

1 MARY ANN SMITH
Deputy Commissioner
2 Department of Business Oversight
320 West 4th Street, Suite 750
3 Los Angeles, California 90013

4 Attorneys for the Complainant

5 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT
6 OF THE STATE OF CALIFORNIA
7

8 In the Matter of:)	CRMLA LICENSE NO.: 4131030
9)	
10 THE COMMISSIONER OF BUSINESS)	
OVERSIGHT,)	
11)	
12 Complainant,)	ORDER TO DISCONTINUE RESIDENTIAL
)	MORTGAGE LENDING AND/OR
13 v.)	SERVICING ACTIVITIES PURSUANT TO
)	FINANCIAL CODE SECTION 50319
14 360 Mortgage Group, LLC,)	
)	
15 Respondent.)	
16)	

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18 TO: 360 Mortgage Group, LLC
11305 Four Points Drive, Bldg 1, Ste. 200, Austin, TX 78726

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20 The Commissioner of Business Oversight finds that 360 Mortgage Group, LLC
21 (Respondent) violated provisions of the California Residential Mortgage Lending Act (Fin. Code, §
22 50000 et seq.) (CRMLA) and hereby issues the following Order to Discontinue Residential
23 Mortgage Lending And/Or Servicing Activities Pursuant to Financial Code section 50319:

- 24 1. The Commissioner is authorized to administer and enforce the provisions of the
- 25 CRMLA and rules and regulations promulgated thereunder.
- 26 2. Respondent is a licensed residential mortgage lender and servicer with a principal
- 27 place of business at 11305 Four Points Drive, Bldg 1, Ste. 200, Austin, TX 78726.
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1 3. Financial Code section 50205 requires a licensed residential mortgage lender and
2 servicer to maintain a surety bond.

3 4. On or about January 15, 2020 the Commissioner received notice that Respondent’s
4 surety bond would be cancelled on February 10, 2020 if the bond was not reinstated, continued, or
5 replaced before that date.

6 5. On January 22, 2020 the Commissioner served a notice on Respondent, informing the
7 company that the Commissioner would issue an Order to Discontinue Residential Mortgage Lending
8 And/Or Servicing Activities Pursuant to Financial Code section 50319 if the surety bond was not
9 reinstated, continued, or replaced by February 1, 2020.

10 6. Respondent’s bond expired on February 10, 2020.

11 7. Respondent has yet to replace or reinstate its surety bond in violation of Financial
12 Code section 50205.

13 8. Respondent failed to comply with the bonding requirements of Financial Code
14 section 50205 and is conducting residential mortgage lending and/or servicing business in such an
15 unsafe or injurious manner as to render further operations hazardous to the public or to customers.

16 9. Section 50319 of the Financial Code provides in pertinent part:

17 (a) If the commissioner, as a result of any examination or from any report
18 made to him or her, shall find that any person subject to this division is in an
19 insolvent condition, is conducting business in an unsafe or injurious manner
20 that renders further operations hazardous to the public or to customers, has
21 failed to comply with the provision of Section 50317, has permitted its
22 tangible net worth to be lower than the minimum required by law, or has
23 failed to comply with the bonding requirements of Section 50205, the
24 commissioner may, by an order addressed to and served by registered or
25 certified mail, or by personal service on that person, and on any other person
26 having in his or her possession or control any trust funds or other property
27 deposited in escrow with that person, direct discontinuance of the
28 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. No person having in his or her possession
any of these funds or documents shall be liable for failure to comply with
the order unless he or she has received written notice of the order. Subject to
subdivision (b), the order shall remain in effect until set aside by the
commissioner, or the person is the subject of an order for relief in
bankruptcy.

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(b) Within 15 days from the date of an order pursuant to subdivision (a), the person may request a hearing under the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 2 of Division 3 of Title 2 of the Government Code). Upon receiving a request, the matter shall be set for hearing to commence within 30 days after the receipt unless the person subject to this division consents to a later date. If no hearing is requested within 15 days after the mailing or service of the notice and none is ordered by the commissioner, the failure to request a hearing shall constitute a waiver of the right to a hearing. Neither the request for a hearing nor the hearing itself shall stay the order issued by the commissioner under subdivision (a).

NOW, BASED ON THE FOREGOING, AND GOOD CAUSE APPEARING

THEREFORE, it is hereby ORDERED, under the provisions of Financial Code section 50319, 360 Mortgage Group, LLC immediately discontinue the disbursement, in whole or in part, of trust funds held by the licensee and establish a separate trust account for all subsequent trust funds received by the licensee.

THIS ORDER is to remain in full force and effect until further order of the Commissioner of Business Oversight.

Dated: February 3, 2020
Sacramento, California

MANUEL P. ALVAREZ
Commissioner of Business Oversight

By _____
MEIRCEE BOULAHROUD
Special Administrator
California Residential Mortgage Lending Act