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

12 In the Matter of the Accusation of THE) File No.: 413-0652
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) ACCUSATION
14)
Complainant,)
15)
16 vs.)
17 ALPINE LENDING, LLC,)
18 Respondent.)
19)
20)

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

23 I

24 Respondent Alpine Lending, LLC ("Alpine") is a residential mortgage lender licensed by the
25 California Corporations Commissioner ("Commissioner") pursuant to the California Residential
26 Mortgage Lending Act (California Financial Code § 50000 et seq.) ("CRMLA"). Alpine has its
27 principal place of business located at 2425 East Camelback Road, Tower A, Suite 800, Phoenix,
28 Arizona 85016.

1 II

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

6 On or about January 9, 2006, a Report form was sent to all CRMLA licensees with a notice
7 that the Report was due on March 1, 2006. Alpine has yet to submit the Activity Report to the
8 Commissioner despite numerous reminders.

9 On or about June 16, 2006, a letter was sent to Alpine demanding the Activity Report be filed
10 no later than June 26, 2006, and assessing Alpine a penalty of \$1,000.00 pursuant to California
11 Financial Code section 50326. Alpine was notified in the letter that failure to file to the Activity
12 Report and/or pay the penalty by June 26, 2006 would result in an action to either suspend or revoke
13 its license.

14 On or about July 25, 2006, a further letter was sent to Alpine demanding that the Activity
15 Report and payment of the penalty assessed on June 16, 2006 be submitted no later that August 4,
16 2006 and again notifying Alpine that failure to file to the Activity Report and/or pay the penalty by
17 August 4, 2006 would result in an action to either suspend or revoke its license.

18 Alpine has yet to submit the Activity Report as required by California Financial Code
19 sections 50307 and 50401.

20 III

21 Pursuant to California Financial Code section 50200, Alpine was required to submit its
22 audited financial statement for its fiscal year ended December 31, 2005 (“Audit Report”) to the
23 Commissioner by April 15, 2006. Alpine has yet to file its Audit Report with the Commissioner
24 despite numerous reminders.

25 On or about December 6, 2005, Alpine was notified in writing by the Complainant that its
26 Audit Report was due April 15, 2006. Alpine failed to submit the Audit Report by April 15, 2006.

27 On or about August 10, 2006, a further letter was sent to Alpine demanding the Audit Report
28 be filed no later than August 20, 2006, and assessing Alpine a penalty of \$1,000.00 pursuant to

1 California Financial Code section 50326. Alpine was notified in the letter that failure to file to the
2 Audit Report and/or pay the penalty by August 20, 2006 would result in an action to either suspend
3 or revoke its license.

4 Alpine has yet to file the Audit Report as required by California Financial Code section
5 50200.

6 IV

7 Pursuant to California Financial Code section 50205, all CRMLA licensees are required to
8 maintain a surety bond in the minimum amount of \$50,000.00. The surety bond of Alpine expired
9 on June 22, 2006, and no replacement was obtained by Alpine.

10 On or about June 22, 2006, the Commissioner issued an Order to Discontinue Residential
11 Mortgage Lending and/or Servicing Activities to Alpine pursuant to California Financial Code
12 section 50319 for failure to maintain the required surety bond. This Order was served on Alpine on
13 or about June 22, 2006.

14 Alpine has yet to obtain a replacement surety bond in violation of California Financial Code
15 section 50205.

16 V

17 California Financial Code section 50327 provides in pertinent part:

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

24 VI

25 The Commissioner finds that, by reason of the foregoing, Alpine has violated California
26 Financial Code sections 50200, 50205, 50307, 50326 and 50401 and based thereon, grounds exist to
27 revoke the residential mortgage lender license of Alpine.
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WHEREFORE, IT IS PRAYED that the residential mortgage lender license of Alpine be
revoked and that pursuant to California Financial Code section 50311, Alpine be given a transition
period of sixty (60) days within which to complete any loans for which it had commitments.

Dated: October 4, 2006
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel