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California Corporations Commissioner
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10 BEFORE THE DEPARTMENT OF CORPORATIONS
11 OF THE STATE OF CALIFORNIA

12 THE CALIFORNIA CORPORATIONS) File No.: 413-0778
COMMISSIONER,)
13)
14 Complainant,) **ORDER REVOKING RESIDENTIAL**
15 v.) **MORTGAGE LENDER AND MORTGAGE**
16 WRMORTGAGE) **SERVICER LICENSE**
17 Respondent.)
18)
19)

20 The California Corporations Commissioner finds:

21 1. Respondent WRMORTGAGE ("WR") is a residential mortgage lender and mortgage
22 loan servicer licensed by the Commissioner pursuant to the California Residential Mortgage Lending
23 Act (California Financial Code, § 50000 *et seq.*) ("CRMLA"). WR has its principal place of business
24 located at 300 West Clarendon Avenue, Suite 475, Phoenix, AZ, 85013.

25 2. Pursuant to California Financial Code sections 50307 and 50401 and California Code
26 of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file the
27 following annual reports with the Commissioner: (1) Report of Principal Amount of Loans and
28 Aggregate Amount of Loans Serviced ("Activity Report"); (2) Report on Non-traditional, Adjustable

1 Rate and Mortgage Loan Products (“Non-traditional Report”); and (3) Non-traditional, Adjustable
2 Rate and Mortgage Loan Survey (“Survey”). The Activity Report, Non-traditional Report, and
3 Survey must be filed with the Commissioner on or before March 1st of each year for the preceding
4 twelve (12) month period ending December 31.

5 3. On or about February 1, 2008, an Activity Report form, Non-traditional Report form
6 and Survey were sent to all CRMLA licensees, including WR, with a notice stating that these reports
7 were due on or before March 1, 2008. The Commissioner assessed a penalty of \$1000.00 for the
8 failure to submit these reports on or about May 15, 2008.

9 4. To date, WR has not submitted the Activity Report, the Non-traditional Report, and
10 the Survey to the Commissioner, and paid the assessed penalty.

11 5. Pursuant to California Financial Code section 50200, all licensees under the CRMLA
12 are required to file audited financial statements (“Audited Report”) with the Commissioner. WR was
13 required to submit its Audited Report for its fiscal year ending December 31, 2007 to the
14 Commissioner on or before April 15, 2008.

15 6. On or about December 17, 2007, a reminder notice was issued to WR reminding WR
16 that this report was due to be filed with the Commissioner on or before April 15, 2008. WR did not
17 submit the Audited Report to the Commissioner, despite this reminder notice. The Commissioner
18 assessed another penalty of \$1000.00 for the failure to submit these reports on or about August 1,
19 2008, pursuant to California Financial Code section 50326.

20 7. To date, WR has yet to file these reports or pay any of the assessed penalties.

21 8. Pursuant to California Financial Code section 50205(a), WR must maintain a surety
22 bond. On or about February 6, 2008, the Commissioner received a Notice of Cancellation Non-
23 Renewal of WR’s surety bond from Hartford Fire Insurance Company. The date of cancellation of
24 the surety bond was May 21, 2008.

25 9. To date, WR has not reinstated or replaced their surety bond, as required by California
26 Financial Code section 50205(a).

27 10. On or about May 21, 2008, the Commissioner issued an Order To Discontinue
28 Residential Mortgage Lending And/Or Servicing Activities Pursuant California Financial Code

1 section 50319¹ to WR.

2 11. To date, the Order To Discontinue Residential Mortgage Lending And/Or Servicing
3 Activities Pursuant California Financial Code section 50319 remains in effect.

4 12. Failure to file the Activity Report, Non-traditional Report, Survey and Audited Report,
5 failure to maintain a valid surety bond, and/or pay assessed penalties are grounds under California
6 Financial Code section 50327 for the revocation of a license issued under the CRMLA.

7 13. On November 19, 2008, the Commissioner issued a Notice of Intention to Issue Order
8 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against
9 WR based upon the above, and WR was served with those documents on or about November 20,
10 2008, via certified mail, return receipt requested, at its licensed location on file with the California
11 Department of Corporations. The Department has not received a request for hearing from WR and
12 the time to request a hearing has expired.

13 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
14 mortgage lender and mortgage servicer license issued by the Commissioner to WRMORTGAGE, is
15 hereby revoked. This order is effective as of the date hereof. Pursuant to California Financial Code
16 section 50311, WRMORTGAGE, has sixty (60) days within which to complete any loans for which it
17 had commitments.

18 DATED: January 20, 2009
19 Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

22 By _____
23 Alan S. Weinger
24 Lead Corporations Counsel

25 ¹ California Financial Code section 50319 provides in pertinent part: (a) If the commissioner, as a result of any
26 examination or from any report made to him or her, shall find that any person subject to this division... has
27 failed to comply with the bonding requirements of Section 50205, the commissioner may, by an order
28 addressed to and served by registered or certified mail, or by personal service on that person..., direct
discontinuance of the disbursement, in whole or in part, of trust funds held by the licensee and order the
establishment of a separate trust account for all subsequent trust funds received by the licensee.