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8 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
9 OF THE STATE OF CALIFORNIA

11	In the Matter of:)	CRMLA LICENSE NO.: 413-0479
12	THE COMMISSIONER OF BUSINESS)	NMLS NO.: 3294
13	OVERSIGHT,)	
14	Complainant,)	ORDER REVOKING CALIFORNIA
15	v.)	RESIDENTIAL MORTGAGE LENDER
16	MORTGAGE CAPITAL ASSOCIATES, INC.)	LICENSE
17	doing business as 100PERCENTLOAN.COM,)	
18	BLUESTONE CAPITAL SERVICES, MCA)	
19	TRUSTED LENDERS, and USA MORTGAGE)	
20	CAPITAL,)	
21	Respondent.)	

22 The Commissioner of Business Oversight (Commissioner) finds that:

23 1. Respondent Mortgage Capital Associates, Inc. doing business as
24 100PERCENTLOAN.com, Bluestone Capital Services, MCA Trusted Lenders, and USA Mortgage
25 Capital (collectively Mortgage Capital) is a residential mortgage lender licensed by the
26 Commissioner of Business Oversight of the State of California (Commissioner) pursuant to the
27 California Residential Mortgage Lending Act (CRMLA) (California Financial Code, § 50000 et
28 seq.)

1 2. Mortgage Capital has its principal place of business located at 11150 West Olympic
2 Boulevard, Suite 1160, Los Angeles, California 90064. Mortgage Capital has six branch offices
3 throughout the United States. Mortgage Capital employs mortgage loan originators in its CRMLA
4 business.

5 3. Pursuant to Financial Code sections 50302 and 50314, subdivision (b), the
6 Commissioner “shall examine the affairs of each residential mortgage lender and servicer licensee
7 for compliance” at least once every 48 months.

8 4. On June 7, 2018, the Commissioner notified Mortgage Capital of its scheduled
9 regulatory examination on or around August 2018. In preparation for the examination, Mortgage
10 Capital was required to electronically file its pre-exam documents with the Department of Business
11 Oversight (Department) by June 18, 2018.

12 5. On June 7, 2018, Mortgage Capital sent the Department a confirmation email and a
13 request for an extension to file its pre-exam documents. On June 8, 2018, the Department sent
14 Mortgage Capital an email approving the extension to file its loan data information by June 27, 2018
15 and the remaining pre-exam documents by July 6, 2018. On the same day, Mortgage Capital sent the
16 Department an email confirming the new due dates to file the loan data information and pre-exam
17 documents with the Commissioner.

18 6. On July 2, 2018, the Department sent an email to Mortgage Capital notifying it that
19 the Department had not received the loan data information by the deadline of June 27, 2018. The
20 Department’s email bounced back from Mortgage Capital’s Compliance Department as
21 undeliverable.

22 7. Also, on July 2, 2018, the Department sent the same email described in paragraph 6,
23 to Jay Martin Steren (Steren), the President/CEO of Mortgage Capital. Steren’s email is also the
24 designated email account for Mortgage Capital.

25 8. The Department has never received a response to either of these July 2, 2018 emails
26 from either Mortgage Capital or Steren.

27 9. On July 3, 2018, Mortgage Capital submitted a surrender/cancellation request through
28 the Nationwide Mortgage Licensing System and Registry (NMLS).

1 10. On July 10, 2018, the Department sent a follow up email to Steren notifying him that
2 the Department had not received the loan data information by the deadline of June 27, 2018 and the
3 pre-exam documents by the deadline of July 6, 2018. The Department has never received a response
4 to the July 10, 2018 email from either Mortgage Capital or Steren.

5 11. On July 18, 2018, the Department attempted to call Mortgage Capital at its designated
6 telephone number, but that telephone number was no longer in service. The Department also
7 attempted to contact Steren through the telephone number listed in NMLS. The Department left a
8 voice message for Steren requesting the status of the late loan data information and pre-examination
9 documents. To date, the Department has not received any response or documents from Mortgage
10 Capital or Steren.

11 12. On August 7, 2018, an examiner from the Department (examiner) personally traveled
12 to Mortgage Capital’s licensed location of record to determine whether the company was still
13 operational. The examiner found Mortgage Capital listed on the building’s directory but the door to
14 the office was locked and there was no response to the examiner’s knocking on the door.

15 13. On August 7, 2018, the examiner also contacted the building manager of the licensed
16 location of Mortgage Capital. The building manager stated that Mortgage Capital had vacated the
17 office and that Steren had died.

18 14. On November 7, 2018, the Department posted on Mortgage Capital’s NMLS account
19 a custom license item titled “Exam Notice and Forfeiture Fee.” The Department notified Mortgage
20 Capital that it failed to respond to the Department’s examination notice by the deadline of July 6,
21 2018 and that Mortgage Capital incurred a forfeiture fee of \$100.00 per day, up to \$1,000.00.

22 15. On November 7, 2018, the Department also posted an “Outstanding Agency Invoice
23 Fee” on Mortgage Capital’s NMLS account a forfeiture fee of \$1,000.00 pursuant to Financial Code
24 section 50326.

25 16. Mortgage Capital has yet to provide the Department with the loan information,
26 documents, or reports as required by Financial Code sections 50302 and 50314, subdivision (b).

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1 17. To date, Mortgage Capital has not complied with the reporting requirement and has
2 not paid the Department its Exam Notice and Forfeiture Fee of \$1,000.00 as required under
3 Financial Code section 50326.

4 18. Failure to file the required pre-exam documents, respond to inquiries to loan data
5 information and/or pay assessed penalties are grounds under Financial Code section 50327,
6 subdivision (a), for the revocation of a license issued under the CRMLA.

7 19. On January 10, 2019, the Commissioner issued a Notice of Intention to Issue Order
8 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against
9 Mortgage Capital based upon the above, and Mortgage Capital was served with those documents on
10 January 10, 2019 via certified mail return receipt at its licensed location on file with the
11 Commissioner. The Commissioner has received no request for a hearing from Mortgage Capital.

12 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the California
13 residential mortgage lender license issued by the Commissioner to Mortgage Capital Associates, Inc.
14 doing business as 100PERCENTLOAN.com, Bluestone Capital Services, MCA Trusted Lenders,
15 and USA Mortgage Capital is hereby revoked. This order is effective as of the date hereof. Pursuant
16 to Financial Code section 50311, Mortgage Capital has sixty (60) days within which to complete any
17 loan for which it had prior commitments.

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19 Dated: February 12, 2019
20 Sacramento, California

JAN LYNN OWEN
Commissioner of Business Oversight

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By _____
Mary Ann Smith
Deputy Commissioner
Enforcement Division

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