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12 Attorneys for Complainant

13 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
14 OF THE STATE OF CALIFORNIA

15 In the Matter of:) CRMLA LICENSE NO.: 413-1265
16)
17 THE COMMISSIONER OF BUSINESS)
18 OVERSIGHT,)
19 Complainant,) ORDER REVOKING RESIDENTIAL
20) MORTGAGE LENDER LICENSE
21 v.) PURSUANT TO FINANCIAL CODE
22) SECTION 50327
23 MCS MORTGAGE BANKERS, INC.)
24 (also known as HOME AMERICA LENDING)
25 CORP.),)
26)
27 Respondent.)
28)

29 The Complainant, the Commissioner of Business Oversight (Commissioner) of the
30 Department of Business Oversight (Department), finds that:

- 31 1. At all relevant times, MCS Mortgage Bankers, Inc. (MCS Mortgage) was a
32 residential mortgage lender originally licensed on March 10, 2014, by the Commissioner pursuant to
33 the California Residential Mortgage Lending Act (CRMLA) as set forth in Financial Code section
34 50000 et seq.
35 2. On May 9, 2018, MCS Mortgage notified the Department that it had changed its
36 name to Home America Lending Corp. (Home America) in June 2017. However, the Department did

1 not approve this name change.

2 3. At all relevant times, MCS Mortgage’s and Home America’s principal place of
3 business was located at: 20 Oak Street, Patchogue, New York 11772.

4 4. On January 13, 2018, the Department commenced a regulatory examination of MCS
5 Mortgage’s books and records (2018 examination).

6 5. The 2018 examination revealed that MCS Mortgage violated Financial Code section
7 50204, subdivision (e) by obtaining agreements or other instruments in which blanks were left to be
8 filled in after execution.

9 6. Financial Code section 50401, subdivision (a) requires all residential mortgage
10 lenders or servicers to timely pay an annual assessment. On or about September 26, 2018, MCS
11 Mortgage was notified of its annual assessment for the Fiscal Year 2018 – 2019. The annual
12 assessment in the amount of \$5,000.00 was due on October 18, 2018. MCS Mortgage failed to pay
13 the annual assessment.

14 7. Financial Code section 50314, subdivision (c) requires all residential mortgage
15 lenders or servicers to pay the cost of every inspection and examination and allow the Commissioner
16 to maintain an action for the recovery of those costs in any court of competent jurisdiction. MCS
17 Mortgage failed to pay its examination bill in the amount of \$12,810.00, which was due on May 18,
18 2018.

19 8. On December 27, 2018, the Commissioner sent a letter to MCS Mortgage at the
20 address on file with the Commissioner, notifying MCS Mortgage about the outstanding examination
21 bill and annual assessment, and requested MCS Mortgage to pay the outstanding examination bill
22 and annual assessment by January 7, 2019.

23 9. The Commissioner did not receive a response to the December 27, 2018 letter. In
24 fact, the December 27, 2018 letter was returned to the Department. The Commissioner has not
25 received any change of address from MCS Mortgage.

26 10. MCS Mortgage did not pay the \$12,810.00 examination bill or the \$5,000.00 annual
27 assessment, in violation of Financial Code sections 50401, subdivision (a) and 50314, subdivision
28 (c).

1 11. Financial Code section 50205 requires a residential mortgage lender or servicer to
2 maintain a surety bond at all times. On or about December 19, 2018, the Department received a
3 notice of bond cancellation for Home America. The effective date of cancellation was February 20,
4 2019.

5 12. On January 17, 2019, the Department sent a letter to MCS Mortgage and Home
6 America at the address on file with the Commissioner, regarding the surety bond cancellation and
7 requested proof of bond replacement or reinstatement. Neither MCS Mortgage nor Home America
8 have replaced or reinstated the surety bond, in violation of Financial Code section 50205.

9 13. Pursuant to Financial Code sections 50307, subdivision (a) and 50401, subdivision
10 (a), and California Code of Regulations, title 10, (CCR) section 1950.314.8, all licensees under the
11 CRMLA are required to file an annual Report of Principal Amount of Loans and Aggregate Amount
12 of Loans Serviced (Annual Report) on or before March 1st of each year for the preceding 12-month
13 period ended December 31. MCS Mortgage’s Annual Report was due on March 1, 2019.

14 14. MCS Mortgage failed to file its 2018 Annual Report, in violation of Financial Code
15 sections 50307, subdivision (a) and 50401, subdivision (a), and CCR section 1950.314.8.

16 15. On April 25, 2019, the Commissioner issued and served a Notice of Intention to Issue
17 Order Revoking Residential Mortgage Lender License, Accusation and accompanying documents
18 against MCS Mortgage based upon the above violations. The Commissioner has received no request
19 for a hearing from MCS Mortgage, and the time to request a hearing has expired.

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NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the California residential mortgage lender license issued by the Commissioner to MCS Mortgage Bankers, Inc. (also known as Home America Lending Corp.) is hereby revoked. This order is effective as of the date hereof. Pursuant to Financial Code section 50311, MCS Mortgage Bankers, Inc. (also known as Home America Lending Corp.) has sixty (60) days within which to complete any loan for which it had prior commitments.

Dated: May 31, 2019
Sacramento, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division