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

In re Mortgage Loan Originator
License Application of:

PAUL JAMES SALCIDO, JR.,
NMLS ID No. 2112035,

Applicant.

Docket No. 2021-16-67

**ORDER DENYING MORTGAGE LOAN
ORIGINATOR LICENSE APPLICATION AND
NOTICE OF THE OPPORTUNITY TO
REQUEST A HEARING**

The Director of the State of Idaho, Department of Finance (Director), pursuant to the Idaho Residential Mortgage Practices Act, Idaho Code § 26-31-101 et seq. (the Act), and in particular §§ 26-31-306(1)(d) and (h) and 26-31-313(1)(a) and (b) of the Act, hereby issues the following Findings of Fact, Conclusions of Law, and Order Denying Mortgage Loan Originator License Application, and Notice of the Opportunity for a Hearing (Order).

FINDINGS OF FACT

1. The Applicant, Paul James Salcido, Jr., a resident of the state of California, holds NMLS number 2112035 and applied for an Idaho Mortgage Loan Originator (MLO) license by filing an **ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION AND NOTICE OF THE OPPORTUNITY FOR A HEARING** – Page 1

individual Form MU4 through the online Nationwide Mortgage Licensing System (NMLSR or NMLS). This application was attested to and submitted by the Applicant on May 18, 2021.

2. The application Form MU4, seeks information about an applicant's qualifications to be licensed as a mortgage loan originator. Section 6 of the application form is entitled "Disclosure Questions" and it consists of a series of questions that inquire into an applicant's history regarding financial, criminal, civil, judicial and regulatory matters. Pertinent to the Applicant's qualifications is question (D): "Do you have any unsatisfied judgments or liens against you?"

3. The applicant initially responded with a "no" to this disclosure question, but then amended his application via the NMLS and changed his response to a "yes" on June 9, 2021. For the accompanying Disclosure Explanations section relative to the amendment, the Applicant provided this brief description and response: "Tax lien" and "I was unaware of the tax lien, I have called the FTB and am now set up on a payment plan. FTB will be sending me documents via regular mail, to substantiate the payment plan." There were no other disclosure explanations or supporting documents provided.

4. Consistent with normal practice, a Department examiner conducted an assessment of the Applicant using various sources of public information to determine if the Applicant demonstrates sufficient financial responsibility, character, and general fitness in order to be licensed as a mortgage loan originator.¹

¹ Conducted pursuant to Part 3 of the Act titled "The Idaho Secure and Fair Enforcement for Mortgage Licensing Act" (Idaho S.A.F.E. Mortgage Licensing Act), Idaho Code § 26-31-306.

5. The examiner obtained a public record background information report through LexisNexis that reflected the Applicant has two outstanding judgments entered against him. Following this, the examiner obtained copies of documents pertaining to the two outstanding judgments entered against the Applicant as follows:

a. Stipulation for Entry of Judgment – Unlawful Detainer filed against the Applicant in favor of Arnel Management Company, Case Number 30-2014-00728910-CL-UD-NJC, for \$5,874.24, on July 14, 2014, in the Superior Court of California, Orange County.

b. Stipulation for Entry of Judgment – Unlawful Detainer filed against the Applicant in favor of City Plaza Apartments, LTD, Case Number 30-2013-0656556 CL-UD-NJC, for \$2,970.00, on July 18, 2013, in the Superior Court of California, Orange County.

6. The Department has no evidence indicating that the judgments described above have been satisfied and/or released. Additionally, the Department has reason to believe that two other judgments against a Paul Salcido that may be the Applicant from Orange County Small Claims Court in favor of Loanme, Inc. in 2019 and 714 Auto Sales in 2014 may exist.

7. The Applicant's failure to provide details of the outstanding judgments described above constitutes material omissions.

8. On September 15, 2021, the Department provided the Applicant notice of an intent to deny the application within approximately one month based on the information set forth above unless the Applicant was able to provide documentation on or before October 13, 2021, to satisfy the Department that disclosure of the outstanding judgments was not required.

The notice alternatively provided the Applicant the opportunity to withdraw the application. The Applicant failed to provide the requisite documentation or withdraw the application by the stated deadline.

FINDINGS AND CONCLUSIONS OF LAW

9. The allegations set forth in paragraphs 1 through 8 above are fully incorporated herein by this reference.

10. Idaho Code § 26-31-304 provides that an individual shall not engage in the business of a mortgage loan originator without first obtaining, and maintaining annually, a license.

11. Idaho Code § 26-31-305(1) provides that an applicant for a mortgage loan originator license must apply through the Nationwide Mortgage Licensing System (NMLS), in a form required by the Director of the Idaho Department of Finance (Director).

12. Pursuant to Idaho Code § 26-31-306(1)(h), before an application for license can be approved, an applicant must provide all information on the application as required per Idaho Code § 26-31-305. Idaho Code § 26-31-305(10) further provides that an applicant shall make complete disclosure of all information as set forth in the application.

13. Idaho Code § 26-31-306(1)(d) provides that the Director shall not issue a mortgage loan originator license under the Act unless the Director makes a finding that an applicant has demonstrated financial responsibility, character and general fitness sufficient 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 the Act.

14. Pursuant to Idaho Code § 26-31-313(1)(b), the Director may deny a license if an applicant withholds information or makes a material misstatement in an application for a license.

15. The Applicant made a material misstatement of fact in his application, which is grounds to deny his application for licensure. He failed to disclose the outstanding judgments. The failure to disclose the outstanding judgments prohibits the Director from issuing a license to the Applicant pursuant to Idaho Code § 26-31-306(1)(d) and (h).

16. The Director finds it appropriate to deny the application because the Applicant's failure to provide complete and accurate information on the Form MU4 regarding the outstanding judgments demonstrates that the Applicant lacks the appropriate character and fitness sufficient 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 the Act and demonstrate a failure to provide complete information in the application as required by Idaho Code § 26-31-305. Because the Director cannot make the requisite findings under Idaho Code § 26-31-306(1)(d) and (h), it is appropriate to deny the Applicant's request for an Idaho mortgage loan originator license, pursuant to Idaho Code § 26-31-313(1).

ORDER

NOW, THEREFORE, BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, AND PURSUANT TO IDAHO CODE §§ 26-31-313(1)(a) and (b), IT IS ORDERED THAT THE APPLICATION FOR A MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION ATTESTED TO AND SUBMITTED BY PAUL JAMES SALCIDO, JR., NMLS #2112035, ON MAY 18, 2021, IS HEREBY DENIED.

NOTICE OF THE OPPORTUNITY TO REQUEST A HEARING

17. The Applicant is HEREBY NOTIFIED that the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION is a final order of the Director denying the license application, subject to the Applicant's right to timely file a request for a hearing on the question of his qualifications for a mortgage loan originator license under the Act, pursuant to Idaho Code § 26-31-305(6)(a). Such request for a hearing must be in writing and submitted to the Department within fifteen (15) days after the service of this Order. A copy of the request for hearing shall be served on the following:

Erin Van Engelen
Consumer Finance Bureau Chief
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

A copy of the request for contested case and hearing shall also be served on the Department's counsel in this matter:

Thomas A. Donovan
Deputy Attorney General
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031

Alternatively, the Applicant may email the request for hearing to: CFLegal@finance.idaho.gov.

18. If the Applicant timely requests a hearing, the Director of the Department, or a Hearing Officer acting on the Director's behalf, will notify the Applicant of further steps including the date, time and place of the hearing.

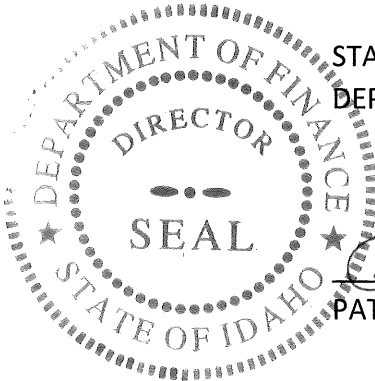
19. Any hearing and subsequent proceedings in this matter will be conducted in accordance with the Idaho Administrative Procedure Act, Idaho Code § 67-5201 *et seq.* and the Idaho Rules of Administrative Procedure (IDAPA 04.11.01).

20. Pursuant to Idaho Code § 26-31-305(6), if a hearing is held, the Applicant shall reimburse, pro rata, the Director for her reasonable and necessary expenses incurred as a result of the hearing.

IT IS SO ORDERED.

DATED this 3rd day of November 2021.

STATE OF IDAHO
DEPARTMENT OF FINANCE



The seal is circular with a dotted border. Inside the border, the words "DEPARTMENT OF FINANCE" are written in an arc at the top, and "STATE OF IDAHO" is written in an arc at the bottom. In the center, the word "DIRECTOR" is written above three horizontal lines, and the word "SEAL" is written below them. Two stars are positioned on the left and right sides of the seal.

Patricia R. Perkins

PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 3rd day of November 2021, I caused a true and correct fully-executed copy of the foregoing ORDER DENYING MORTGAGE LOAN ORIGINATOR LICENSE APPLICATION AND NOTICE OF THE OPPORTUNITY FOR A HEARING to be served on the following by the designated means:

Paul James Salcido, Jr.
2285 Treehouse Lane #105
Corona, CA 92879

- U.S. mail, postage prepaid
- certified mail
- facsimile _____
- email: paul.salcido@swmc.com

[Signature]

Paralegal