

1 2. AIM is a residential mortgage lender licensed pursuant to the CRMLA by the
2 Commissioner since June 16, 2015, under the license number 41DBO-42471. AIM is also licensed
3 under the California Financing Law as a lender and broker since February October 29, 1999, under
4 the license number 6036965. AIM employs mortgage loan originators. AIM’s principal place of
5 business is located at 4 Park Plaza, Suite 650, Irvine, California 92614.

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

8 Financial Code section 50003, subdivision (g), defines “Engage in the business” as:

9 [T]he dissemination to the public, or any part of the public, by means of
10 written, printed, or electronic communication or any communication by
11 means of recorded telephone messages or spoken on radio, television...or
12 similar communications media, of any information relating to the making
13 of residential mortgage loans, the servicing of residential mortgage loans,
or both. “Engage in the business” also means, without limitation, making
residential mortgage loans or servicing residential mortgage loans, or both.

14 4. Financial Code section 50003, subdivision (q), defines “mortgage servicer” or
15 “residential mortgage loan servicer” as “[A] person that (1) is an approved servicer for the Federal
16 Housing Administration . . . and (2) directly services or offers to service mortgage loans.”

17 5. Financial Code section 50003, subdivision (x), defines “service” or “servicing” to
18 include:

19 [R]eceiving more than three installment payments of principal, interest,
20 or other amounts placed in escrow, pursuant to the terms of a mortgage
21 loan and performing services by a licensee relating to that receipt or the
22 . . . enforcement of its receipt, on behalf of the holder of the note evidencing
that loan.

23 6. On February 17, 2017, AIM submitted its 2016 CRMLA annual report through the
24 Nationwide Mortgage Licensing System (NMLS), which disclosed it had engaged in the business of
25 master loan servicing without having separately adding servicing authority to its existing CRMLA
26 license in violation of Financial Code section 50002. AIM’s 2016 annual report revealed AIM had
27 been servicing loans since at least May 2016 and had serviced at least three loans as of December
28 2016.

1 7. On June 20, 2018, AIM submitted its 2017 annual report through the NMLS. AIM's
2 2017 annual report showed it continued to service loans without a license from the Commissioner
3 for the entire year of 2017 and that it had serviced at least 96 as of December 2017.

4 8. On August 13, 2018, AIM submitted its Mortgage Call Report for the second quarter
5 in 2018 through the NMLS. The Mortgage Call Report for the second quarter AIM submitted
6 showed AIM was servicing 96 loans through a third-party sub-servicer as of June 30, 2018.

7 9. On or about October 10, 2018, the Commissioner notified AIM, through the NMLS,
8 that it had engaged in residential mortgage loan servicing without a license by posting the following
9 item:

10 The company's 2016 and 2017 CRMLA Annual Reports indicated that the
11 company performed servicing activities since May 2016. The company is
12 licensed as a lender only. Please submit an amendment for a change in license
13 authority to add servicing authority; please go to NMLS for the Amendment
14 checklist. Company must submit the requirements no later than 10/19/18. The
15 Company must contact the DBO immediately if it does not meet the
16 requirements by 10/19/18. For questions and notifications, email
17 CRMLA.Inquiries@dbo.ca.gov with subject, "American Interbank Mortgage,
18 LLC. (2043) CRMLA lic#41DBO-42471."

19 10. On October 19, 2018, AIM submitted, via e-mail, its application to add servicing
20 authority to its CRMLA lenders license.

21 11. On or about November 30, 2018, AIM provided to the Commissioner, a copy of
22 FNMA servicer approval and on November 30, 2018, the Commissioner requested, through the
23 NMLS, that AIM provide additional documentation evidencing its current federal approval status.

24 12. On or about January 11, 2019, AIM submitted, via NMLS, an approval letter dated
25 December 17, 2018, confirming that as of December 17, 2018, AIM "... is an approved Fannie Mae
26 seller-servicer...."

27 13. AIM's residential mortgage loan servicer application is currently under review by the
28 Commissioner as of the date of this pleading.

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II.

Applicable Statutes

14. Financial Code section 50002, subdivision (a), provides:

No person shall engage in the business of making residential mortgage loans or servicing residential mortgage loans, in this state, without first obtaining a license from the commissioner in accordance with the requirements of Chapter 2 (commencing with Section 50120) or Chapter 3 (commencing with Section 50130), and any rules promulgated by the commissioner under this law, unless a person or transaction is excepted from a definition or exempt from licensure by a provision of this law or a rule of the commissioner.

15. Financial Code section 50513 provides in pertinent part:

(a) The commissioner may do one or more of the following:

(4) Impose fines on a mortgage loan originator or any residential mortgage lender or servicer licensee employing a mortgage loan originator pursuant to subdivisions (b), (c), and (d).

(b) The commissioner may impose a civil penalty on a mortgage loan originator or any residential mortgage lender or servicer licensee employing a mortgage loan originator, if the commissioner finds, on the record after notice and opportunity for hearing, that the mortgage loan originator or any residential mortgage lender or servicer licensee employing a mortgage loan originator has violated or failed to comply with any requirement of this division or any regulation prescribed by the commissioner under this division or order issued under authority of this division.

(c) The maximum amount of penalty for each act or omission described in subdivision (b) shall be twenty-five thousand dollars (\$25,000).

(d) Each violation or failure to comply with any directive or order of the commissioner is a separate and distinct violation or failure.

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III.

Conclusion

AIM’s 2016 and 2017 annual reports disclosed that since at least May 2016, AIM has been conducting servicing activities without first obtaining a license from the Commissioner in violation of Financial Code section 50002 (a). AIM’s 2016 and 2017 annual reports show that AIM serviced at least three loans as at December 2016; and at least 96 loans as at December 2017.

IV.

Prayer

The Commissioner finds that, by reason of the foregoing, AIM has violated Financial Code sections 50002, subdivision (a), and based thereon, grounds exist to assess penalties against AIM under Financial Code section 50513, subdivision (b).

WHEREFORE, IT IS PRAYED that: Under Financial Code section 50513, subdivision (b), penalties be levied against American Interbanc Mortgage, LLC for at least 99 violations of Financial Code section 50002, subdivision (a), engaging in unlicensed loan servicing activities, according to proof, but in an amount of at least \$500.00 per violation.

Dated: February 1, 2019

JAN LYNN OWEN

Commissioner of Business Oversight

By _____
UCHE L. ENENWALI
Senior Counsel
Enforcement Division