

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Acting Deputy Commissioner
3 UCHE L. ENENWALI (BAR NO. 235832)
Corporations Counsel
4 320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
5 Telephone: (213) 576-7586 Fax: (213) 576-7181

6 Attorneys for Complainant

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

9 In the Matter of the Accusation of THE CALIFORNIA) Case No.: 413-0750
CORPORATIONS COMMISSIONER,)
10) ACCUSATION
11 Complainant,)
12 vs.)
13 ALLEN MORTGAGE LLC,)
14 Respondent.)
15)

16
17 The Complainant is informed and believes, and based upon such information and belief,
18 alleges and charges Respondent as follows:

19 I.

20 Respondent Allen Mortgage LLC ("ALLEN") is a residential mortgage lender licensed by the
21 California Corporations Commissioner ("Commissioner"), pursuant to the California Residential
22 Mortgage Lending Act (California Financial Code § 50000 et seq.) ("CRMLA"). ALLEN has its
23 principal place of business located at 1675 S. Berry Knoll Boulevard, Centennial Park, Arizona
24 86021.

25 ///

26 ///

27 ///

28

II.

Pursuant to California Financial Code sections 50307 and 50401, and California Code of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Report"); the Report on Non-traditional, Adjustable Rate and Mortgage Loan Products ("Non-traditional Report"); and Non-traditional, Adjustable Rate and Mortgage Loan Survey ("Survey"), on or before March 1st of each year for the preceding 12-month period ended December 31.

On or about February 1, 2008, forms for the Report, Non-traditional Report and Survey were sent to all CRMLA licensees with a notice that the completed Report, Non-traditional Report and Survey were due on or before March 1, 2008. The Report, Non-traditional Report, and Survey along with pertinent instructions are also available on the Department of Corporations' website. To date, ALLEN has not submitted the Report, Non-traditional Report, or Survey to the Commissioner.

On or about May 15, 2008, the Commissioner sent a letter to ALLEN demanding that the Report, Non-traditional Report and Survey be filed no later than 10 days from May 15, 2008, and assessing ALLEN a penalty of \$1,000.00, pursuant to California Financial Code section 50326. ALLEN was notified in the May 15, 2008 letter that failure to file the Report, Non-traditional Report and Survey and/or pay the penalty as demanded would result in an action to either suspend or revoke its license. ALLEN has yet to submit the Report, Non-traditional Report and Survey or pay the penalty as required by California Financial Code sections 50307, 50326, and 50401.

III.

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

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

California Financial Code section 50327 provides in pertinent part:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

(a) The commissioner may, after notice and a reasonable opportunity to be heard, suspend or revoke any license if the commissioner finds that: (1) the licensee has violated any provision of this division or any rule or order 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.

IV.

The Commissioner finds that, by reason of the foregoing, ALLEN has violated California Financial Code sections 50307, 50326, 50401 and California Code of Regulations, title 10, section 1950.314.8 and based thereon, grounds exist to revoke ALLEN’s residential mortgage lender license.

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

Dated: August 11, 2007
Los Angeles, California

PRESTON DUFAUCHARD
California Corporations Commissioner

By: _____
Uche L. Enenwali
Corporations Counsel
Attorneys for Complainant

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 ALAN S. WEINGER
Acting Deputy Commissioner
3 UCHE L. ENENWALI (BAR NO. 235832)
Corporations Counsel
4 320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
5 Telephone: (213) 576-7586 Fax: (213) 576-7181

6 Attorneys for Complainant

7 BEFORE THE DEPARTMENT OF CORPORATIONS

8 OF THE STATE OF CALIFORNIA

9 In the Matter of the Accusation of THE CALIFORNIA) Case No.: 413-0750
CORPORATIONS COMMISSIONER,)

10 Complainant,

) ORDER DISMISSING NOTICE OF
) INTENTION TO ISSUE ORDER
) REVOKING RESIDENTIAL MORTGAGE
) LENDER LICENSE

11 vs.

12 ALLEN MORTGAGE LLC,

13 Respondent.
14
15

16
17 The California Corporations Commissioner (“Commissioner”) finds that:

18 On or about August 19, 2008, the Commissioner received from Allen Mortgage LLC
19 (“ALLEN”) the Report of Principal Amount of Loans Originated and Aggregate Amount of Loans
20 Serviced for the 12 Month Period Ended December 31, 2007; the Report on Nontraditional,
21 Adjustable Rate and Mortgage Loan Products; the Non-traditional, Adjustable Rate and Mortgage
22 Loan Survey and payment of penalties in the amount of \$1,000.00.

23 ///

24 ///

25 ///

26 ///

27 ///

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THEREFORE, GOOD CAUSE APPEARING, the Notice of Intention to Issue Order Revoking Residential Mortgage Lender License and Accusation issued by the Commissioner against ALLEN on August 11, 2008 (inadvertently dated August 11, 2007), is hereby dismissed.

Dated: August 27, 2008
Los Angeles, California

PRESTON DUFAUCHARD
California Corporations Commissioner

By: _____
DiAun M. Burns
Special Administrator
California Residential Mortgage Lending Act

1 PRESTON DUFAUCHARD
2 CALIFORNIA CORPORATIONS COMMISSIONER
3 ALAN S. WEINGER (CA BAR NO. 86717)
4 DEPUTY COMMISSIONER
5 320 WEST 4th Street, Ste. 750
6 LOS ANGELES, CALIFORNIA 90013-1105

7 Attorneys for Complainant

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA

In the Matter of the Order of THE) File No. 413 0750
COMMISSIONER OF CORPORATIONS)
OF THE STATE OF CALIFORNIA,)
Complainant,)
vs.)
ALLEN MORTGAGE LLC,)
Respondent.)

ORDER TO DISCONTINUE RESIDENTIAL MORTGAGE LENDING
AND/OR SERVICING ACTIVITIES PURSUANT TO
SECTION 50319, CALIFORNIA FINANCIAL CODE

TO: ALLEN MORTGAGE LLC
1675 S. BERRY KNOLL BOULEVARD
CENTENNIAL PARK, AZ 86021

THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA
FINDS THAT:

ALLEN MORTGAGE LLC has failed to comply with the bonding requirements of the
California Residential Mortgage Lending Act (California Financial Code Section 50000 et seq.) in
that effective September 2, 2010 Bond No. 34BSBDM7618 issued by HARTFORD FIRE

1 INSURANCE COMPANY in favor of ALLEN MORTGAGE LLC expired and no replacement
2 bond has been obtained.

3
4 Based on the foregoing, Respondent is conducting residential mortgage lending
5 and/or servicing business in violation of Section 50205 of the Financial Code and is conducting
6 business in such an unsafe and injurious manner as to render further operations hazardous to the
7 public or to customers.

8 NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING
9 THEREFORE, it is hereby ORDERED, under the provisions of Section 50319 of the California
10 Financial Code, ALLEN MORTGAGE LLC immediately discontinue the disbursement, in whole
11 or in part, of trust funds held by the licensee and establish a separate trust account for all subsequent
12 trust funds received by the licensee.
13

14
15 THIS ORDER is to remain in full force and effect until further order of the Commissioner.

16 Section 50319 of the Financial Code provides as follows:

17 (a) If the commissioner, as a result of any examination or from any report
18 made to him or her, shall find that any person subject to this division is in an
19 insolvent condition, is conducting business in an unsafe or injurious manner that
20 renders further operations hazardous to the public or to customers, has failed to
21 comply with the provision of Section 50317, has permitted its tangible net worth to
22 be lower than the minimum required by law, or has failed to comply with the
23 bonding requirements of Section 50205, the commissioner may, by an order
24 addressed to and served by registered or certified mail, or by personal service on that
25 person, and on any other person having in his or her possession or control any trust
26 funds or other property deposited in escrow with 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. No person having in his or her possession any of these funds or
documents shall be liable for failure to comply with the order unless he or she has
received written notice of the order. Subject to subdivision (b), the order shall
remain in effect until set aside by the commissioner, or the person has been adjudged
bankrupt.

27 (b) Within 15 days from the date of an order pursuant to subdivision (a), the
28 person may request a hearing under the Administrative Procedure Act (Chapter 5
(commencing with Section 11500) of Part 2 of Division 3 of Title 2 of the
Government Code). Upon receiving a request, the matter shall be set for hearing to
commence within 30 days after the receipt unless the person subject to this division
consents to a later date. If no hearing is requested within 15 days after the mailing or

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

service of the notice and none is ordered by the commissioner, the failure to request a hearing shall constitute a waiver of the right to a hearing. Neither the request for a hearing nor the hearing itself shall stay the order issued by the commissioner under subdivision (a).

DATED: September 2, 2010
Los Angeles, California

Preston DuFauchard
California Corporations Commissioner

By _____
DiAun M. Burns
Special Administrator
California Residential Mortgage Lending Act

1 PRESTON DUFAUCHARD
2 CALIFORNIA CORPORATIONS COMMISSIONER
3 ALAN S. WEINGER (CA BAR NO. 86717)
4 DEPUTY COMMISSIONER
5 320 WEST 4th STREET, SUITE 750
6 LOS ANGELES, CALIFORNIA 90013-1105

7 Attorneys for Complainant

8
9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
11

12 In the Matter of the Accusation of) File No. 4130750
13)
14 THE CALIFORNIA CORPORATIONS)
15 COMMISSIONER,)
16)
17 Complainant,)
18)
19 vs.)
20)
21)
22 ALLEN MORTGAGE LLC , Respondent)
23)
24)
25)
26)
27)
28)

29 ORDER SUMMARILY REVOKING
30 RESIDENTIAL MORTGAGE LENDER AND/OR SERVICER LICENSE

31 THE CALIFORNIA CORPORATIONS COMMISSIONER FINDS THAT:

32 GOOD CAUSE APPEARING, the license issued ALLEN MORTGAGE LLC is hereby
33 revoked for failure to comply with Section 50401 of the California Residential Mortgage Lending Act
34 which requires the payment of an assessment to the Commissioner.
35
36
37
38

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Dated: November 15, 2010
Effective: December 15, 2010
Los Angeles, California

PRESTON DUFAUCHARD
CALIFORNIA CORPORATIONS COMMISSIONER

By _____
DIAUN M. BURNS
Special Administrator
California Residential Mortgage Lending Act