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9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
10 OF THE STATE OF CALIFORNIA

12 In the Matter of:) CRMLA License No.: 413-1047
)
13 THE COMMISSIONER OF BUSINESS) ORDER TO DISCONTINUE
14 OVERSIGHT,) VIOLATIONS PURSUANT TO
) FINANCIAL CODE SECTION 50321
15 Complainant,)
)
16 v.)
)
17 UNION HOME MORTGAGE)
18 CORPORATION,)
)
19 Respondent.)
)
20)
)

21
22 TO: UNION HOME MORTGAGE CORPORATION
8241 Dow Circle W
23 Strongsville, Ohio 44136

24 The Commissioner of Business Oversight (“Commissioner”) finds that: Union Home
25 Mortgage Corporation (“UHMC” or “Respondent”), has willfully engaged in the following
26 activity¹: UHMC did not maintain sufficient funds in trust account(s). On January 31, 2014,
27

28 ¹ On or about February 24, 2014, the Department commenced a duly noticed regulatory examination of the books and records of Respondent at UHMC Ontario office location, pursuant to the CRMLA (“Examination”). The aforementioned findings were discovered during that duly noticed Examination.

1 UHMC experienced a trust shortage of \$15,258.11. UHMC financial statements, bank accounts
2 and liability ledgers noted a \$12,002.88 and then a \$3,255.23 shortage totaling \$15,258.11 in its
3 “Huntington Bank Real Estate” trust account. Also, it was disclosed that UHMC experienced a
4 trust overage in another trust account of \$155,461.01 on January 31, 2014. UHMC bank
5 information revealed that, as of January 31, 2014, UHMC’s “Huntington Servicers Escrow” trust
6 account was overfunded by \$155,461.01. Moreover, an examination of UHMC’s escrow liability
7 subsidiary ledgers disclosed that UHMC did not reconcile its escrow liability ledgers to UHMC’s
8 control account at least one time each week. Finally, an examination of the UHMC’s trial balance
9 and general ledger for both trust asset and trust liability accounts disclosed that UHMC also did not
10 reconcile its escrow liability ledgers to bank statement balances at least one time each month.

11 By reason of the foregoing, Union Home Mortgage Corporation did not maintain sufficient
12 funds in trust account(s) and did not reconcile its escrow liability ledgers in violation of Financial
13 Code section 50202, and California Code of Regulations, title 10, sections 1950.314 and 1950.314.6.

14 NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING,

15 It is hereby ORDERED under Financial Code section 50321, that Union Home Mortgage
16 Corporation immediately discontinue violating the Residential Mortgage Lending Act (“CRMLA”),
17 including, but not limited to Financial Code section 50202, and California Code of Regulations, title
18 10, sections 1950.314 and 1950.314.6. This Order is necessary for the protection of consumers and
19 consistent with the purposes, policies and provisions of the CRMLA. This Order shall remain in full
20 force and effect until further order of the Commissioner.

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22 Dated: July 24, 2015

JAN LYNN OWEN
Commissioner of Business Oversight

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24
25 By _____
26 MARY ANN SMITH
27 Deputy Commissioner
28 Enforcement Division