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11 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
12 OF THE STATE OF CALIFORNIA
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14 In the Matter of:) CFL LICENSE NO.: 6054288
15 THE COMMISSIONER OF FINANCIAL)
PROTECTION AND INNOVATION,) CITATION PURSUANT TO FINANCIAL
16) CODE SECTION 22707.5
17 Complainant,)
18 v.)
19 REDWOOD COMMERCIAL MORTGAGE)
CORPORATION,)
20)
21 Respondent.)
22 _____)

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24 Manuel P. Alvarez, the Commissioner of Financial Protection and Innovation
25 (Commissioner), finds the following:
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I.

FACTUAL BACKGROUND

1. Redwood Commercial Mortgage Corporation (Redwood) is a corporation with a principal place of business at 1 Belvedere Place, Suite 300, Mill Valley, California 94941.

2. Redwood is licensed as a finance lender and broker under the California Financing Law (CFL), Fin. Code § 22000, *et seq.* with license number 6054288

3. Section 22104, subdivision (a) of the CFL provides that a CFL licensee shall “maintain a net worth of at least twenty-five thousand dollars (\$25,000) at all times.”

4. On March 14, 2018, Redwood reported in its CFL Annual Report that it had a net worth of less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

5. On March 12, 2019, Redwood reported in its CFL Annual Report that it had a net worth of less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

6. On March 10, 2020, Redwood reported in its CFL Annual Report that it had a net worth of less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

7. On January 21, 2021, Redwood confirmed to the Commissioner’s satisfaction that it is now in compliance with the net worth requirement of Section 22104, subdivision (a).

II.

CITATION

8. Financial Code section 22707.5, subdivision (a), provides in relevant part:

(a) If, upon inspection, examination, or investigation, the commissioner has cause to believe that a licensee or other person is violating any provision of this division or any rule or order thereunder, the commissioner or his or her designee, may issue a citation to the licensee or person in writing, describing with particularity the basis of the citation . . . In addition, each citation may assess an administrative fine not to exceed two thousand five hundred dollars (\$2,500)

Based on the foregoing, Redwood failed to maintain a minimum net-worth of \$25,000 at all relevant times in violation of Financial Code section 22104. The Commissioner hereby assesses Redwood an administrative fine of \$1,500.00 pursuant to Financial Code section 22707.5,

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subdivision (a).

Redwood is hereby ordered to pay the Commissioner an administrative fine of \$1,500.00 for the above citation within 30 days from the date of this citation. Redwood shall pay this fine with a cashier’s check made payable to the “Department of Financial Protection and Innovation” and transmitted to the attention of “Accounting – Litigation” at Department of Financial Protection and Innovation, 2101 Arena Boulevard, Sacramento, California 95834-2036. Notice of such payment shall be forwarded to: Taylor Herrlinger, Counsel, at Taylor.Herrlinger@dfpi.ca.gov.

Dated: February 10, 2021
Sacramento, California

MANUEL P. ALVAREZ
Commissioner of Financial Protection and
Innovation

By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

