

1 DEMETRIOS A. BOUTRIS
California Corporations Commissioner
2 VIRGINIA JO DUNLAP (CA BAR NO. 142221)
Deputy Commissioner
3 ALAN S. WEINGER (CA BAR NO. 86717)
Supervising Counsel
4 JUDY L. HARTLEY (CA BAR NO. 110628)
Senior Corporations Counsel
5 Department of Corporations
320 West 4th Street, Ste. 750
6 Los Angeles, California 90013-2344
Telephone: (213) 576-7604 Fax: (213) 576-7181

7 Attorneys for Complainant
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9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
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12 In the Matter of the Accusation of THE) Case No.: 413-0303
CALIFORNIA CORPORATIONS)
13 COMMISSIONER,) ACCUSATION
14)
Complainant,)
15)
16 vs.)
17 BUSINESS MORTGAGE, INC.,)
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 Business Mortgage, Inc. ("BMI") 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"). BMI has its
27 principal place of business located at 4912 Creekside Drive, Clearwater, Florida 33760.
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II

Pursuant to California Financial Code § 50200, BMI was required to submit its audited financial statement for its fiscal year ended December 31, 2002 (“2002 audit report”) to the Commissioner by April 15, 2003. BMI has yet to file its 2002 audit report with the Commissioner despite numerous reminders.

On or about December 12, 2002, BMI was notified in writing by the Complainant that its 2002 audit report was due April 15, 2003. BMI failed to submit the 2002 audit report by April 15, 2003.

On or about June 6, 2003, a further letter was sent to BMI demanding the 2002 audit report be filed no later than June 16, 2003, and assessing BMI a penalty of \$1,000.00 pursuant to California Financial Code § 50326. BMI was notified in the letter that failure to file to the 2002 audit report and/or pay the penalty by June 16, 2003 would result in an action to either suspend or revoke its license.

On or about June 17, 2003, BMI submitted unaudited financial statements to the Commissioner for the period ended December 31, 2002 along with payment of the \$1,000.00 penalty.

On or about July 18, 2003, BMI was notified that the California Financial Code § 50200 requires submission of audited financial statements, and that the 2002 audit report should be filed within 20 days. MI has yet to submit the 2002 audit report as required by California Financial Code § 50200.

III

California Financial Code § 50327 provides in pertinent part:

- (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 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.

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IV

The Commissioner finds that, by reason of the foregoing, BMI has violated California Financial Code § 50200, and based thereon, grounds exist to revoke the residential mortgage lender license of BMI.

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

Dated: September 9, 2003
Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
Judy L. Hartley
Senior Corporations Counsel