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

In re Mortgage Loan Originator
License Renewal Application of:

VICTORIA ANN GECSEK,
NMLS ID No. 1875742,

Applicant.

Docket No. 2023-16-10

**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/or (h) and 26-31-313(1)(a) and/or (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, Victoria Ann Gecsek, a resident of the state of Idaho, applied for an Idaho Mortgage Loan Originator (MLO) license by filing an

individual Form MU4, which seeks information about an individual applicant's qualifications to be licensed as a mortgage loan originator, through the online Nationwide Mortgage Licensing System and Registry (NMLSR), a.k.a. Nationwide Multistate Licensing System (NMLS) under NMLS number 1875742. This application was attested to and submitted by the Applicant on January 3, 2023. The Applicant listed "Victoria Ann Titus" and "Victoria Ann Gonsalves" as other names she has used.

2. The Applicant previously attested to and submitted Forms MU4 to the Department on April 27, 2021, December 8, 2021, and again on June 27, 2022. For each of these submissions, the Applicant was granted Temporary Authority to Operate (TAO),¹ which allowed the Applicant to continue originating mortgage loans for Idaho consumers while her applications were pending review. All these prior applications were subsequently deemed incomplete and withdrawn by the Department due to the Applicant failing to provide required information as requested and pursuant to Idaho Code §26-31-355(7). After each of these prior applications, the Applicant reapplied and again obtained TAO, thus allowing her to originate mortgage loans in Idaho without a license. For the January 3, 2023, application, the Applicant

¹ Temporary Authority to Operate (TAO) is a function that allows an individual applicant to operate as a mortgage loan originator while licensing application requirements are being reviewed by the regulator and provides the person time to meet the requirements. TAO was developed under the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act), codified at 12 US Code § 5101, to streamline the license application process for federally registered mortgage loan originators (MLOs) seeking state license and state licensed MLOs seeking licensure in another state. TAO does not eliminate the requirements of licensure in any state or jurisdiction.

was initially granted TAO, however, the Department's notice of intent to deny removed the TAO authority.

3. The application Form MU4 contains a section entitled "Disclosure Questions," which consists of a series of questions that inquire into an applicant's history regarding financial, criminal, civil, judicial, and regulatory matters.

4. Pertinent to the Applicant's qualifications are the following questions:

- (A)(1) Have you filed a personal bankruptcy petition or been the subject of an involuntary bankruptcy petition within the past 10 years?
- (A)(3) Have you been the subject of a foreclosure action within the past 10 years?
- (D) Do you have any unsatisfied judgments or liens against you?

5. On all of her applications, including the January 2, 2023, application, the Applicant responded with a "yes" to questions (A)(1) and (D) and provided a brief explanation regarding bankruptcy and liens in the Disclosure Explanations section of the application. For the June 2022 and January 2023 application, the Applicant included an additional explanation in regards to liens. No supporting documentation, which is required, was provided with any of these application explanations, either initially or after requested.

6. The Applicant respondent with a "no" to question (A)(3) on each of her applications.

7. 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.²

8. The examiner obtained a public record background information report through LexisNexis, which showed that the Applicant had numerous notices of default related to real property between 2019 and 2022.

9. Following the background report, the examiner obtained a copy of the Trust Deed upon Sale, which was recorded October 29, 2018, in Stanislaus County, California, Document No. 2018-0075119-00. The Trustee Deed upon Sale listed Victoria A. Gonsalves and her husband as joint tenants. The foreclosure activity pertained to the Applicant's property located in Modesto, California. The examiner also obtained a Notice of Default and Election to Sell Under Deed of Trust, recorded December 9, 2022, in Stanislaus County, California, Document No. 2022-0077616. This Notice of Default also listed Victoria A. Gonsalves and her husband as joint tenants and according to the examiner pertained to property located in Modesto, California.

10. On January 12, 2023, the Department provided the Applicant notice of an intent to deny the application within approximately 60 days based on the information set forth above unless the Applicant was able to provide documentation to satisfy the Department that the noted item(s) had been resolved and that

² 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.

disclosure was not required. The notice alternatively provided the Applicant the opportunity to withdraw the application.

11. The Applicant failed to provide the requisite documentation or withdraw the application by the stated deadline.

12. Four repeat applications for TAO from April 27, 2021, to January 3, 2023, along with a failure to provide all the necessary information to complete the application process show the Applicant does not have the intent to obtain regular licensure and inefficiently uses Applicant's and the Department's time and resources.

13. The Applicant's negative response to the Form MU4 application disclosure question (A)(3) fails to provide the details of the foreclosure action described above. The Applicant's incomplete responses to the Form MU4 application disclosure questions (A)(1) and (D) and the repeated incomplete application submissions appear to be a misuse of the opportunity afforded by TAO and inefficient use of the Applicant's and Department's time and resources to continue originating mortgage loans pending application reviews by the Department and demonstrate that the Applicant does not have the character and fitness sufficient to warrant belief that she will operate honestly, fairly, and efficiently within the purposes of the Act. These bases justify the denial of her Idaho mortgage lender license application.

FINDINGS AND CONCLUSIONS OF LAW

14. The allegations set forth in paragraphs 1 through 13 above are fully incorporated herein by this reference.

15. 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.

16. Idaho Code § 26-31-305(1) provides that an applicant for a mortgage loan originator license must apply through the NMLSR in a form required by the Director of the Idaho Department of Finance (Director).

17. 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.

18. 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.

19. Pursuant to Idaho Code § 26-31-313(1)(a) and (b), the Director may deny a license if an applicant violates the Act and/or “fails at any time to meet the

requirements of section 26-31-306, Idaho Code . . . or withholds information or makes a material misstatement in an application for a license.”

20. The Director finds it appropriate to deny the application because the Applicant’s failure to provide the information according to Idaho Code §26-31-305(1) and (10) and 306(1)(h) on and with the Form MU4 related to items including bankruptcy, liens, and foreclosure, along with four repeat applications under TAO that show a misuse of the TAO and inefficient use of the Applicant’s and Department’s time and resources. Based on these findings the Applicant does not have the 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 according to Idaho Code § 26-31-306(1)(d). Because the Director cannot make the requisite findings under Idaho Code § 26-31-305(1) and (10), § 26-31-306(1)(d) and/or (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 HEREBY ORDERED THAT THE APPLICATION FOR A MORTGAGE LOAN ORIGINATOR LICENSE

**APPLICATION ATTESTED TO AND SUBMITTED BY VICTORIA ANN
GECSEK, NMLS #1875742, ON JANUARY 3, 2023, IS DENIED.**

NOTICE OF THE OPPORTUNITY TO REQUEST A HEARING

21. 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 her 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:

Attn: Lisa Baker
Assistant to the Director
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:

Erick M. Shaner
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.

22. 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.

23. 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).

24. 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 8th day of May 2023.



STATE OF IDAHO
DEPARTMENT OF FINANCE




PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 9th day of May 2023, 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:

Victoria Gecsek
7966 Dewey Rd
Emmett, ID 83617

- U.S. mail, postage prepaid
- certified mail
- facsimile _____
- email: vgecsek@gmail.com



Paralegal