

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
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8 Attorneys for Complainant

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

11 In the Matter of the Accusation of THE ) File No.: 413-0897  
12 CALIFORNIA CORPORATIONS )  
COMMISSIONER, )  
13 ) **ACCUSATION**  
Complainant, )  
14 ) California Financial Code §50311  
v. )  
15 )  
16 FLORIDA UNITED MORTGAGE )  
CORPORATION )  
17 )  
18 Respondent. )  
19

20 The Complainant, California Corporations Commissioner ("Commissioner"), is informed and  
21 believes, and based upon such information and belief, alleges and charges Respondent as follows:

22  
23 **I.**

24 Respondent FLORIDA UNITED MORTGAGE CORPORATION ("Florida Mortgage") is a  
25 residential mortgage lender and mortgage loan servicer licensed by the Commissioner pursuant to the  
26 California Residential Mortgage Lending Act (California Financial Code, § 50000 *et seq.*)  
27 ("CRMLA"). Florida Mortgage has its principal place of business located at 1505 SE 40<sup>th</sup> Street,  
28 Cape Coral, FL, 33904.

**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 the following annual reports with the Commissioner: (1) Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report"); (2) Report on Non-traditional, Adjustable Rate and Mortgage Loan Products ("Non-traditional Report"); and (3) Non-traditional, Adjustable Rate and Mortgage Loan Survey ("Survey"). The Activity Report, Non-traditional Report, and Survey must be filed with the Commissioner on or before March 1st of each year for the preceding twelve (12) month period ending December 31.

On or about February 1, 2008, an Activity Report form, Non-traditional Report form and Survey were sent to all CRMLA licensees, including Florida Mortgage, with a notice stating that these reports were due on or before March 1, 2008. The Commissioner assessed a penalty of \$1000.00 for the failure to submit these reports on or about May 15, 2008. To date, Florida Mortgage has not submitted the Activity Report, the Non-traditional Report or the Survey to the Commissioner or paid the assessed penalty.

**III.**

Pursuant to California Financial Code section 50200, all licensees under the CRMLA are required to file audited financial statements ("Audited Report") and an Independent Auditor's Report on Internal Controls ("Report on Internal Controls") with the Commissioner. Florida Mortgage was required to submit its Audited Report and Report of Internal Controls for its fiscal year ending December 31, 2007 to the Commissioner on or before April 15, 2008.

On or about December 17, 2007, a reminder notice was issued to Florida Mortgage reminding Florida Mortgage that these reports were due to be filed with the Commissioner on or before April 15, 2008. Florida Mortgage did not submit the Audited Report or Report of Internal Controls to the Commissioner, despite this reminder notice.

On or about June 4, 2008, a letter was sent to Florida Mortgage demanding that it file the Audit Report and Report on Internal Controls "within ten (10) days of the date of this letter." Florida Mortgage was notified that failure to file the above reports would result in the referral of this matter

1 to the Special Administrator for administrative action that may result in a fine pursuant to Financial  
2 Code section 50326 and a revocation of Florida Mortgage’s license pursuant to Financial Code  
3 section 50326. The Commissioner assessed another penalty of \$1000.00 for the failure to submit  
4 these reports on or about August 1, 2008.

5 Florida Mortgage failed to submit the Audit Report and Report on Internal Controls. To date,  
6 Florida Mortgage has yet to file these reports or pay any of the assessed penalties.

7 **IV.**

8 California Financial Code section 50327 provides in pertinent part:

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

14 **V.**

15 The Commissioner finds that, by reason of the foregoing, Florida Mortgage has violated  
16 California Financial Code sections 50200, 50307, 50326, 50401 and California Code of Regulations,  
17 title 10, section 1950.314.8, and based thereon, grounds exist to revoke Florida Mortgage’s license as  
18 a residential mortgage lender and mortgage loan servicer.

19 WHEREFORE, IT IS PRAYED that the residential mortgage lender and mortgage loan  
20 servicer license of FLORIDA UNITED MORTGAGE CORPORATION be revoked and, pursuant to  
21 Financial Code section 50311, FLORIDA UNITED MORTGAGE CORPORATION be given a  
22 transition period of sixty (60) days within which to complete any loans for which it had prior  
23 commitments.

24 DATED: September 24, 2008 PRESTON DuFAUCHARD  
Sacramento, CA California Corporations Commissioner

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26  
27 By \_\_\_\_\_  
Marisa I. Urteaga-Watkins  
28 Corporations Counsel