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California Corporations Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

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OF THE STATE OF CALIFORNIA

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In the Matter of the Accusation of THE
12 CALIFORNIA CORPORATIONS
COMMISSIONER,

) File No.: 413-0588

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Complainant,

) **ORDER REVOKING RESIDENTIAL
MORTGAGE LENDER LICENSE**

14

15

v.

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EQUIHOME MORTGAGE CORP.,

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Respondent.

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The California Corporations Commissioner finds:

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1. Respondent Equihome Mortgage Corp. ("Equihome") is a residential mortgage lender
22 licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California
23 Residential Mortgage Lending Act (California Financial Code, § 50000 et seq.) ("CRMLA").

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Equihome has its principal place of business located at 150 Morristown Road, Suite 101,
25 Bernardsville, New Jersey 07924.

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2. Pursuant to California Financial Code sections 50307 and 50401, Equihome is
required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans

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Serviced ("Activity Report") on or before March 1st of each year for the preceding 12-month period

1 ended December 31st.

2 3. On January 19, 2007, an Activity Report form was sent to Equihome with a notice that
3 the Report was due on or before March 1, 2007. Equihome failed to submit the Activity Report by
4 March 1, 2007.

5 4. On May 7, 2007, a letter was sent to Equihome demanding the Activity Report be filed
6 no later than May 17, 2007, and assessing Equihome a penalty of \$1,000.00, pursuant to California
7 Financial Code section 50326. Equihome was notified in the letter that failure to file the Activity
8 Report and/or pay the penalty by May 17, 2007 would result in an action to either suspend or revoke
9 its license.

10 5. On June 27, 2007, a further letter was sent to Equihome demanding that it submit its
11 Activity Report and pay the penalty assessed on May 7, 2007 no later than July 7, 2007 and again
12 notifying Equihome that failure to file the Activity Report and/or pay the penalty by July 7, 2007
13 would result in an action to either suspend or revoke its license.

14 6. Equihome has yet to submit the Activity Report or pay the penalty as required by
15 California Financial Code sections 50307, 50326, and 50401.

16 7. Pursuant to California Financial Code section 50200, subdivision (a), Equihome was
17 required to submit its audited financial statement for fiscal year ended December 31, 2006 ("Audit
18 Report") to the Commissioner by April 15, 2007, including a reconciliation of its trust accounts. In
19 addition, pursuant to the California Code of Regulations, title 10, section 1950.200, Equihome was
20 required to submit an Independent Auditor's Report on Internal Controls ("Report on Internal
21 Controls") on or before April 15, 2007.

22 8. On December 11, 2006, the Complainant notified Equihome in writing that its Audit
23 Report, trust account reconciliation, and Report on Internal Controls were due on or before April 15,
24 2007. Equihome failed to submit the Audit Report, trust account reconciliation, and Report on
25 Internal Controls by April 15, 2007.

26 9. On June 12, 2007, a further letter was sent to Equihome demanding that it file the
27 Audit Report, trust account reconciliation, and Report on Internal Controls no later than June 22,
28 2007. Equihome failed to submit the Audit Report, trust account reconciliation, and Report on

1 Internal Controls.

2 10. On August 2, 2007, a final letter was sent to Equihome demanding that it file the
3 Audit Report, trust account reconciliation, and Report on Internal Controls no later than August 12,
4 2007, and assessing Equihome a penalty of \$1,000.00 pursuant to California Financial Code section
5 50326. Equihome was notified in the letter that failure to file the Audit Report, trust account
6 reconciliation, Report on Internal Controls and/or pay the penalty by August 12, 2006 would result in
7 an action to either suspend or revoke its license.

8 11. Equihome has yet to file the Audit Report, trust account reconciliation, Report on
9 Internal Controls or pay the penalty as required by California Financial Code sections 50200,
10 subdivision (a), 50326, and California Code of Regulations, title 10, section 1950.200.

11 12. Failure to file an activity report, audit report, trust account reconciliation, report on
12 internal controls, and/or pay assessed penalties are grounds under California Financial Code section
13 50327 for the revocation of a license issued under the CRMLA.

14 13. On September 7, 2007, the Commissioner issued a Notice of Intention to Issue Order
15 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against
16 Equihome based upon the above, and Equihome was served with those documents on September 10,
17 2007 via certified mail, return receipt requested, at its licensed location on file with the California
18 Department of Corporations. The Department has received no request for a hearing from Equihome
19 and the time to request a hearing has expired.

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

DATED: September 27, 2007
Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel