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8 Attorneys for Complainant  
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10 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
11 OF THE STATE OF CALIFORNIA  
12

13	In the Matter of:	)	CRMLA LICENSE NO.: 413-0945
14	THE COMMISSIONER OF BUSINESS	)	
15	OVERSIGHT,	)	CONSENT ORDER
16	Complainant,	)	
17	v.	)	
18	URBAN FULFILLMENT SERVICES, LLC,	)	
19	FORMERLY KNOWN AS PRODOVIS	)	
20	MORTGAGE, LLC,	)	
	Respondent.	)	

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22 Respondent Urban Fulfillment Services, LLC, formerly known as Prodovis Mortgage, LLC  
23 (Urban Fulfillment), and Complainant, the Commissioner of Business Oversight (Commissioner)  
24 (hereafter, the Parties), enter this Consent Order based on the following facts.

25 **Recitals**

26 A. Urban Fulfillment is a residential mortgage servicer licensed by the Commissioner  
27 pursuant to the California Residential Mortgage Lending Act (CRMLA) (Financial Code section  
28 §50000 et seq.).

1 B. Urban Fulfillment has its principal place of business located at 8744 Lucent  
2 Boulevard, Second Floor, Highlands Ranch, Colorado 80129.

3 C. Under Financial Code section 50002, it is unlawful to engage in the business of  
4 making residential mortgage loans without first obtaining a license from the Commissioner.

5 D. Urban Fulfillment's annual reports for calendar years 2013 through 2015 reveal that it  
6 had engaged in the business of making residential mortgage loans by processing and underwriting  
7 22,799 loans without first obtaining a lender license from the Commissioner in accordance with the  
8 requirements of the CRMLA, in violation of Financial Code section 50002.

9 E. Pursuant to Financial Code section 50201, subdivision (a), all licensees under the  
10 CRMLA are required to maintain a minimum tangible net worth of \$250,000.00 at all times.

11 F. Urban Fulfillment's consolidated financial statement for December 31, 2016 shows a  
12 negative tangible net worth of \$4,297,604.00. Urban Fulfillment failed to meet the tangible net worth  
13 requirements, in violation of Financial Code section 50201, subdivision (a).

14 It is the intention and desire of the Parties to resolve these matters without the necessity of a  
15 hearing and/or other litigation.

16 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set  
17 forth herein, the Parties agree as follows:

18 **Terms and Conditions**

19 1. Purpose. The purpose of this Consent Order is to resolve the issues described above in  
20 a manner that avoids the expense of a hearing and possible further court proceedings, is in the public  
21 interest, protects consumers, and is consistent with the purposes, policies, and provisions of the  
22 CRMLA.

23 2. Order to Discontinue Violations. Urban Fulfillment agrees to the issuance of an Order  
24 to Discontinue Violations, pursuant to Financial Code section 50321, attached as Exhibit A.  
25 Urban Fulfillment agrees to comply with the Commissioner's Order to Discontinue Violations, and  
26 further, stipulates that the Order to Discontinue Violations is hereby deemed a final and enforceable  
27 order issued pursuant to the Commissioner's authority under Financial Code section 50321.

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1           3.       Payment of Penalties. Urban Fulfillment shall pay \$10,000.00 due within 15 days of  
2 the Effective Date of this Consent Order. The payment shall be made in the form of a cashier’s check  
3 or Automated Clearing House deposit to the “Department of Business Oversight,” and transmitted to  
4 the attention of: Accounting - Litigation, at the Department of Business Oversight located at 1515 K  
5 Street, Suite 200, Sacramento, California 95814. Notice of all payments shall be sent concurrently to  
6 Afsaneh Eghbaldari, Counsel, Enforcement Division, at Department of Business Oversight located at  
7 1350 Front Street, Room 2034, San Diego, California 92101. In the event the payment due date falls  
8 on a weekend or holiday, the payment shall be due the next business day.

9           4.       Compliance with Tangible Net Worth. Urban Fulfillment agrees to submit unaudited  
10 financial statements as of November 30, 2017, December 31, 2017, and January 31, 2018 signed and  
11 certified by Urban Fulfillment’s President, Chief Financial Officer, or Chief Operating Officer  
12 showing compliance with the tangible net worth requirements of Financial Code section 50201. The  
13 signed and certified unaudited financial statements must be submitted as follows:

14           a.       The unaudited financial statements as of November 30, 2017, and December 31, 2017  
15 shall be submitted to the Commissioner no later than 15 days after the Effective Date of this Consent  
16 Order;

17           b.       The unaudited financial statement as of January 31, 2018 shall be submitted to the  
18 Commissioner no later than February 15, 2018; and

19           c.       The signed and certified unaudited financial statements shall be sent to Afsaneh  
20 Eghbaldari, Counsel, Enforcement Division, Department of Business Oversight, at  
21 [affi.eghbaldari@dbo.ca.gov](mailto:affi.eghbaldari@dbo.ca.gov).

22           5.       Effect of Consent Order on License. In consideration of Urban Fulfillment’s  
23 agreement to the issuance of the Order to Discontinue Violations, payment of administrative  
24 penalties, and submission of financial statements showing compliance with the tangible net worth  
25 requirements as provided for in paragraphs 2, 3, and 4 above, the Commissioner hereby agrees to  
26 issue a license to Urban Fulfillment to engage in the business of making residential mortgage loans,  
27 in California.

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1           6.       Failure to Comply. Urban Fulfillment agrees that if it fails to comply with any of the  
2 terms of this Consent Order, the Commissioner may, in her discretion, revoke Urban Fulfillment's  
3 residential mortgage servicer license.

4           7.       Waiver of Hearing Rights. Urban Fulfillment acknowledges its right to an  
5 administrative hearing under the CRMLA in connection with the Order to Discontinue Violations,  
6 and the revocation of its residential mortgage service license in case of its failure to comply with the  
7 terms of this Consent Order, and hereby waives its right to a hearing on the Order to Discontinue  
8 Violations, and to contest the immediate revocation of its residential mortgage servicer license, and to  
9 any reconsideration, appeal, or other right which may be afforded under the CRMLA (Fin. Code, §  
10 5000 et seq.); the Administrative Procedure Act (Govt. Code, § 11370 et seq.); the Code of Civil  
11 Procedure (Code of Civ. Proc., § 1, et seq.) or any other provision of law.

12           8.       Voluntary Agreement. Urban Fulfillment enters into this Consent Order voluntarily  
13 and without coercion, and acknowledges that no promises, threats, or assurances have been made by  
14 the Commissioner or any officer, or agent thereof, about this Consent Order.

15           9.       Full and Final Settlement and Release. The Parties hereby acknowledge and agree  
16 that this Consent Order is intended to constitute a full, final, and complete resolution of the violations  
17 of the CRMLA, identified in paragraphs D and F, above, and through the effective date of this  
18 Consent Order (hereafter, Released Matters). No further proceedings or actions will be brought by the  
19 Commissioner in connection with the Released Matters, except an action to revoke Urban  
20 Fulfillment's residential mortgage servicer license to enforce compliance with the terms of this  
21 Consent Order, as specified in paragraph 6. Notwithstanding this paragraph, the Commissioner may  
22 commence a proceeding or action based upon any violation which Urban Fulfillment knowingly  
23 concealed from the Commissioner. With respect to any further allegations or actions, Urban  
24 Fulfillment reserves all rights under applicable law, unless otherwise waived in this Consent Order.  
25 The Parties further acknowledge and agree that nothing contained in this Consent Order shall operate  
26 to limit the Commissioner's ability to assist any other agency (city, county, state or federal) with any  
27 prosecution, administrative, civil or criminal, brought by any such agency against Urban Fulfillment  
28 based upon any of the activities alleged in these matters or otherwise.

1           10.    Independent Legal Advice. Each of the Parties represents and warrants that they have  
2 received independent advice from their attorneys and/or other representatives with respect to the  
3 advisability of executing this Consent Order.

4           11.    No Other Representation. Each of the Parties represents, warrants, and agrees that in  
5 executing this Consent Order they have relied solely on the statements set forth in this Consent Order  
6 and the advice of their own attorneys and/or representatives. Each of the Parties represents, warrants,  
7 and agrees that in executing this Consent Order they have placed no reliance on any statement,  
8 representation, or promise of any other party, or any person or entity not expressly set forth herein, or  
9 upon the failure of any party or any other person or entity to make any statement, representation, or  
10 disclosure of anything whatsoever. The Parties have included this clause: (1) to preclude any claim  
11 that any party was in any way fraudulently induced to execute this Consent Order; and (2) to preclude  
12 the introduction of parol evidence to vary, interpret, supplement, or contradict the terms of this  
13 Consent Order.

14           12.    Modifications and Qualified Integration. No amendment, change or modification of  
15 this Consent Order shall be valid or binding to any extent unless it is in writing and signed by all the  
16 Parties affected by it.

17           13.    Full Integration. This Consent Order is the final written expression and the complete  
18 and exclusive statement of all stipulations, agreements, conditions, promises, representations, and  
19 covenants between the Parties with respect to the matter hereof, and supersedes all prior or  
20 contemporaneous agreements, discussions, negotiations, representations, and understandings between  
21 and among the Parties, their respective representatives, and any other person or entity, with respect to  
22 the subject matter covered in this Consent Order.

23           14.    Presumption from Drafting. In that the Parties have had the opportunity to draft,  
24 review and edit the language of this Consent Order, no presumption for or against any party arising  
25 out of drafting all or any part of this Consent Order will be applied in any action relating to,  
26 connected to, or involving this Consent Order. Accordingly, the Parties waive the benefit of Civil  
27 Code section 1654 and any successor or amended statute, providing that in cases of uncertainty,  
28 language of a contract should be interpreted most strongly against the party who caused the

1 uncertainty to exist.

2 15. Waiver. The waiver of any provision of this Consent Order shall not operate to waive  
3 any other provision set forth herein, and any waiver, amendment and/or change to the terms of this  
4 Consent Order must be in writing and signed by the Parties.

5 16. Counterparts. This Consent Order may be executed in any number of counter parts by  
6 the Parties, and when each party has signed and delivered at least one such counterpart to the other  
7 party, each counterpart shall be deemed an original, and taken together shall constitute one and the  
8 same Consent Order.

9 17. Signatures. This Consent Order may be executed by facsimile or scanned signature,  
10 and any such facsimile or scanned signature by any party hereto shall be deemed to be an original  
11 signature and shall be binding on such party to the same extent as if such facsimile or scanned  
12 signature were an original signature.

13 18. Governing Law. This Consent Order shall be construed and enforced in accordance  
14 with and governed by California law.

15 19. Effective Date. This Consent Order shall not become effective until signed by all  
16 Parties and delivered by the Commissioner’s counsel by email at [affi.eghbaldari@dbo.ca.gov](mailto:affi.eghbaldari@dbo.ca.gov).

17 20. Public Record. Urban Fulfillment acknowledges that this Consent Order is a public  
18 record.

19 21. Authority to Execute. Each signatory hereto covenants that he/she possesses all  
20 necessary capacity and authority to sign and enter into this Consent Order.

21 Dated: February 5, 2018

JAN LYNN OWEN  
Commissioner of Business Oversight

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24 By: \_\_\_\_\_  
Mary Ann Smith  
Deputy Commissioner  
Enforcement Division

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URBAN FULFILLMENT SERVICES, LLC,  
FORMERLY KNOWN AS PRODOVIS MORTGAGE,  
LLC

Dated: February 2, 2018

By: \_\_\_\_\_  
Raghavan Veera Sesa Kidambi  
President of Urban Fulfillment Services, LLC

APPROVED AS TO FORM:

By \_\_\_\_\_  
Lydia Holzman, Esq.  
Attorney for Urban Fulfillment Services, LLC