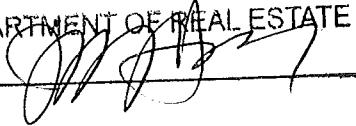


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FILED

MAR 28 2013

DEPARTMENT OF REAL ESTATE
BY: 

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Application of)	No. H- 38787 LA
12)	
13 CHRISTOPHER ALLEN RUSSELLO,)	<u>STATEMENT OF ISSUES</u>
14)	
15 Respondent.)	Mortgage Loan
16)	Originator License
17)	Endorsement
18)	

19 The Complainant, Sylvia Yrigollen, a Deputy Real
20 Estate Commissioner of the State of California, for cause of
21 Statement of Issues against CHRISTOPHER ALLEN RUSSELLO
22 ("Respondent") alleges as follows:

23 1.

24 The Complainant, Sylvia Yrigollen, a Deputy Real
25 Estate Commissioner of the State of California, makes this
26 Accusation in her official capacity.

27 ///

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2.

1 Respondent is presently licensed and/or has license
2 rights under the Real Estate Law, Part 1 of Division 4 of the
3 Business and Professions Code (Code) as a real estate broker.
4

3.

5 On or about May 19, 2011, Respondent made application
6 to the Department for an individual mortgage loan originator
7 license endorsement (hereinafter "license endorsement").
8

9
10 PRIOR REGULATORY ACTION BY DEPARTMENT OF CORPORATIONS

11 4.

12 On or about November 5, 1992, in Department of
13 Corporations ("DOC") File No. 963 0003/OAH L-56953, the
14 Commissioner of Corporations barred Respondent from any position
15 of employment, management, or control in any escrow agent
16 licensed by DOC pursuant to Financial Code Section 17423 in that
17 he was found to have knowingly violated the following provisions
18 of the applicable escrow law:
19

20 a. Financial Code Section 17414(a) in that Respondent
21 participated in activities which constituted fraud in connection
22 with escrow transactions;

23 b. Financial Code Section 17414(b) in that Respondent
24 knowingly made misstatements of material facts in documents
25 pertaining to escrows;
26
27

1 c. Title 10, California Code of Regulations, Section
2 1738.1 in that Respondent paid out money from escrow accounts in
3 excess of the credit of such escrow accounts; and

4 d. Title 10, California Code of Regulations,
5 Section 1738.1 in that Respondent issued checks drawn on escrow
6 accounts which did not have sufficient credit balances to cover
7 the issuance of said checks.

8 FAILURE TO DISCLOSE PRIOR REGULATORY ACTION

9 5.

10 Respondent answered "No" in response to each question
11 in the section of the mortgage loan originator endorsement
12 application ("Application") entitled "Regulatory Action", which
13 is found in No. I of the Disclosure Questions contained in the
14 Application, and provides, in relevant part, as follows:

15 a. Has any State or federal regulatory agency
16 foreign regulatory authority ever found you to have made a
17 false statement or omission or been dishonest, unfair or
18 unethical? (No. I(1))

19 b. Has any State or federal regulatory agency
20 foreign regulatory authority ever found you to have been
21 involved in a violation of financial services-related
22 business regulation(s) or statute(s)? (No. I(2))

23 c. Has any State or federal regulatory agency
24 foreign regulatory authority ever denied or suspended your
25 registration or license, disciplined you, or otherwise by
26
27

1 order, prevented you from associating with a financial
2 services-related business? (No. I(6))

3 d. Has any State or federal regulatory agency
4 foreign regulatory authority ever barred you from
5 association with an entity regulated by such commissioners,
6 authority, agency, or officer, or from engaging in a
7 financial services-related business? (No. I(7))

8 e. Has any State or federal regulatory agency
9 foreign regulatory authority ever issued a final order
10 against you based on violations of any law or regulations
11 that prohibit fraudulent, manipulative, or deceptive
12 conduct? (No. I(8))

13 6.

14 By Respondent's answering "No" to the questions set
15 forth in Paragraph 5, above, and thereby failing to reveal the
16 existence of the regulatory action by DOC described in Paragraph
17 4, above, Respondent engaged in conduct constituting the making
18 of a material misstatement as to the existence of the regulatory
19 action described in Paragraph 4, above. The foregoing conduct
20 constitutes withholding information and/or making a material
21 misstatement in an application for a license endorsement and is
22 cause for the denial of Respondent's mortgage loan originator
23 endorsement under Section 10166.051(b) of the Code.
24

25 ///

26 ///

27 ///

ADDITIONAL GROUNDS FOR DENIAL OF LICENSE ENDORSEMENT

7.

The facts alleged in Paragraph 4, above, constitute cause for denial of Respondent's application for a license endorsement under Code Section 10166.05(c) and Section 2758.3, Title 10, Chapter 6, Code of Regulations ("Regulations") in that Respondent has failed to demonstrate 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 Article 2.1 of the Real Estate Law.

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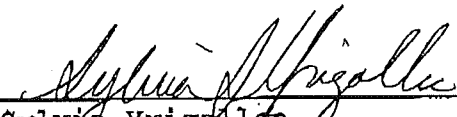
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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Statement of Issues, and that upon proof thereof, a decision be rendered that the Commissioner refuse to authorize the issuance of, and deny the issuance of, a license endorsement to Respondent CHRISTOPHER ALLEN RUSSELLO, and for such other and further relief as may be proper under the provisions of law.

Dated at Sacramento, California
this 28th day of March, 2013.


Sylvia Yrigollen
Deputy Real Estate Commissioner

cc: CHRISTOPHER ALLEN RUSSELLO
Sylvia Yrigollen
Sacto.