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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, CONSUMER FINANCE  
BUREAU,

Complainant,

vs.

ALEJANDRO FLORES, dba  
FULL SPECTRUM LOANS

Respondent.

Docket No. 2018-8-03

**ORDER TO CEASE AND DESIST**

The State of Idaho, Department of Finance (Department), pursuant to the Idaho Residential Mortgage Practices Act, codified at Idaho Code § 26-31-101 *et seq.*, and the Idaho Financial Fraud Act codified at Idaho Code § 67-2751 *et seq.*, hereby alleges the following facts that constitute a basis for the issuance of an ORDER pursuant to Idaho Code § § 28-31-205(2), 28-31-314(2), and 67-2755(2), requiring ALEJANDRO FLORES dba FULL SPECTRUM LOANS, hereinafter “Respondent,” to immediately cease and desist from violating the above identified Acts.

## **RESPONDENT**

1. Respondent's principal address is 522 S. 6<sup>th</sup> Street, Suite D, Montebello, California 90640. He has a drop box under the name Full Spectrum Loans at 3940 Laurel Canyon Boulevard, # 1487. Studio City, California 91604.

2. Respondent maintains an email address of [flores.1976@yahoo.com](mailto:flores.1976@yahoo.com) and a web site at <http://fullspectrumloans.com>.

3. Respondent purports to conduct residential mortgage related activities, but he is not licensed by the Department, nor by any other state that requires a license to conduct mortgage activities. The Respondent is not registered with the Nationwide Mortgage Licensing System (NMLS).

4. Respondent has not filed any business related entity forms with either the California or Idaho Secretary of State's office.

5. Respondent operates at least three other websites: [tandcmortgage.com](http://tandcmortgage.com), [lincolnmortgagetrust.com](http://lincolnmortgagetrust.com), and [decision1mortgage.com](http://decision1mortgage.com).

## **FINDINGS OF FACT**

6. In June 2018, a Vice President of Compliance for Nationstar Mortgage, LLC (Nationstar), contacted the Conference of State Bank Supervisors (CSBS) regarding an incident whereby someone from an entity called Full Spectrum Loans (FSL) had contacted a consumer about a debt consolidation loan. FSL's representative identified himself as a loan officer named "Jonathan McGrail" and utilized an identifying NMLS number. This NMLS number did belong to one of Nationstar's loan officers, Jonathan McGrail, who had no affiliation with Respondent nor with FSL.

7. The person who falsely identified himself as Jonathan McGrail had convinced a consumer to stop making payments to his mortgage lender and to apply for a consolidation loan

with FSL. FSL's representative then convinced the consumer to send \$3,200 to FSL as an "application fee." After sending the money, the consumer, despite repeated attempts, was unable to reach the person impersonating Jonathan McGrail or any other representative for FSL. He then was able to reach the real Jonathan McGrail with Nationstar.

8. Since the consumer was a resident of Idaho, the CSBS passed the information/complaint on to the Department. The Department contacted the consumer, R.M., who then filed a formal written complaint. The complaint was substantially similar to the information provided by Nationstar. R.M. indicated that he received a phone call from a person identifying himself as "Jonathan McGrail," of FSL. R.M. stated that the person also represented himself as a loan officer specializing in helping veterans refinance their homes. R.M. further stated that he and "Mr. McGrail" spoke several times over the phone and since R.M. was unable to make his house payments, they discussed a refinancing agreement. "Mr. McGrail" sent a "Second-Chance Mortgage Refinance Approval" document to R.M., who signed it and sent it back to FSL along with a check for \$3,200.00.

9. An examiner for the Department determined that the host for the domain name "fullspectrumloans.com" was GoDaddy. Through a subpoena issued to GoDaddy, the examiner identified Respondent as the registrant for the domain name "fullspectrumloans.com." Upon information and belief, Alejandro Flores was the person who represented to R.M. that he was "Jonathon McGrail."

### **CONCLUSION OF LAW AND VIOLATIONS**

10. The allegations set forth in paragraphs 1 through 9 above are fully incorporated herein by this reference.

11. Part 2 of the Idaho Residential Mortgage Practices Act applies to mortgage brokers and lenders:

Idaho Code § 26-31-201(7) defines the term “Mortgage lending activities” to mean:

. . . for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly, accepting or offering to accept applications for residential mortgage loans, or assisting or offering to assist in the preparation of an application for residential mortgage loan.

Idaho Code § 28-31-203(2) provides as follows:

No person, except a person exempt under section 26-31-202, Idaho Code, shall engage in mortgage brokering activities or mortgage lending activities without first obtaining a license from the department in accordance with this part.

Idaho Code § 28-31-205(2) provides as follows, in pertinent part:

If the director finds that a person subject to this part has violated, violating, or that there is reasonable cause to believe that a person is about to violate the provisions of this part, or any rule promulgated or order issued under this chapter and pertinent to this part, the director may, in his discretion, order the person to cease and desist from the violations.

12. Here, a representative of FSL, claiming to be “Jonathon McGrail,” offered a mortgage loan to an Idaho resident in return for a fee. FSL does not have a license to operate in Idaho and therefore, is in violation of the Idaho Mortgage Practices Act.

13. “Full Spectrum Loans” is a name used by Respondent, Alejandro Flores.

14. Part 3 of the Act applies to mortgage loan originators:

Idaho Code § 26-31-303(7) defines “mortgage loan originator” to mean:

[A]n individual who for compensation or gain takes a residential mortgage loan application, or offers or negotiates terms of a residential mortgage loan.

Idaho Code § 26-31-304(1) provides that:

. . . an individual shall not engage in the business of a mortgage loan originator with respect to any dwelling located in this state without first obtaining and maintaining annually a license under this part. . .

Idaho Code § 26-31-314(2) provides:

If the director finds that a person subject to this part has violated, violating, or that there is reasonable cause to believe that a person is about to violate the provisions

of this part, or any rule promulgated or order issued under this chapter and pertinent to this part, the director may, in his discretion, order the person to cease and desist from the violations.

15. Here, Respondent, through FSL, offered a mortgage loan to an Idaho resident in return for a fee. Respondent does not have a license to operate in Idaho and therefore, is in violation of the Idaho Mortgage Practices Act.

16. The Idaho Financial Fraud Prevention Act, codified at Idaho Code § 67-2750 through § 67-2762 prohibits certain fraudulent conduct by financial institutions or some falsely claiming to be a financial institution. Specifically, Idaho Code § 67-2752(2) provides that:

It is unlawful for any person, direct, or indirectly. . . [t]o falsely represent that a person is a financial institution or a representative of a financial institution, for the purpose of obtaining money, goods, or services from any person.

17. Included within the definition of “financial institution” are loan originators licensed under the Idaho Mortgage Practices Act. Idaho Code § 67-2751(4).

18. Here, someone believed to be Alejandro Flores, posed as a licensed mortgage loan originator, Jonathon McGrail, and contacted an Idaho resident for the purpose of defrauding the Idaho resident out of \$3,200. This is a violation of the Idaho Financial Fraud Prevention Act.

### **REQUESTED RELIEF**

19. Both the Idaho Mortgage Practices Act and the Financial Fraud Prevention Act allow the Director to issue Cease and Desist Orders against persons violating the respective Acts. The Idaho Mortgage Practices Act, in both Idaho Code § 26-31-205(2) and 26-31-314(2), provides that whenever the Director of the Department finds “that a person subject to this part has violated, is violating, or that there is reasonable cause to believe that a person is about to violate the provisions of this part, or any rule promulgated under this act and pertinent to this part, the administrator may, in his discretion, order the person to cease and desist from the violations.”

20. Likewise, the Idaho Financial Fraud Prevention Act in Idaho Code § 67-2755(1) provides that whenever it appears to the Director of the Department that any person has engaged in violating any provision of the act he may, in his discretion “[o]rder the person to cease and desist from the violation or attempted violation of any provision of this act . . . if, in the determination of the director, it is necessary to protect any financial institution or the public, . . . without prior notice to the person or opportunity for hearing.” Here, a Cease and Desist Order is necessary to protect Jonathon McGrail from being impersonated by Alejandro Flores or any other unscrupulous person acting on his behalf.

### **ORDER**

The Director, having reviewed the foregoing, good cause being shown, and the public interest being served thereby,

NOW, THEREFORE, the Director HEREBY FINDS that Respondent has violated the Idaho Mortgage Practices Act, in both part 2 and part 3.

Pursuant to Idaho Code § 26-31-205(2), IT IS HEREBY ORDERED that Respondent and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which constitute a violation of the part 2 of the Idaho Mortgage Practices Act.

Pursuant to Idaho Code § 26-31-314(2), IT IS HEREBY ORDERED that Respondent and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which constitute a violation of the part 3 of the Idaho Mortgage Practices Act.

Pursuant to Idaho Code § 26-31-205(2), IT IS HEREBY ORDERED that Respondent and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which constitute a violation of the part 2 of the Idaho Mortgage Practices Act.

NOW, THEREFORE, the Director HEREBY FINDS that Respondent has violated the Idaho Financial Frauds Prevention Act.

Pursuant to Idaho Code § 67-2755(1), IT IS HEREBY ORDERED that Respondent and its agents and employees immediately CEASE AND DESIST from acts, practices, or omissions which constitute a violation of the Idaho Financial Frauds Prevention Act.

This ORDER TO CEASE AND DESIST is effective upon issuance.

**IT IS SO ORDERED.**

DATED this 2nd day of January, 2019.



STATE OF IDAHO  
DEPARTMENT OF FINANCE

  
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MARY E. HUGHES, Acting Director

**NOTICE**

Respondent is HEREBY NOTIFIED that this ORDER TO CEASE AND DESIST is a final order of the Director.

Respondent may file a motion for reconsideration or request for hearing concerning this final order within fourteen (14) days of the service date of this order. Any such motion for reconsideration or request for hearing must be in writing, addressed to:

Anthony Polidori  
Consumer Finance Bureau Chief  
Idaho Department of Finance  
P.O. Box 83720  
Boise, Idaho 83720-0031

A copy of such motion for reconsideration or request for a hearing shall also be served on the Department's counsel, Brian D. Nicholas, Deputy Attorney General, at the same address.

The Department will dispose of a motion for reconsideration within twenty-one (21) days of the receipt of a motion for reconsideration, or the motion will be considered denied by operation of law. Idaho Code § 67-5246(4); Idaho Rules of Administrative Procedure of the Attorney General (IRAP) at IDAPA 4.11.01.740.02.a. Should Respondent make a timely request for a hearing, the Department shall schedule a hearing within the twenty-one (21) day time period.

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal to the district court by filing a petition in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

See IDAPA 04.11.01.740.02.b.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration or schedule a hearing, whichever is later. See Idaho Code § 67-5273. The filing of an appeal to the district court does not itself stay the effectiveness or enforcement of the order under appeal. See IDAPA 04.11.01.740.02.c.



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 23<sup>rd</sup> day of January, 2019, I caused a true and correct copy of the foregoing fully-executed ORDER TO CEASE AND DESIST to be served on the following by the designated means:

Alejandro Flores  
522 S. 6<sup>th</sup> St, Suite D  
Montebello, CA 90640

- U.S. mail, postage prepaid
- Certified mail
- Facsimile: 1-855-231-4713
- Email: flores.1976@yahoo.com
- Email: impress135@aol.com
- Email: jonathan@fullspectrumloans.com

Full Spectrum Loans  
3940 Laurel Canyon Blvd, #1487  
Studio City, CA 91604-3709

- U.S. mail, postage prepaid
- Certified mail
- Facsimile:
- Email:

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Paralegal