

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

_____	)	ORDER TO SHOW CAUSE
Proceedings by the Commissioner of Banking	)	
and Insurance, State of New Jersey, to fine,	)	
suspend and/or revoke the mortgage loan	)	
origination license of Ricardo Gomez, former	)	
NMLS ID: 206686.	)	
_____	)	

TO: Ricardo Gomez
200 Drs James Parker Blvd.
Red Bank, New Jersey 07701

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

WHEREAS, Respondent was licensed as a mortgage loan originator (“MLO”) in New Jersey, former NMLS ID: 206686, from May 1999 and until January 1, 2013, when his license expired; 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 under this Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee has violated any of the provisions of the Act; and

WHEREAS, N.J.S.A. 17:11C-70(a)(3)(f), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee has shown itself untrustworthy or incompetent to act as a mortgage loan originator; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(g), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee 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 this Act, and each violation of this Act shall constitute a separate offense; 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 this Act to make restitution to any person aggrieved by the violation; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(e), no 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 of 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; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(l), no mortgage loan originator shall charge or exact directly or indirectly from a borrower or any other person any commission, bonus, fee, or charge not authorized by this Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-75(p), no 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; and

COUNT 1
(Unlicensed activity)

IT APPEARING that on January 1, 2013, Respondent's MLO license expired because he did not renew it; and

IT FURTHER APPEARING that despite the license expiration, Respondent continued to engage in the MLO activity until at least November 2016, without the required license; and

IT FURTHER APPEARING that by continuing to engage in the MLO activity after his license expiration, Respondent violated N.J.S.A. 17:11C-54(c)(1)(a); and

COUNT 2
(R. C.)

IT FURTHER APPEARING that in April 2014, Respondent defrauded a New Jersey consumer, R. C., as follows; and

IT FURTHER APPEARING that in April 2014, Respondent approached R. C. and falsely represented that he could assist her in obtaining a mortgage modification; and

IT FURTHER APPEARING that because Respondent was not licensed under the Act, he was not permitted to offer and perform the promised services of assistance in obtaining a mortgage modification; and

IT FURTHER APPEARING that, in pursuit of this fraud, Respondent requested that R. C. stop paying on her existing mortgage and instead redirect these payments to Respondent, which Respondent falsely stated would be put in escrow for R. C.'s benefit; and

IT FURTHER APPEARING that, from April 2014 to November 2017, Respondent collected \$66,709.84 in various checks from R. C.; and

IT FURTHER APPEARING that, instead of depositing R. C.'s funds in escrow, Respondent used the collected money for his own use and benefit; and

IT FURTHER APPEARING that on November 17, 2017 a criminal complaint was filed against Respondent in the Superior Court of New Jersey, Warren County, for one count of theft by deception, in violation of N.J.S.A. 2C:20-4; and

IT FURTHER APPEARING that on June 21, 2019, Respondent was convicted of one count of theft by deception, in violation of N.J.S.A. 2C:20-4; and

IT FURTHER APPEARING that, as a result of the criminal conviction, Respondent was sentenced to five years of probation and ordered to pay a full restitution of \$66,709.84 to R. C.; and

IT FURTHER APPEARING that by fraudulently collecting and withholding the consumer's money, Respondent violated N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and N.J.S.A. 17:11C-75(e), (l), and (p); and

COUNT 3
(P. K.)

IT FURTHER APPEARING that in April 2015, Respondent defrauded a New Jersey consumer, P. K., as follows; and

IT FURTHER APPEARING that in April 2015, Respondent approached P. K. and falsely represented that he could assist him in obtaining two separate mortgages for two separate properties; and

IT FURTHER APPEARING that because Respondent was not licensed under the Act, he was not permitted to offer and perform the promised services of assistance in obtaining a mortgage; and

IT FURTHER APPEARING that, in pursuit of this fraud, from April 2015 to October 2015, Respondent collected \$24,388.97 in various checks from P. K., which Respondent falsely stated would be used to obtain the two mortgages; and

IT FURTHER APPEARING that, in fact, Respondent used the collected money for his own use and benefit; and

IT FURTHER APPEARING that on October 25, 2016, Respondent entered into a written agreement with P. K. to repay the misappropriated money in installment payments of \$750.00 per week; and

IT FURTHER APPEARING that Respondent failed to perform on the written agreement and, as a result, failed to repay the misappropriated money to P. K.; and

IT FURTHER APPEARING that by fraudulently collecting and withholding the consumer's money, Respondent violated N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and N.J.S.A. 17:11C-75(e), (l), and (p); and

COUNT 4
(M. D.)

IT FURTHER APPEARING that in June 2016, Respondent defrauded a New Jersey consumer, M. D., as follows; and

IT FURTHER APPEARING that in June 2016, Respondent approached M. D. and falsely represented that he could assist him in refinancing a mortgage, and

IT FURTHER APPEARING that because Respondent was not licensed under the Act, he was not permitted to offer and perform the promised services of assistance in mortgage refinancing; and

IT FURTHER APPEARING that, in pursuit of this fraud, from June to July 2016, Respondent collected \$3,866.00 in various checks from M. D., which Respondent falsely stated would be used to obtain a refinancing of the consumer's existing mortgage; and

IT FURTHER APPEARING that, in fact, Respondent used the collected money for his own use and benefit; and

IT FURTHER APPEARING that in October 2017, Respondent returned \$3,866.00 to M. D.; and

IT FURTHER APPEARING that by fraudulently collecting and withholding the consumer's money, Respondent violated N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and N.J.S.A. 17:11C-75(e), (l), and (p); and

COUNT 5
(P.C.)

IT FURTHER APPEARING that in July 2016, Respondent defrauded a New Jersey consumer, P.C., as follows; and

IT FURTHER APPEARING that in July 2016, Respondent approached P.C. and falsely represented that he could assist him in obtaining a mortgage; and

IT FURTHER APPEARING that because Respondent was not licensed under the Act, he was not permitted to offer and perform the promised services of assistance in obtaining a mortgage; and

IT FURTHER APPEARING that, in pursuit of this fraud, from July 2016 to November 2016, Respondent collected \$11,129.12 in various checks from P.C., which Respondent falsely stated would be used to obtain a mortgage; and

IT FURTHER APPEARING that, in fact, Respondent used the collected money for his own use and benefit; and

IT FURTHER APPEARING that on March 1, 2017, a criminal complaint was filed against Respondent in the Superior Court of New Jersey, Monmouth County, for two counts of theft by deception in the third degree, in violation of N.J.S.A. 2C:20-4; and

IT FURTHER APPEARING that on November 2, 2017, Respondent was convicted of two counts of theft by deception in the third degree, in violation of N.J.S.A. 2C:20-4; and

IT FURTHER APPEARING that, as a result of the criminal conviction, Respondent was sentenced to five years of probation and ordered to pay a full restitution of \$16,129.00 to P.C.; and

IT FURTHER APPEARING that by fraudulently collecting and withholding the consumer's money, Respondent violated N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and N.J.S.A. 17:11C-75(e), (l), and (p); and

NOW, THEREFORE, IT IS on this 14 day of February 2023,

ORDERED that Respondent appear and show cause why his expired mortgage loan originator license, former NMLS ID: 206686, should not be revoked, pursuant to N.J.S.A. 17:11C-70(a)(3); and

IT IS FURTHER ORDERED that Respondent appear and show cause why he should not 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, 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 restitution of moneys owed to any person, 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 its 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 emailing the request to Paulette Sibblies-Flagg at paulette.sibblies-flagg@dob.nj.gov and mailing a copy to Paulette Sibblies-Flagg, OCF Investigations Unit, Department of Banking and Insurance, P.O. Box 040, Trenton, New Jersey 08625. A copy of the request for a hearing shall also be emailed to Deputy Attorney General Garen Gazaryan at garen.gazaryan@law.njoag.gov and a copy mailed to P.O. Box 117, Trenton, New Jersey 08625. The request shall contain the following:

- A. Respondent's full name, 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