

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking and)
Insurance, State of New Jersey, to fine, suspend)
and/or revoke the residential mortgage lender)
license of Anthony Ambrosio, Reference)
No. 16-017827)

ORDER TO SHOW CAUSE

TO: Antonio Ambrosio
388 Concetta Drive
Mount Royal NJ 08061

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that Antonio Ambrosio (“Respondent”), may have violated various provisions of the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 to -89 (“Act”); and

WHEREAS, pursuant to N.J.S.A. 17:11C-53, a “mortgage loan originator” means any individual, not exempt under section 5 of the Act and licensed pursuant to the provisions of the Act, and any individual who should be licensed pursuant to the provisions of the Act, who for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly takes a residential loan application, or offers or negotiates the terms of a residential mortgage loan; and

WHEREAS, Respondent was licensed as a mortgage loan originator (“MLO”) pursuant to N.J.S.A. 17:11C-54, until his license expired in 2010, but continued acting as a MLO while unlicensed; and

WHEREAS, Respondent is subject to the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-54(c)(1)(a), no individual shall act as a mortgage loan originator without first obtaining a license or transitional license as provided for in the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(c), no person shall assist, or aid or abet a licensee with respect to any licensed activities regulated by the Act, unless properly licensed under the Act, or exempt from licensure pursuant to section 5 of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(d), no residential mortgage lender, residential mortgage broker, or mortgage loan originator, whether a business or individual licensee, shall make, advertise, print, display, publish, distribute, electronically transmit, telecast or broadcast, or cause or permit to be made, advertised, printed, displayed, published, distributed, electronically transmitted, televised or broadcast, in any manner, any statement or representation which is false, misleading, or deceptive; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(e), no residential mortgage lender, residential mortgage broker, or mortgage loan originator shall engage in any unfair or deceptive practice toward any person, or directly or indirectly employ any scheme, device or artifice to defraud or mislead borrowers, lenders, or any other person, including any action to misrepresent, circumvent, or conceal the nature or any information or material particular of any transaction, or to obtain the real property that is, or intended to be, the security for the loan;

WHEREAS, pursuant to N.J.S.A. 17:11C-75(n), no residential mortgage lender or residential mortgage broker shall fail to place in escrow, immediately upon receipt, any money fund, deposit, check, or draft entrusted to the licensee by any person, in a manner approved by the Commissioner, or to deposit the funds in a trust or escrow account maintained by the licensee with a depository institution, wherein the funds shall be kept until the disbursement thereof is properly authorized; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(p), no residential mortgage lender, residential mortgage broker, or mortgage loan originator shall fail without good cause to truthfully account or deliver to any person any personal property, money, fund, deposit, check, draft, mortgage, document or thing of value, which is not the licensee's property, or which the licensee is not in law or equity entitled to retain under the circumstances, at the time which has been agreed upon, or is required by law, or, in the absence of a fixed time, upon demand of the person entitled to the accounting or delivery;

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), the Commissioner may revoke, suspend, or refuse to renew, a residential mortgage lender or residential mortgage broker license, including the license or a qualified individual licensee or a branch office licensee, or a mortgage loan originator license, or transitional mortgage loan originator license, or impose a penalty pursuant to the Act, if the Commissioner finds, after notice and an opportunity for a hearing, that any person or holder of the license has violated any provisions of the Act or any order, rule or regulation made or issued pursuant to the Act;

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(f), the Commissioner may revoke, suspend, or refuse to renew, a residential mortgage lender or residential mortgage broker license, including the license or a qualified individual licensee or a branch office licensee, or a mortgage loan originator license, or transitional mortgage loan originator license, or impose a penalty pursuant to the Act, if the Commissioner finds, after notice and an opportunity for a hearing, that any person or holder of the license has demonstrated unworthiness, incompetence, bad faith or dishonesty in the transaction of business as a licensee; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(g), the Commissioner may revoke, suspend, or refuse to renew, a residential mortgage lender or residential mortgage broker license, including the license or a qualified individual licensee or a branch office licensee, or a mortgage loan originator license, or transitional mortgage loan originator license, or impose a penalty

pursuant to the Act, if the Commissioner finds, after notice and an opportunity for a hearing, that any person or holder of the license has engaged in any other conduct which would be deemed by the Commissioner to be the cause for denial, revocation, suspension, or refusal of the license or license renewal; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(4), the Commissioner may impose a civil penalty not exceeding \$25,000.00 on any person for a violation of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(5), the Commissioner may order that any person who has been found to have knowingly violated any provision of the Act, or of the rules and regulations issued pursuant hereto, and has thereby caused financial harm to consumers, be barred from acting as a residential mortgage lender, residential mortgage broker, or mortgage loan originator, or a stockholder, an officer, director, partner or other owner, or any employee of a licensee, or acting in any other capacity pursuant to the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(6), the Commissioner may order a person found to be in violation of the Act to make restitution to any person aggrieved by the violation; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(7), the Commissioner may order any other remedial action with respect to a violation of the Act, as the Commissioner deems necessary; and

COUNT 1

IT APPEARING that Respondent was licensed as a MLO, but his license expired in 2010, and was never renewed; and

IT FURTHER APPEARING that, on at least one occasion, from February 2016, through July 2016, despite being unlicensed, Respondent acted as a MLO and, in the expectation of compensation or gain, directly took a residential loan application and attempted to assist a New Jersey consumer in acquiring a residential mortgage loan; and

IT FURTHER APPEARING that by directly taking a residential loan application, with an expired license, Respondent violated N.J.S.A. 17:11C-54(c)(1)(a), N.J.S.A. 17:11C-75(c), and N.J.S.A. 17:11C-75(d); and

COUNT 2

IT FURTHER APPEARING that, in the aforementioned transaction, Respondent acted as the seller's agent for the purchase of a New Jersey residential property, owned by a company in which Respondent was a part-owner, as well as the MLO (without being licensed as such), creating a direct conflict of interest; and

IT FURTHER APPEARING that, by simultaneously acting as an unlicensed MLO, seller's agent, and the owner of the subject residential real property, Respondent violated N.J.S.A. 17:11C-75(e); and

COUNT 3

IT FURTHER APPEARING that, in the aforementioned transaction, Respondent requested and received from the New Jersey consumer an earnest money deposit in the amount of \$3,900.00; and

IT FURTHER APPEARING that, Respondent personally cashed the consumer's earnest money deposit check; and

IT FURTHER APPEARING that, by cashing the consumer's earnest money deposit check, and failing to place said funds in an escrow or trust account, immediately upon receipt, Respondent violated N.J.S.A. 17:11C-75(n) and N.J.S.A. 17:11C-75(e); and

COUNT 4

IT FURTHER APPEARING that, in the aforementioned transaction, the New Jersey consumer was denied the mortgage loan; and

IT FURTHER APPEARING that, the sale agreement for the aforementioned transaction contained a mortgage contingency clause, requiring the return of any earnest money deposit to the potential buyer; and

IT FURTHER APPEARING that, despite multiple demands from the New Jersey consumer, Respondent failed to return the earnest money deposit; and

IT FURTHER APPEARING that, by failing to deliver the deposit, upon demand, without good cause, Respondent violated N.J.S.A. 17:11C-75(p) and N.J.S.A. 17:11C-75(e); and

NOW, THEREFORE, IT IS on this 16 day of March 2022,

ORDERED that Respondent appear and show cause why his expired MLO license should not be revoked, pursuant to N.J.S.A. 17:11C-70(a), (f), and (g); and

ORDERED that Respondent appear and show cause why he should be permanently barred from obtaining a mortgage loan originator license, pursuant to N.J.S.A. 17:11C-70(b)(5); and

IT IS FURTHER ORDERED that Respondent appear and show cause why the Commissioner should not assess a civil penalty of not more than \$25,000.00 for each violation of the Act, pursuant to N.J.S.A. 17:11C-70(b)(4); and

IT IS FURTHER ORDERED that Respondent appear and show cause why the Commissioner should not order Respondent to make restitution to any person aggrieved by his violations, pursuant to N.J.S.A. 17:11C-70(b)(6); and

IT IS FURTHER ORDERED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at their own expense, to take testimony, to call or cross-examine witnesses, to have subpoenas issued, and to present evidence or argument if a hearing is requested; and

IT IS FURTHER ORDERED that unless a request for a hearing is received within twenty (20) days of the service of this Order to Show Cause, the right to a hearing in this matter shall be deemed to have been waived by Respondent and the Commissioner shall dispose of this matter in

accordance with law. A hearing may be requested by mailing the request to Paulette Sibblies-Flagg, Chief of Consumer Services and Enforcement, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey 08625, or by electronic mail to paulette.sibblies-flagg@dobi.nj.gov. A copy of the request for a hearing shall also be sent to Deputy Attorney General Chandra M. Arkema at P.O. Box 117, Trenton, New Jersey 08625, or by electronic mail to chandra.arkema@law.njoag.gov. The request shall contain the following:

- A. Respondent's full name, current address, and daytime telephone number;
- B. A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- C. A specific admission or denial of each fact alleged in this Order to Show Cause. Where Respondent has no specific knowledge regarding a fact alleged in the Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- D. A statement requesting a hearing.



Marlene Caride
Commissioner