



1 LICENSE HISTORY

2 3.

3 Respondent is presently licensed and/or has license rights under the Real Estate  
4 Law, Part 1 of Division 4 of the Code, as a restricted real estate salesperson (License ID  
5 01871870). The Department of Real Estate ("Department") of the State of California originally  
6 issued a restricted salesperson license to Respondent on or about June 6, 2013, which is set to  
7 expire on June 30, 2021, unless renewed.

8 (CASE NO. H-36655 LA)

9 4.

10 On or about June 1, 2010, the Department filed a Statement of Issues, in Case  
11 No. H-36655 LA, denying the issuance of a real estate salesperson license to Respondent.

12 5.

13 On or about September 8, 2010, the Real Estate Commissioner issued an Order  
14 Denying Application For A Real Estate License in Case No. H-36655 LA, denying the  
15 application of Respondent for licensure as a real estate salesperson based on a default.

16 (CASE NO. H-38898 LA)

17 6.

18 On or about May 28, 2013, the Real Estate Commissioner issued an Order  
19 pursuant to a Stipulation and Waiver in Case No. H-38898 LA, denying the application of  
20 Respondent for licensure as a real estate salesperson, but granting Respondent the right to a  
21 restricted real estate salesperson license.

22 MORTGAGE LOAN ORIGINATOR ENDORSEMENT APPLICATION

23 7.

24 On or about July 24, 2020, Respondent made application to the Department in  
25 an MU4 application seeking an individual mortgage loan originator ("MLO") license  
26 endorsement under the Nationwide Mortgage Licensing System ("NMLS") identification  
27 number 1912637.



1 propensity to operate honestly, fairly, and efficiently when engaging in the fiduciary role of a  
2 mortgage loan originator. . . (a) The applicant may be precluded from obtaining a mortgage loan  
3 originator license endorsement where his or her personal history includes: (1) any liens or  
4 judgments for fraud, misrepresentation, dishonest dealing, and/or mishandling of trust funds, or  
5 (2) other liens, judgments, or financial or professional conditions that indicate a pattern of  
6 dishonesty on the part of the applicant. (b) Notwithstanding the requirements above, where an  
7 applicant for a mortgage loan originator license endorsement (1) is currently holding a restricted  
8 real estate license, or (2) has a right to a restricted license and is making a dual application for  
9 the restricted license and mortgage loan originator license endorsement, such applicant must  
10 demonstrate, where pertinent, the completion of restitution to any person who has suffered  
11 monetary losses through acts or omissions of the applicant that include, but are not limited to,  
12 those that substantially related to the qualifications, functions or duties of a real estate licensee  
13 as defined in Section 2910 of these regulations, and/or the discharge of, or bona fide efforts  
14 toward discharging, adjudicated debts or monetary obligations to others.”

15 (WITHHELD INFORMATION OR MADE MATERIAL MISSTATEMENTS)

16 11.

17 In response to Question (D) in the section entitled “Financial Disclosure” under  
18 “Disclosure Questions” of Respondent’s MLO license endorsement application submitted on or  
19 about February 28, 2020, to wit: “Do you have any unsatisfied judgments or liens against you?”  
20 Respondent answered “No,” which constitutes the withholding of information or the making of  
21 a material misstatement as to his judgments and liens, described in Paragraphs 12 and 13  
22 below.

23 12.

24 On or about June 7, 2005, in the Superior Court of California, County of Riverside,  
25 Case No. RIC449295, a civil complaint was filed against Respondent, as well as other  
26 defendants, for negligence, breach of contract, breach of fiduciary duty, fraud and deceit, and  
27 negligent misrepresentation. On or about October 6, 2008, a judgement was entered, pursuant to

1 a settlement, against Respondent, individually and jointly, along with other defendants, in the  
2 amount of \$64,400.00. No evidence shows that this judgment was satisfied.

3 13.

4 On or about May 30, 2014, in the Superior Court of California, County of Los Angeles,  
5 Case No. 14K07445, a civil complaint was filed against Respondent, for breach of contract. On  
6 or about March 16, 2015, a default judgement was entered against Respondent, individually, in  
7 the amount of \$9,228.91. No evidence shows that this judgment was satisfied.

8 14.

9 In response to Question (K) in the section entitled "Regulatory Disclosure"  
10 under "Disclosure Questions" of Respondent's MLO license endorsement application submitted  
11 on or about February 28, 2020, to wit: "Has any State or federal regulatory agency or foreign  
12 regulatory authority or self-regulatory organization (SRO) ever: (1) found you to have made a  
13 false statement or omission or been dishonest, unfair or unethical? . . . (6) denied or suspended  
14 your registration or license or application for licensure, disciplined you, or otherwise by order,  
15 prevented you from associating with a financial service-related business or restricted your  
16 activities?" Respondent answered "No" to both questions, which constitute the withholding of  
17 information or the making of a material misstatement as to his prior discipline by the  
18 Department, described in Paragraphs 4, 5 and 6 above.

19 15.

20 The facts alleged in Paragraphs 11, 12, 13, and 14 above, constitute cause for the  
21 denial of Respondent's application for a MLO license endorsement under Code section  
22 10166.051(b).

23 16.

24 The facts alleged in Paragraphs 12 and 13 above, constitute cause for the denial  
25 of Respondent's application for a MLO license endorsement under Code section 10166.05(c).

26 ///

27 ///

17.

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.

PRAYER

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 RAFAEL L VALENZUELA and for such other and further relief as may be proper under other applicable provisions of law.

Dated at Sacramento, California this 15<sup>th</sup> day of April, 2021.



Luke Martin  
Supervising Special Investigator

cc: RAFAEL L VALENZUELA  
Luke Martin  
Sacto.