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4 Department of Business Oversight
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7 Attorneys for Complainant

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

10
11 In the Matter of:)
)
12 THE COMMISSIONER OF BUSINESS) CRMLA LICENSE NO.: 413-1030
13 OVERSIGHT,) CFL LICENSE NO.: 603-H496
)
14 Complainant,) ORDER SUMMARILY SUSPENDING
) RESIDENTIAL MORTGAGE LENDER AND
15 v.) SERVICER LICENSES AND FINANCE
) LENDER AND BROKER LICENSES
16 360 MORTGAGE GROUP, LLC,)
)
17 Respondent.)
18)

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20 TO: 360 MORTGAGE GROUP, LLC
21 11305 Four Points Drive, Building 1, Suite 200
Austin, Texas 78726

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23 The Commissioner of Business Oversight finds:

24 1. On or about June 4, 2019, the Commissioner of Business Oversight (Commissioner)
25 and 360 Mortgage group, LLC (360 Mortgage) entered into a settlement agreement concerning an
26 administrative action the Commissioner had brought against 360 Mortgage on November 1, 2018
27 (Settlement Agreement). The Settlement Agreement became effective on June 5, 2019, when
28 pursuant to Paragraph 25, a fully executed copy of the Settlement Agreement was delivered via

ORDER SUMMARILY SUSPENDING RESIDENTIAL MORTGAGE LENDER AND
SERVICER LICENSES AND FINANCE LENDER AND BROKER LICENSES

1 email to counsel for 360 Mortgage.

2 2. Paragraph 5 of the Settlement Agreement required 360 Mortgage to conduct a self-
3 audit of per diem interest charges for all California loans originated under its California Financing
4 Law (CFL) license between January 1, 2019 and June 30, 2019 and submit to the Commissioner the
5 results of the self-audit (self-audit report) within 90 days of the effective date of the Settlement
6 Agreement; September 3, 2019. The self-audit report was required to include at a minimum, the
7 total number of loans made during the period, the number of loans with per diem interest
8 overcharges, and for each loan, the report shall list the borrower loan number, name, address, loan
9 amount, loan date, interest rate, disbursement date, date per diem interest commenced, per diem
10 interest charged, daily per diem interest amount, number of days per diem interest charged, number
11 of days per diem interest overcharged (if applicable), overcharge amount (if applicable), date of
12 refund (if applicable), and proof of refund (if applicable).

13 3. 360 Mortgage failed to submit the self-audit report required under Paragraph 5 of the
14 Settlement Agreement by September 3, 2019. On or about September 9, 2019, the Commissioner
15 notified 360 Mortgage, through its counsel of record, of its failure to file the self-audit report and
16 that the self-audit report should be filed no later than close of business September 10, 2019.

17 4. On or about September 10, 2019, 360 Mortgage, through its counsel of record,
18 informed the Commissioner that “I understand that the company did not make any loans for that
19 period. Also, a decision was made to wind down the company and close. If they have not already,
20 they should be shortly surrendering all CA licenses.”

21 5. On or about September 10, 2019, the Commissioner informed 360 Mortgage through
22 its counsel of record that it would need to submit an affidavit from an officer of the company that no
23 loans were made during the relevant period (Affidavit) in order to avoid non-compliance with
24 Paragraph 5 of the Settlement Agreement. 360 Mortgage was further informed to submit the
25 affidavit as soon as possible.

26 6. On or about September 30, 2019, when it had still not filed the Affidavit, the
27 Commissioner notified 360 Mortgage through its counsel of record that the Commissioner would
28 await submission of the affidavit filing until October 14, 2019. To date, 360 Mortgage has

1 submitted neither the self-audit report nor the Affidavit.

2 7. Paragraph 11 of the Settlement Agreement provides that if 360 Mortgage fails to
3 comply with the terms of this Settlement Agreement, the Commissioner may summarily suspend the
4 California Residential Mortgage Lending Act (CRMLA) and CFL licenses of 360 Mortgage until
5 360 Mortgage is in compliance and 360 Mortgage waives any notice and hearing rights to contest
6 such summary suspension which may be afforded under the CRMLA, the CFL, the California
7 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
8 in connection therewith.

9 THEREFORE, BASED UPON THE FOREGOING, AND GOOD CAUSE APPEARING, it
10 is hereby ordered that the CRMLA and CFL licenses of 360 Mortgage Group, LLC are suspended.

11 This ORDER is to remain in full force and effect until the further written order of the
12 Commissioner.

13 Dated: October 23, 2019
14 Los Angeles, CA

MANUEL P. ALVAREZ
Commissioner of Business Oversight

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16 By _____
17 Mary Ann Smith
18 Deputy Commissioner
19 Enforcement Division
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