

1 WAYNE STRUMPFER  
Acting California Corporations Commissioner  
2 ALAN S. WEINGER (CA BAR NO. 86717)  
Acting Deputy Commissioner  
3 JUDY L. HARTLEY (CA BAR NO. 110628)  
Senior Corporations Counsel  
4 Department of Corporations  
320 West 4<sup>th</sup> Street, Ste. 750  
5 Los Angeles, California 90013-2344  
Telephone: (213) 576-7604 Fax: (213) 576-7181

6 Attorneys for Complainant  
7

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

10  
11 In the Matter of the Accusation of THE ) Case No.: 413-0386  
CALIFORNIA CORPORATIONS )  
12 COMMISSIONER, ) ACCUSATION  
13 )  
Complainant, )  
14 )  
15 vs. )  
16 PREMIER MORTGAGE GROUP, LLC, )  
17 Respondent. )  
18 )  
19 )

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

22 I

23 Respondent Premier Mortgage Group, LLC ("Premier") is a residential mortgage lender  
24 licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California  
25 Residential Mortgage Lending Act (California Financial Code § 50000 et seq.) ("CRMLA").  
26 Premier has its principal place of business located at 7550 Lucerne Drive, Suite 204, Middleburg  
27 Heights, Ohio 44130.  
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

## II

Pursuant to California Financial Code section 50200, Premier was required to submit its audited financial statement for its fiscal year ended December 31, 2004 (“2004 audit report”) to the Commissioner by April 15, 2005. Premier has yet to file its 2004 audit report with the Commissioner despite numerous reminders.

On or about December 13, 2004, the Commissioner notified Premier in writing that its 2004 audit report was due April 15, 2005. Premier failed to submit the 2004 audit report by April 15, 2005.

On or about July 7, 2005, Premier was sent a further letter demanding that the 2004 audit report be filed no later than July 17, 2005, and assessing Premier a penalty of \$1,000.00 pursuant to California Financial Code section 50326. Premier was notified in the letter that failure to file the 2004 audit report and/or pay the penalty by July 17, 2005 would result in an action to either suspend or revoke its license. The July 7, 2005 letter was returned undelivered by the United States Post Office on or about July 19, 2005 for the reasons that Premier moved and left no forwarding address. Premier has not filed an address change with the Commissioner as required by California Financial Code section 50124.

Premier has yet to file the 2004 audit report or pay penalties as required by California Financial Code sections 50200 and 50326.

## III

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

On or about January 18, 2005, a loan report form was sent to all CRMLA licensees with a notice that the loan report was due on March 1, 2005. Premier failed to submit the loan report by the March 1, 2005 deadline.

On or about March 16, 2005, a follow up letter was sent to Premier demanding the loan report be filed no later than March 26, 2005, and assessing Premier a penalty of \$1,000.00 pursuant

1 to California Financial Code section 50326. Premier was notified in the letter that failure to file the  
2 loan report and/or pay the penalty by March 26, 2005 would result in an action to either suspend or  
3 revoke its license. The March 16, 2005 letter was returned undelivered by the United States Post  
4 Office on or about March 29, 2005 for the reasons that Premier moved and left no forwarding  
5 address. Premier has not filed an address change with the Commissioner as required by California  
6 Financial Code section 50124.

7 On or about May 12, 2005, a further letter was sent to Premier demanding the loan report and  
8 the \$1,000 penalty be filed no later than May 22, 2005. Premier was again notified in the letter that  
9 failure to file the loan report and/or pay the penalty by May 22, 2005 would result in an action to  
10 either suspend or revoke its license. The May 12, 2005 letter was returned undelivered by the  
11 United States Post Office on or about May 24, 2005 for the reasons that Premier moved and left no  
12 forwarding address.

13 Premier has yet to submit the loan report or pay the penalty as required by California  
14 Financial Code sections 50307, 50401 and 50326.

15 IV

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

17 If any licensee fails to do any of the following, the licensee shall forfeit to  
18 the people of the state a sum of up to one hundred dollars (\$100) for every  
19 day up to the tenth day: (a) to make any report required by law or by the  
20 commissioner within 10 days from the day designated for the making of the  
21 report, or within any extension of time granted by the commissioner . . . .

22 Thereafter, any failure shall constitute grounds for the suspension or revocation  
23 of the license held by the residential mortgage lender or residential  
24 mortgage loan servicer.

25 California Financial Code section 50327 provides in pertinent part:

26 (a) The commissioner may, after notice and a reasonable opportunity to  
27 be heard, suspend or revoke any license if the commissioner finds that:  
28 (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.

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

V

The Commissioner finds that, by reason of the foregoing, Premier has violated California Financial Code sections 50200, 50307, 50326 and 50401 and based thereon, grounds exist to revoke the residential mortgage lender license of Premier.

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

Dated: August 1, 2005  
Los Angeles, California

WAYNE STRUMPFER  
Acting California Corporations Commissioner

By \_\_\_\_\_  
Judy L. Hartley  
Senior Corporations Counsel