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Acting California Corporations Commissioner
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7

8 BEFORE THE DEPARTMENT OF CORPORATIONS
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of the Accusation of THE) File No.: 413-0533
CALIFORNIA CORPORATIONS)
12 COMMISSIONER,) ORDER REVOKING RESIDENTIAL
13) MORTGAGE LENDER LICENSE
Complainant,)
14)
vs.)
15)
16 NEW MILLENNIUM MORTGAGE)
CORPORATION,)
17)
Respondent.)

18
19 The California Corporations Commissioner finds that:

- 20 1. Respondent New Millennium Mortgage Corporation ("New Millennium") is a
21 residential mortgage lender licensed by the California Corporations Commissioner
22 ("Commissioner") pursuant to the California Residential Mortgage Lending Act (California
23 Financial Code § 50000 et seq.) ("CRMLA"). New Millennium has its principal place of business
24 located at 1700 Park Street, Suite 203, Naperville, Illinois 60563.
25 2. Pursuant to California Financial Code section 50200, New Millennium was required
26 to submit its audited financial statement for its fiscal year ended December 31, 2004 ("2004 audit
27 report") to the Commissioner by April 15, 2005.
28

1 3. New Millennium has yet to file its 2004 audit report with the Commissioner despite
2 written notification on December 13, 2004 and July 7, 2005.

3 4. New Millennium’s failure to file its 2004 audit report resulted in the assessment of
4 \$1,000 in penalties pursuant to California Financial Code section 50326 on July 7, 2005, which
5 remain unpaid.

6 5. Pursuant to California Financial Code sections 50307 and 50401, New Millennium
7 was required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans
8 Serviced (“loan report”) for the period ended December 31, 2004 to the Commissioner by March 1,
9 2005.

10 6. New Millennium has yet to file its loan report with the Commissioner despite written
11 notification on January 18, 2005, March 16, 2005, and May 12, 2005.

12 7. New Millennium’s failure to file its loan report for December 31, 2004 resulted in the
13 assessment of \$1,000 in penalties pursuant to California Financial Code section 50326 on March 16,
14 2005, which remain unpaid.

15 8. On June 8, 2005, the Commissioner received a letter from New Millennium’s
16 certified public accountant stating that New Millennium had never conducted business in California
17 and did not intend to, and that the Commissioner should “take whatever steps are necessary to
18 rescind the company’s registration as a mortgage banker in the state of California”.

19 9. On June 15, 2005, the Commissioner sent a letter to New Millennium’s certified
20 public accountant outlining the steps necessary to surrender its residential mortgage lender license.
21 New Millennium has never responded to the June 15, 2005 letter.

22 10. Failure to file an audit report, loan report, and/or pay assessed penalties is grounds
23 under California Financial Code sections 50326 and 50327 for the revocation of a license issued
24 under the CRMLA.

25 11. On August 1, 2005, the Commissioner issued a Notice of Intention to Issue Order
26 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against
27 New Millennium based upon the above, and New Millennium was served with those documents on
28 August 1, 2005 via certified, return-receipt mail at its licensed location on file with the California

1 Department of Corporations. The Department has received no request for a hearing or any other
2 response from New Millennium and the time to request a hearing has expired.

3 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
4 mortgage lender license issued by the Commissioner to New Millennium is hereby revoked. This
5 order is effective as of the date hereof. Pursuant to California Financial Code section 50311, New
6 Millennium has sixty (60) days within which to complete any loans for which it had commitments.

7 Dated: September 14, 2005
8 Los Angeles, California

WAYNE STRUMPFER
Acting California Corporations Commissioner

9 By _____
10 DiAun M. Burns
11 Special Administrator
12 California Residential Mortgage Lending Act
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CALIFORNIA CORPORATIONS)
12 COMMISSIONER,) ACCUSATION
13)
Complainant,)
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vs.)
15)
16 NEW MILLENNIUM MORTGAGE)
CORPORATION,)
17)
Respondent.)
18)
19

20 The Complainant is informed and believes, and based upon such information and belief,
21 alleges and charges Respondent as follows:

22 I

23 Respondent New Millennium Mortgage Corporation ("New Millennium") is a residential
24 mortgage lender licensed by the California Corporations Commissioner ("Commissioner") pursuant
25 to the California Residential Mortgage Lending Act (California Financial Code § 50000 et seq.)
26 ("CRMLA"). New Millennium has its principal place of business located at 1700 Park Street, Suite
27 203, Naperville, Illinois 60563.
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II

Pursuant to California Financial Code section 50200, New Millennium was required to submit its audited financial statement for its fiscal year ended December 31, 2004 (“2004 audit report”) to the Commissioner by April 15, 2005. New Millennium has yet to file its 2004 audit report with the Commissioner despite numerous reminders.

On or about December 13, 2004, the Commissioner notified New Millennium in writing that its 2004 audit report was due April 15, 2005. New Millennium failed to submit the 2004 audit report by April 15, 2005.

On or about July 7, 2005, New Millennium was sent a further letter demanding that the 2004 audit report be filed no later than July 17, 2005, and assessing New Millennium a penalty of \$1,000.00 pursuant to California Financial Code section 50326. New Millennium was notified in the letter that failure to file the 2004 audit report and/or pay the penalty by July 17, 2005 would result in an action to either suspend or revoke its license.

New Millennium has yet to file the 2004 audit report or pay penalties as required by California Financial Code sections 50200 and 50326.

III

Pursuant to California Financial Code sections 50307 and 50401, all licensees under the CRMLA are required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced (“loan report”) on or before March 1 of each year for the preceding 12 month period ended December 31.

On or about January 18, 2005, a loan report form was sent to all CRMLA licensees with a notice that the loan report was due on March 1, 2005. New Millennium failed to submit the loan report by the March 1, 2005 deadline.

On or about March 16, 2005, a follow up letter was sent to New Millennium demanding the loan report be filed no later than March 26, 2005, and assessing New Millennium a penalty of \$1,000.00 pursuant to California Financial Code section 50326. New Millennium was notified in the letter that failure to file the loan report and/or pay the penalty by March 26, 2005 would result in an action to either suspend or revoke its license.

1 On or about May 12, 2005, a further letter was sent to New Millennium demanding the loan
2 report and the \$1,000 penalty be filed no later than May 22, 2005. New Millennium was again
3 notified in the letter that failure to file the loan report and/or pay the penalty by May 22, 2005 would
4 result in an action to either suspend or revoke its license.

5 On or about June 8, 2005, the Commissioner received a letter from New Millennium’s
6 certified public accountant stating that New Millennium had never conducted business in California
7 and did not intend to, and that the Commissioner should “take whatever steps are necessary to
8 rescind the company’s registration as a mortgage banker in the state of California”. On or about
9 June 15, 2005, the Commissioner sent a letter to New Millennium’s certified public accountant
10 outlining the steps necessary to surrender its residential mortgage lender license. New Millennium
11 has never responded to the June 15, 2005 letter.

12 New Millennium has yet to submit the loan report or pay the penalty as required by
13 California Financial Code sections 50307, 50401 and 50326.

14 IV

15 California Financial Code section 50326 provides in pertinent part as follows:

16 If any licensee fails to do any of the following, the licensee shall forfeit to
17 the people of the state a sum of up to one hundred dollars (\$100) for every
18 day up to the tenth day: (a) to make any report required by law or by the
19 commissioner within 10 days from the day designated for the making of the
20 report, or within any extension of time granted by the commissioner
21 Thereafter, any failure shall constitute grounds for the suspension or revocation
22 of the license held by the residential mortgage lender or residential
23 mortgage loan servicer.

24 California Financial Code section 50327 provides in pertinent part:

25 (a) The commissioner may, after notice and a reasonable opportunity to
26 be heard, suspend or revoke any license if the commissioner finds that:
27 (1) the licensee has violated any provision of this division or rule or order
28 of the commissioner thereunder; or (2) any fact or condition exists that, if
it had existed at the time of the original application for license, reasonably
would have warranted the commissioner in refusing to issue the license originally.

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V

The Commissioner finds that, by reason of the foregoing, New Millennium has violated California Financial Code sections 50200, 50307, 50326 and 50401 and based thereon, grounds exist to revoke the residential mortgage lender license of New Millennium.

WHEREFORE, IT IS PRAYED that the residential mortgage lender license of New Millennium be revoked and that pursuant to California Financial Code section 50311, New Millennium be given a transition period of sixty (60) days within which to complete any loans for which it had commitments.

Dated: August 1, 2005
Los Angeles, California

WAYNE STRUMPFER
Acting California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel