originator license endorsement, if an application or endorsement holder fails at any time to meet
3 the requirements of Section 10166.05 or 10166.09, or withholds information or makes a
4 material misstatement in an application for a license endorsement or license endorsement
5 renewal.”

6 6.

7 Section 2945.3 of Title 10, Chapter 6, of the California Code of Regulations
8 (“Regulations”) provides, “A conviction for any felony within seven (7) years of a real estate
9 licensee’s application for a mortgage loan originator license is cause for denial of the
10 application. A felony conviction at any time in the applicant’s personal history where such
11 felony involved an act of fraud, dishonesty, a breach of trust, or money laundering is cause for
12 denial of the application. These restrictions constitute a ban on the real estate licensee’s ability
13 to apply for a license endorsement. These restrictions are not subject to mitigation or
14 rehabilitation.”

15 (FELONY CONVICTION)

16 7.

17 On or about August 12, 1988, in the Superior Court of California, County of San
18 Diego, Case No. SF28847, Respondent was convicted on a plea of guilty for violation of Penal
19 Code section 487.1 (grand theft), a felony. The court ordered Respondent to serve 180 days in
20 county jail, to pay \$1,424 in restitution, and to be placed on supervised probation for 3 years.

21 8.

22 The facts alleged in Paragraph 7 above, constitute cause for the denial
23 of Respondent’s application for an MLO license endorsement under Code sections 10166.05(b),
24 10166.05(c) and Regulations section 2945.3.

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(WITHHELD INFORMATION OR MADE MATERIAL MISSTATEMENTS)

9.

In response to Question (F)(1) in the section entitled "Criminal Disclosure" under "Disclosure Questions" of Respondent's MLO license endorsement application submitted on March 19, 2018, to wit: "Have you ever been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any felony?" Respondent answered "No," which constitutes the withholding of information or the making of a material misstatement as to his 1988 felony criminal conviction as described in Paragraph 7, above.

10.


The facts alleged in Paragraph 9 above, constitute cause for the denial of Respondent's application for a MLO license endorsement under Code section 10166.051(b).

11.

These proceedings are brought under the provisions of Section 10100, Division 4 of the Business and Professions Code of the State of California and Sections 11500 through 11528 of the California Government Code.

WHEREFORE, the Complainant prays that the above-entitled matter be set for hearing and, upon proof of the charges contained herein, that the Commissioner refuse to authorize the issuance of, and deny the issuance of, an MLO license endorsement to Respondent ALDO ARTURO AVILES and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Sacramento, California this 16th day of May, 2019.


Chika Sunquist
Supervising Special Investigator

cc: ALDO ARTURO AVILES
Chika Sunquist
Sacto.