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PRIOR DISCIPLINE: DRE CASE NO. H-38019 LA

3. By a Stipulation and Waiver filed on April 5, 2012, in DRE Case No. H-38019 LA, the Acting Real Estate Commissioner ordered that a RRES license be issued to Respondent, which license was ordered limited, conditioned, and restricted as specified in the Stipulation and Waiver filed on April 5, 2012. In the Stipulation and Waiver filed on April 5, 2012, Respondent agreed that there were grounds to deny the issuance of an unrestricted real estate salesperson license to him pursuant to California Business and Professions Code sections 480, 10177(a), and 10177(b) for his failure to disclose a violation of California Penal Code section 460.2 (second degree burglary), a misdemeanor, on his license application.

PRIOR DISCIPLINE: DRE CASE NO. H-38817 LA

4. On April 18, 2013, the Department filed a Statement of Issues against Respondent in DRE Case No. H-38817 LA, regarding his application to the DRE for an individual MLO license endorsement. In his application for an individual MLO license endorsement, Respondent answered “No” in response to Disclosure Question number K(1), which provided:

Has any State or federal regulatory agency or foreign financial regulatory authority or self-regulatory organization (SRO) ever:
(1) found you to have made a false statement or omission or been dishonest, unfair or unethical?

5. The Statement of Issues alleged that Respondent’s conduct in answering “No” to Disclosure Question number K(1) constituted withholding information and/or making a material misstatement as to the existence of the DRE’s regulatory action in DRE Case No. H-38019 LA.

6. By a Stipulation and Waiver filed on July 30, 2013, the Chief Deputy Commissioner ordered that a restricted MLO license endorsement be issued to Respondent, which MLO license endorsement was ordered limited, conditioned, and restricted as specified in the Stipulation and Waiver filed on July 30, 2013. In the Stipulation and Waiver filed on July 30, 2013, Respondent understood that he was stipulating that the Real Estate Commissioner found that Respondent had failed to make a satisfactory showing that he met all the requirements for issuance of an MLO license endorsement, and also admitted that the allegations of the Statement of Issues filed against him on April 18, 2013, were true and correct.

1 **CAUSE FOR DENIAL OF APPLICATION**

2 (LICENSE DISCIPLINE BY AGENCY OF ANOTHER STATE)

3 7. On or about November 9, 2019, in the Matter of Montana Licensed Mortgage Loan
4 Originator, Leonel Madrid Lopez, NMLS #312825, Case No. M2019-4, the Commissioner of the
5 Montana Division of Banking and Financial Institutions (“Division”) of the Montana Department
6 of Administration issued an Order of Suspension of License (“Order”), suspending the MLO license
7 of Respondent pursuant to the Montana Mortgage Act, Montana Code Annotated section 32-9-101
8 et seq. The Order adopted the Fact Assertions and Conclusions of Law set forth in the Notice of
9 Suspension of License and Opportunity for Administrative Hearing (“Notice”) issued to
10 Respondent, which Notice was issued and served on October 7, 2019. The Order found that the
11 Notice gave Respondent 14 days after service to file a request for hearing, but the Division did not
12 receive a request from Respondent.

13 8. In the Notice, the Fact Assertions found that on February 28, 2019, Respondent
14 entered into an Agreement of Conditional MLO License and Consent to Entry of Agreement
15 (“Agreement”) with the Division, in which Respondent agreed to, among other things: authorize a
16 credit report through the NMLS every six months; notify the Division of any delinquent debts,
17 judgments, tax liens, foreclosures, charged-off accounts, or collection accounts that were not
18 reflected on the credit report authorized at the time of the application before the execution of the
19 Agreement; provide a copy of an installment agreement and proof of payments every six months to
20 a specified creditor; establish a repayment agreement and provide proof of payments every six
21 months to a specified creditor; and notify the Division if contacted by any person seeking to collect
22 on a specified account. The Fact Assertions further found that the Division made attempts to contact
23 Respondent to collect the information required by the Agreement, but Respondent neither responded
24 to the Division nor submitted the requirements of the Agreement.

25 9. In the Notice, the Conclusions of Law determined, among other things, that:
26 pursuant to the Administrative Rules of Montana, Rule 2.59.1742(4)(a), a license may be suspended
27 when the licensee has not responded to the Division’s request for information; and Respondent had
28 not complied with the requirements of the Agreement.

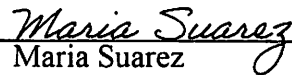
1 10. Respondent's acts in violation of the Montana Mortgage Act and Rule
2 2.59.1742(4)(a) of the Administrative Rules of Montana, as alleged in Paragraphs 7 through 9 above,
3 if done by a California real estate licensee, would be grounds for the suspension or revocation of a
4 California real estate license under Code sections 10177(k), and 10177(d) and/or 10177(g).

5 11. The prior license action against Respondent, as alleged in Paragraphs 7 through 9
6 above, constitutes cause for the denial of Respondent's application for a real estate broker license
7 pursuant to Code section 10177(f).

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

11 WHEREFORE, the Complainant prays that the above-entitled matter be set for hearing and,
12 upon proof of the charges contained herein, that the Commissioner refuse to authorize the issuance
13 of, and deny the issuance of, a real estate broker license to Respondent LEONEL LOPEZ and for
14 such other and further relief as may be proper under other applicable provisions of law.

15
16 Dated at Los Angeles, California this 7th day of November, 2022.

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19 
20 _____
21 Maria Suarez
22 Supervising Special Investigator

22 cc: LEONEL LOPEZ
23 E Mortgage Capital, Inc.
24 Maria Suarez
25 Sacto.