

1 PRESTON DUFAUCHARD
California Corporations Commissioner
2 MICHAEL L. PINKERTON
Deputy Commissioner
3 ALAN S. WEINGER
Lead Corporations Counsel
4 BRENT LINDGREN (BAR NO. 170360)
Senior Corporations Counsel
5 1515 K Street, Suite 200
Sacramento, California 95814
6 Telephone: (916) 322-8778 Fax: (916) 445-6985

7 Attorneys for Complainant

8

9

BEFORE THE DEPARTMENT OF CORPORATIONS

10

OF THE STATE OF CALIFORNIA

11

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

) File No.: 417-0034

13

Complainant,

) **ORDER REVOKING RESIDENTIAL
MORTGAGE LENDER LICENSE**

14

15

v.

16

17 WILSON RESOURCES, INC., DBA WR
LENDING, DBA EAGLE MORTGAGE,

18

Respondent.

19

20

The California Corporations Commissioner finds:

21

22 1. Respondent Wilson Resources, Inc., dba WR Lending, dba Eagle Mortgage ("Wilson
23 Resources") is a residential mortgage lender licensed by the California Corporations Commissioner
24 ("Commissioner") pursuant to the California Residential Mortgage Lending Act (California Financial
25 Code, § 50000, *et seq.*) ("CRMLA"). Wilson Resources has its principal places of business located at
26 9748 Wexford Circle, Granite Bay, CA 95746, and 5905 Granite Lake Drive, Granite Bay, CA
27 95746, and 3005 Douglas Boulevard, Suite 100, Roseville, CA 95661.

28

1 2. Pursuant to California Financial Code sections 50307 and 50401 and California Code
2 of Regulations, title 10, section 1950.314.8, Wilson Resources is required to file an annual (1) Report
3 of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report"), (2)
4 Report on Non-traditional, Adjustable Rate and Mortgage Loan Products ("Non-traditional Report"),
5 and (3) Non-traditional, Adjustable Rate and Mortgage Loan Survey ("Survey") on or before March
6 1st of each year for the preceding 12-month period ended December 31.

7 3. On February 1, 2008, an Activity Report form, Non-traditional Report form and
8 Survey were sent to Wilson Resources with a notice that the Report was due on or before March 1,
9 2008. Wilson Resources has not yet submitted the Activity Report, the Non-traditional Report or
10 the Survey to the Commissioner.

11 4. On May 15, 2008, a letter was sent to Wilson Resources demanding that the Activity
12 Report be filed "no later than 10 days from the date of this letter," and assessing Wilson Resources a
13 penalty of \$1,000.00, pursuant to California Financial Code section 50326. Wilson Resources was
14 notified in the letter that failure to file the Activity Report, the Non-traditional Report or pay the
15 penalty would result in an action to either suspend or revoke its license.

16 5. Wilson Resources has yet to submit the Activity Report, Non-traditional Report,
17 Survey or pay the penalty as required by California Financial Code sections 50307, 50326, 50401,
18 and California Code of Regulations, title 10, section 1950.314.8.

19 6. Pursuant to California Financial Code section 50200, Wilson Resources was required
20 to submit its audited financial statement for fiscal year ended December 31, 2007 ("Audit Report") to
21 the Commissioner by April 15, 2008, including a reconciliation of its trust accounts and an
22 Independent Auditor's Report on Internal Controls ("Report on Internal Controls") pursuant to the
23 California Code of Regulations, title 10, section 1950.200.

24 7. On December 17, 2007, the Commissioner notified Wilson Resources in writing that
25 its Audit Report, trust account reconciliation, and Report on Internal Controls were due on or before
26 April 15, 2008. Wilson Resources was advised in the letter that failure to timely file these reports
27 might "result in fines in accordance with Financial Code section 50326, an immediate examination by
28

1 the Commissioner in accordance with Financial Code section 50307, and/or revocation of the
2 license.”

3 8. On June 4, 2008, a further letter was sent to Wilson Resources demanding that it file
4 the Audit Report, trust account reconciliation, and Report on Internal Controls “within ten (10) days
5 of the date of this letter.” Wilson Resources failed to submit the Audit Report, trust account
6 reconciliation, Report on Internal Controls, or respond to the letter.

7 9. On August 1, 2008, a final letter was sent to Wilson Resources demanding that it file
8 the Audit Report, trust account reconciliation, and Report on Internal Controls “no later than 10 days
9 from the date of this letter,” and assessing Wilson Resources a penalty of \$1,000.00 pursuant to
10 California Financial Code section 50326. Wilson Resources was notified in the letter that failure to
11 file the Audit Report, trust account reconciliation, Report on Internal Controls and/or pay the penalty
12 would result in an action to either suspend or revoke its license pursuant to California Financial Code
13 section 50327.

14 10. Wilson Resources has yet to file the Audit Report, trust account reconciliation, Report
15 on Internal Controls or pay the penalty as required by California Financial Code sections 50200,
16 50326, and California Code of Regulations, title 10, section 1950.200.

17 11. California Financial Code section 50205(a) states that “[a] licensee shall maintain a
18 surety bond in accordance with this subdivision.” Wilson Resources has failed to maintain its surety
19 bond as required. On October 5, 2007, the Department received a Notice of Cancellation of Wilson
20 Resources’ surety bond from Hartford Fire Insurance Company. The date of cancellation stated on
21 the Notice of Cancellation was November 7, 2007.

22 12. California Financial Code section 50319 provides in pertinent part:

23
24 (a) If the commissioner, as a result of any examination or from any report
25 made to him or her, shall find that any person subject to this division....
26 has failed to comply with the bonding requirements of Section 50205, the
27 commissioner may, by an order addressed to and served by registered or
28 certified mail, or by personal service on that person...., direct
discontinuance of the disbursement, in whole or in part, of trust funds held
by the licensee and order the establishment of a separate trust account for
all subsequent trust funds received by the licensee.

1 On November 7, 2007, an Order was issued pursuant to section 50319. To date, the surety
2 bond has not been reinstated or replaced, and the order remains in effect.

3 13. Failure to file an activity report, audit report, trust account reconciliation, report on
4 internal controls, maintain a surety bond, and pay assessed penalties are grounds under California
5 Financial Code section 50327 for the revocation of a license issued under the CRMLA.

6 14. On October 22, 2008, the Commissioner issued a Notice of Intention to Issue Order
7 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against
8 Wilson Resources based upon the above, and Wilson Resources was served with those documents on
9 October 23, 2008 via certified mail, return receipt requested, at its licensed location on file with the
10 California Department of Corporations. The Department has received no request for a hearing from
11 Wilson Resources and the time to request a hearing has expired.

12 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
13 mortgage lender license issued by the Commissioner to Wilson Resources Inc., dba WR Lending, dba
14 Eagle Mortgage, is hereby revoked. This order is effective as of the date hereof. Pursuant to
15 California Financial Code section 50311, Wilson Resources Inc., dba WR Lending, dba Eagle
16 Mortgage, has sixty (60) days within which to complete any loans for which it had commitments.

17 DATED: December 22, 2008
18 Sacramento, CA

19 PRESTON DuFAUCHARD
20 California Corporations Commissioner

21
22 By _____
23 Alan S. Weinger
24 Lead Corporations Counsel