

STATE OF OHIO  
DEPARTMENT OF COMMERCE  
**DIVISION OF FINANCIAL INSTITUTIONS**  
77 South High Street, 21<sup>st</sup> Floor  
Columbus, Ohio 43215-6120

In the matter of:	)	<b>Case No. M2006-9992828</b>
<b>ALPHA MORTGAGE COMPANY</b>	)	<b>Notice of Intent to Deny</b>
<b>OF OHIO, INC.</b>	)	<b>Mortgage Broker Certificate</b>
27801 Euclid Avenue- Suite 320	)	<b>of Registration Application &amp;</b>
Euclid, OH 44132	)	<b>Notice of Opportunity for a Hearing</b>
	)	

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**JURISDICTION**

The Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322, and the rules adopted thereunder.

**RESPONDENT**

Respondent Alpha Mortgage Company of Ohio, Inc. ("Respondent") is an Ohio corporation that has applied to the Division for a mortgage broker certificate of registration pursuant to R.C. Chapter 1322. The business address of record for Respondent is 27801 Euclid Avenue- Suite 320, Euclid, Ohio 44132.

**NOTICE OF PROPOSED ACTION**

In accordance with R.C. 1322.04(A) and 1322.10(A)(1)(a), and pursuant to R.C. Chapter 119, the Division intends to DENY Respondent's application for a mortgage broker certificate of registration.

**BASIS FOR PROPOSED ACTION**

Pursuant to R.C. 1322.10(B) and R.C. 1322.04(A), the Division conducted an investigation into the affairs of Respondent, and as a result thereof, alleges the following:

1. At all times relevant to this action, Corriitha Wells has been the sole shareholder, proposed Operations Manager, and President of Alpha Mortgage Company of Ohio, Inc. Corriitha Wells holds an active loan officer license, LO#7476, pursuant to R.C. 1322.
2. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to issue a mortgage broker certificate of registration if the Division finds that the registrant has violated "or fail[ed] to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the

rules adopted under those sections or any other law applicable to the business conducted[.]”

3. R.C. 1322.04(A)(10) lists as a condition for an applicant obtaining a certificate of registration that the applicant’s “...financial responsibility, experience, character, and general fitness command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of sections 1322.01 to 1322.12 of the Revised Code.” Where the applicant is a partnership, corporation, or other business entity or association, “the superintendent shall determine which partners, shareholders, or persons named in the application pursuant to division (A)(2) of section 1322.03 of the Revised Code must meet the conditions set forth in division...(A)(10) of this section. This determination shall be based on the extent and nature of the partner’s, shareholder’s, or person’s ownership interest in the partnership, corporation, or other business entity or association that is the applicant.”
4. On or about March 26, 2004, Patrice Frazier filed a court action, CV-04-526340, in the Cuyahoga County Court of Common Pleas naming numerous parties in the action, among which was Corriitha Wells. Ms. Frazier brought claims associated with the purchase of two properties, located at 6701 Fullerton Avenue, Cleveland, Ohio 44105 and 1704 Strathmore, East Cleveland, Ohio 44112. The Plaintiff brought claims of negligence, fraud, civil conspiracy, RESPA violations, and Uniform Lead Based Paint Hazard Reduction Act violations against Corriitha Wells. Corriitha Wells had received service of this complaint on April 5, 2004. On June 16, 2004, Corriitha Wells filed her Answer.
5. On or about January 25, 2005, Jeanine King Chaplin commenced a lawsuit against certain parties including Corriitha Wells. involving the purchase of property located at 18709 Arrowhead Avenue, Cleveland, Ohio, parcel numbers 114-15-080, 114-15-081, 114-15-082, and 114-15-083. Jeanine King Chaplin brought claims of negligence, fraud, breach of statutory and fiduciary duty, violations of the Ohio Mortgage Broker Act, civil conspiracy, and intentional infliction of emotional distress. On July 29, 2005, Corriitha Wells received service of this complaint. On August 30, 2005, Corriitha Wells filed her Answer.
6. On or about March 15, 2005, Corriitha Wells completed a 2005 Loan Officer Renewal Application.
7. On the 2005 Renewal Application, Corriitha Wells wrongfully denied that she had been named in a civil or administrative action that involved insurance, securities, or consumer or real estate lending or brokering. Corriitha Wells failed to disclose the lawsuit brought by Patrice Frazier.
8. On March 15, 2006, Corriitha Wells completed a 2006 Loan Officer Renewal Application.

9. On the 2006 Renewal Application, Corriitha Wells wrongfully denied that she had been named in any civil or administrative action that involved insurance, securities, or consumer or real estate lending or brokering. Corriitha Wells had failed to disclose the lawsuit brought by Jeanine King Chaplin.
10. The actions by Corriitha Wells listed in Paragraphs 6 through 9 violated R.C. 1322.07(A), which prohibits a registrant or applicant for a certificate of registration from “mak[ing] any substantial misrepresentation in any registration or license application[.]”
11. The actions by Corriitha Wells listed in Paragraphs 6 through 9 violated R.C. 1322.07(B), which prohibits a registrant or applicant for a certificate of registration from “[m]ak[ing] false or misleading statements of a material fact, [or] omissions of statements required by state law[.]”
12. The actions by Corriitha Wells listed in Paragraphs 6 through 9 violated R.C. 1322.07(C), which prohibits a registrant or applicant for a certificate of registration from “[e]ngage[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings.”
13. R.C. 1322.031(E)(2) states: “If a loan officer’s employment is terminated, the mortgage broker shall return the original license to the superintendent within five business days after termination. The licensee may request the transfer of the license to another mortgage broker by submitting a relocation application, along with a fifteen dollar fee, to the superintendent or may request the superintendent in writing to hold the license in escrow for a period not to exceed one year. Any licensee whose license is held in escrow shall cease activity as a loan officer.”
14. R.C. 1322.02(B) states: “No person, on the person’s own behalf or on behalf of any other person, shall act as a loan officer without first having obtained a license from the superintendent. A loan officer shall not be employed by more than one mortgage broker at any one time.”
15. The records of the Division indicate that Corriitha Wells filed a loan officer transfer application for a transfer from All in One Financial Services to Ace Home Loans, Inc. on December 11, 2003. This transfer application stated that the effective date of new employment was July 5, 2003. Upon applying for a certificate of registration, Respondent provided to the Division documents indicating that from August 2003 through November 2003, Corriitha Wells made \$76,624.53 in commissions from Ace Home Loans, Inc. At this time, she was licensed with All In One Financial Services.
16. By working as a loan officer for Ace Home Loans, Inc. without being properly licensed, by failing to properly request a transfer as required by R.C. 1322.031(E)(2), Corriitha Wells engaged in conduct that constitutes improper, fraudulent, or dishonest dealings in violation of R.C. 1322.07(C).
17. Because of the nondisclosure by Respondent’s sole shareholder of the civil actions naming Corriitha Wells as Defendant and violation of R.C. 1322.07(A), (B), and (C), the

Division finds Respondent's character and general fitness do not command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of the Ohio Mortgage Broker Act. See R.C. 1322.04(A)(10).

18. Because Respondent did not meet the condition outlined in R.C. 1322.04(A)(10), the Division finds that the Ohio Mortgage Broker Act has not been complied with and according to R.C. 1322.10(A) the Division has the authority to refuse to issue Respondent's certificate of registration.
19. Because Respondent did not meet the condition outlined in R.C. 1322.04(A)(6), the Division has the authority to refuse to issue Respondent's certificate of registration.

### **FINDINGS**

As a result of the allegations listed above, the Division has determined that:

1. Corriitha Wells violated 1322.07(A) of the Ohio Mortgage Broker Act in her 2005 and 2006 Renewal Applications for a Loan Officer License.
2. Corriitha Wells violated 1322.07(B) of the Ohio Mortgage Broker Act in her 2005 and 2006 Renewal Applications for a Loan Officer License.
3. Corriitha Wells violated 1322.07(C) of the Ohio Mortgage Broker Act in her 2005 and 2006 Renewal Applications for a Loan Officer License.
4. The Respondent does not meet the conditions for obtaining a certificate of registration, as set forth by R.C. 1322.04(A).
5. Respondent's sole shareholder's noncompliance with the Ohio Mortgage Broker Act, as described above in paragraphs 6 through 9 causes the Division to believe that Respondent's character and general fitness do not command the confidence of the public and do not warrant the belief that its business will be operated honestly and fairly in compliance with the Ohio Mortgage Broker Act as required by R.C. 1322.04(A)(10).
6. Pursuant to R.C. 1322.10(A)(1)(a), the Superintendent of Financial Institutions may refuse to issue a certificate of registration or license if the superintendent finds a violation of or failure to comply with any provision of Sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted under a certificate of registration.

## **PROPOSED ACTION**

Based upon the allegations and findings above, the Division intends to ORDER DENYING the mortgage broker certificate of registration application for Alpha Mortgage Company of Ohio, Inc.

## **NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION**

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondents are hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an ORDER DENYING the mortgage broker certificate of registration application for Alpha Mortgage Company of Ohio, Inc.

**Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed to:**

**State of Ohio  
Department of Commerce  
Division of Financial Institutions  
Attn: Attorney Timothy C. Winslow  
77 South High Street, 21<sup>st</sup> Floor  
Columbus, Ohio 43215-6120**

**At the hearing, Respondent may appear by an attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses appearing for and against Respondent.**

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an ORDER DENYING the mortgage broker certificate of registration application for Alpha Mortgage Company of Ohio, Inc.

Signed and Sealed this 8<sup>th</sup> day of June, 2006.

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Robert M. Grieser  
Deputy Superintendent of Consumer Finance

Cc: Timothy C. Winslow, In House Counsel—Division of Financial Institutions  
Matt Lampke, Asst. Attorney General, Business & Government Regulation

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