



**COLORADO**

Department of  
Regulatory Agencies

Division of Real Estate

1560 Broadway, Suite 925  
Denver, CO 80202-5111

## **MORTGAGE LOAN ORIGINATOR BOARD MINUTES**

**September 18, 2024**

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**MORTGAGE LOAN ORIGINATOR BOARD  
MEETING  
VIA Webinar  
September 18, 2024  
COLORADO DIVISION OF REAL ESTATE**

A Mortgage Loan Originator Board public meeting was held on September 18, 2024 via webinar. Those Board Members in attendance were Josh Brodbeck, Natalie Lawson, Aaron Salladay, Shirley Thielen and David Williams.

Attending from the Division of Real Estate were Marcia Waters, Director; Eric Turner, Deputy Director; David Donnelly, Education, Communication and Policy Manager; Melissa Phipps, Senior Advisor; Penny Elder, Expedited Settlement Program Manager; Sarah Halloran, Program Team Lead; and Nicole Tribelhorn, Program Team Lead. Gina Simonson and Anthony Lally are present via webinar from the Attorney General's Office.

Notice of the meeting was timely published and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

The meeting was conducted via Webinar. The meeting was called to order by Director Marcia Waters at 9:01 a.m.

**ORDER OF BUSINESS**

**Approval of Minutes - July 17, 2024**

It was moved by Ms. Thielen and seconded by Mr. Salladay to approve the Minutes of July 17, 2024 as submitted.



MLO Minutes\_July  
17, 2024.pdf

**Motion unanimously carried.**

**PUBLIC COMMENT:** None

**POLICY MATTERS:**

**Selection of Leadership -**

It was moved by Ms. Thielen and seconded by Mr. Williams to nominate Aaron Salladay as Chair of the Mortgage Loan Originator Board.

**Motion unanimously carried.**

It was moved by Mr. Salladay and seconded by Mr. Brodbeck to nominate Shirley Thielen as Vice Chair of the Mortgage Loan Originator Board.

**Motion unanimously carried.**

Mr. Aaron Salladay assumes the duties of Chair at 9:04 a.m.

**Stakeholder Feedback on the Tangible Net Benefit Disclosure Form -**

Following an update about a stakeholder group meeting from Deputy Director Eric Turner, it was moved by Ms. Thielen and seconded by Mr. Williams to direct the Division to move forward with Rulemaking to address the Tangible Net Benefit Disclosure Form and Shared Appreciation Lenders.

**Motion unanimously carried.**

**Prequalification and Preapproval Letters -**

Following discussion by the Board, it was determined that it is not required to disclose APR on preapproval letters.

**Review of the Division's MLO License Application in Alignment with NMLS License Application -**

It was moved by Ms. Thielen and seconded by Mr. Brodbeck to direct the Division of Real Estate to look into adjusting the Division's MLO License Application to align with the NMLS License Application.

**Motion unanimously carried.**

**Agenda Items for Next Meeting - None**

**MISCELLANEOUS:** Director Marcia Waters advised the Board that today is Deputy Director Eric Turner's last day with the Division, and that he is moving onto the private sector. Deputy Director Eric Turner will be missed.

**COMPLAINT/INVESTIGATIONS:**

**NOTE:** Aaron Salladay recuses himself from consideration of Complaint A - #2024-150 (PM) and leaves the webinar at 9:27 a.m. Ms. Shirley Thielen assumes the Chair duties.

**A. Complaint #2024-150 (PM) -**

The investigative report concerning the complaint filed against the respondent in Complaint #2024-150 (PM) was presented to the Board with accompanying documentation and information.

- A. An anonymous complaint regarding the respondent was filed with the Division after the complainant viewed two of the respondent's social media postings. The complainant alleged that the respondent was offering compensation to Realtors for referral of business. The respondent stated that the offer was a program that hired realtors as employees of his employer at the time. The respondent represented that this program was approved by both his employer at the time and the CFPB.

The respondent's former employer has confirmed that the respondent misrepresented to the Division that he had company authorization and CFPB approval for the social media posts in question. The respondent is currently employed by a bank that is regulated by the Office of the Comptroller of the Currency but also holds an active Colorado mortgage loan originator license.

B. This is a possible violation of:

- a. § 12-10-713(1)(q), C.R.S. - unworthiness, incompetence;
- b. § 12-10-713(1)(dd), C.R.S. - negligently making any false statement;
- c. § 12-10-713(1)(ee), C.R.S. - advertising of residential mortgage loans;

Following discussion, it was moved by Mr. Brodbeck for a settlement offer of a Stipulation for Diversion to include payment of a fine in the amount of \$1,000 (plus 15% mandatory surcharge).

There is no second to the motion. **Motion Fails.**

It was then moved by Ms. Lawson and seconded by Mr. Williams for a settlement offer of a Stipulation for Diversion to include payment of a fine in the amount of \$500 (plus 15% mandatory surcharge).

Mr. Brodbeck is opposed. **Motion carried.**

**NOTE:** Aaron Salladay returns to the webinar at 9:41 and resumes the duties as Chair.

#### **EXECUTIVE SESSION:**

At 9:41 a.m., it was moved by Mr. Salladay, seconded by Ms. Thielen, and approved by more than two-thirds vote of the Board that pursuant to §24-6-402(3)(a)(II), C.R.S., concerning disputes that are the subject of pending or imminent court action and/or for the purpose of receiving legal advice on specific legal questions concerning the legal requirements for discipline and licensure for the following matters:

- Complaint Matter B - #2023-1758 (GM);
- Complaint Matter C - #2024-1046 (RH);
- Complaint Matter D - #2024-1045 (RS/SWF);
- Licensing Matter A - Complaint #2024-954 (SA); and
- Licensing Matter E - Complaint #2024-1139 (BC).

Executive Session is conducted via conference call. Present from the Attorney General's Office are Anthony Lally and Gina Simonson.

The Board adjourned out of Executive Session at 10:02 a.m. and the Board returned to open session at 10:04 a.m.

**B. Complaint #2023-1758 (GM) -**

The investigative report concerning the complaint filed against the respondent in Complaint #2023-1758 (GM) was presented to the Board with accompanying documentation and information.

- A. A complaint concerning the respondent was filed with the Division on September 5, 2023. In reviewing the loan file, it was identified that around February 25, 2022, the respondent was paid a referral fee of \$4,350.00 for a loan that closed with a hard money lender. Despite the loan being written as investment, the complainant maintains that the property has always been his primary residence. During the interview, the respondent expressed that the payment was not at all for origination services performed and was solely for the referral of the complainant to the hard money lender.
- B. This is a possible violation of:
  - a. § 12-10-713(1)(v), C.R.S. - good faith/fair dealing;
  - b. § 12-10-713(1)(q), C.R.S. - unworthiness, incompetence;

Following discussion, it was moved by Ms. Thielen and seconded by Mr. Brodbeck for a settlement offer of a Stipulation and Final Agency Order to include public censure, and payment of a fine in the amount of \$2,000 (plus 15% mandatory surcharge).

**Motion unanimously carried.**

**C. Complaint #2024-1046 (RH) -**

The investigative report concerning the complaint filed against the respondent in Complaint #2024-1046 (RH) was presented to the Board with accompanying documentation and information.

- A. After a review of complaint 2023-1758, a complaint concerning the respondent was opened by the Board of Mortgage Loan Originators. Email communications provided by the borrower reflect that the respondent conveyed terms of loan extension and repayment to the borrower without being licensed as a Colorado loan originator. Although this loan was originated as an investment property, the borrower confirmed that the property has always served as his primary residence. Original purchase documents provided by the borrower also support his representations that the property is in fact his primary residence.
- B. This is a possible violation of:
  - a. § 12-10-704, C.R.S. - license required.

Following discussion, it was moved by Mr. Brodbeck and seconded by Mr. Williams to recommend a Cease and Desist Order and referral to the Attorney General's Office for further law enforcement investigation.

**Motion unanimously carried.**

**D. Complaint #2024-1045 (RS) -**

The investigative report concerning the complaint filed against the respondent in Complaint #2024-1045 (RS) was presented to the Board with accompanying documentation and information.

- A. A complaint concerning the respondent was opened after a review of complaint 2023-1758. It appears that in February of 2022, the respondent's company originated an investment loan on a property that served as the borrower's primary residence. The loan file contains meeting board minutes for the borrower's company indicating that the borrower declared this property as a business property for purposes of this loan. The borrower confirmed that this board meeting never occurred and that he never solicited the attorney who drafted the document. The attorney was referred to him by the respondent's company.
- B. This is a possible violation of:
  - a. § 12-10-704, C.R.S. - license required.

Following discussion, it was moved by Mr. Brodbeck and seconded by Mr. Williams to recommend referral to Attorney Regulation and referral to the Attorney General's Office for further law enforcement investigation.

**Motion unanimously carried.**

The Mortgage Loan Originator Board had high praise for Paul Martinez, Investigator for his in-depth work, his complete reports and how well prepared he is with answers for the Board. Thanks Paul.

**LICENSING MATTERS:**

**A. Complaint #2024-954 (SA) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On March 27, 2023, the applicant was denied a mortgage loan originator license in the state of Georgia for not demonstrating financial responsibility, character and general fitness to command the trust of the public. The denial also cites that the applicant failed to provide requested documentation. With his Colorado application, the applicant has provided proof of discharge of the debt that resulted in his Georgia license denial.

It was moved by Ms. Thielen and seconded by Mr. Williams to approve the license application.

**Motion unanimously carried.**

**B. Complaint #2024-1173 (SK) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On March 5, 2009, the applicant's Colorado mortgage loan originator license was surrendered for failing to maintain surety bond and errors and omissions insurance. The applicant maintains that he does not recall ever applying for or holding a Colorado mortgage loan originator license. Division records reflect that the last four numbers of the social security number for the individual whose license was surrendered in 2009 also match the last four of the social for the individual who is registered in the NMLS as having applied for this license. NMLS records for the applicant reflect a current mailing address identical to the mailing address listed in the contact history for the individual whose license was surrendered in 2009.

It was moved by Ms. Thielen and seconded by Mr. Brodbeck to deny the license application based on § 12-10-713(1)(q), 12-10-713(1)(w), and 12-10-711(2), C.R.S.

**Motion unanimously carried.**

**C. Complaint #2024-1302 (PM) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On July 17, 2014, the Georgia Department of Banking and Finance suspended the applicant's mortgage loan originator's license on the grounds that he did not have a sponsor as required. He is currently licensed in 14 states.

It was moved by Mr. Brodbeck and seconded by Mr. Williams to approve the license application.

**Motion unanimously carried.**

**D. Complaint #2024-1080 (KS) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

The applicant voluntarily resigned from Wells Fargo Bank after allegations were made that he marked bank customized summary forms, instead of obtaining required bank customers' signatures, in order to complete the forms when the bank customers were not present. He is currently licensed in 13 states.

It was moved by Mr. Williams and seconded by Ms. Thielen to approve the license application.

**Motion unanimously carried.**

**E. Complaint #2024-1139 (BC) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On December 16, 2016, the applicant was convicted of a Misdemeanor Possession of a Firearm while Under the Influence of Alcohol. The applicant was sentenced to 6 months in jail, 12 months of probation, and a fine of \$339.50. The applicant has completed all sentencing terms. The case is closed.

On May 16, 2019, the applicant was convicted of a Misdemeanor Disorderly Conduct. The applicant was sentenced to 2 days in jail and a fine of 159.50. The case is closed.

The applicant is currently licensed in CA, FL, KS, MO, OR, and TX.

It was moved by Mr. Williams and seconded by Ms. Thielen to approve the license application.

**Motion unanimously carried.**

**F. Complaint #2024-907 (DE) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On April 09, 2010, the applicant was convicted of a Misdemeanor Theft of Property \$500<\$1,500. The applicant was sentenced to 60 days in jail and a fine of \$327.00. The case is closed.

On April 07, 2011, the applicant was convicted of Possession CS PG 1 > =200 grams < 400 grams a 1st Degree Felony. The applicant was sentenced to 10 years of probation. Probation was revoked, and he was re-sentenced to 6 years DOC and a fine of \$3,663.00. The applicant has completed his sentence and has paid the fine in full. The case is closed.

It was moved by Mr. Williams and seconded by Mr. Brodbeck to approve the license application.

**Motion unanimously carried.**

**G. Complaint #2024-1146 (AV) - License Application -**

The Board considered this application for a mortgage loan originator's license together with accompanying documentation and information supplied by the applicant.

On February 14, 2022, the applicant was convicted of a Misdemeanor Battery. The applicant was sentenced to 1 day in jail with credit for time served and a \$1,000.00 fine. The case is closed.

It was moved by Mr. Brodbeck and seconded by Ms. Thielen to deny the license application based on § 12-10-713(1)(m), C.R.S.; and Board Rule 5.23.

**Motion unanimously carried.**

**ESP Matter A, Complaint #2023-1888 (JH) - Stipulation Violation -**

The Board was presented with a stipulation violation report by Penny Elder, ESP Program Manager, regarding ESP Matter A, Complaint #2023-1888 (JH). Following discussion, it was moved by Mr. Brodbeck and seconded by Ms. Thielen to proceed with a violation of § 12-10-713(1)(m), C.R.S., to include a Final Agency Order; public censure; and a fine in the amount of \$2,000 (plus mandatory 15% surcharge).



**Motion unanimously carried.**

Welcome to our newly appointed MLO Board Members - Josh Brodbeck, Natalie Lawson and David Williams.

**Adjourn**

The MLO Board meeting adjourned at 11:24 a.m. on September 18, 2024.

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Aaron Salladay, Chair

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Shirley Thielen, Vice-Chair

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Josh Brodbeck, Board Member

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Natalie Lawson, Board Member

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David Williams, Board Member

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Marcia Waters, Director  
Colorado Division of Real Estate

