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8 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of:)
) CFL LICENSE NO.: 603J689
12 THE COMMISSIONER OF FINANCIAL)
13 PROTECTION AND INNOVATION,)
) ACCUSATION
14 Complainant,)
)
15 v.)
)
16)
)
17 CALIFORNIA INVESTMENT MORTGAGE)
18 FUND I LP,)
)
19 Respondent.)
)

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22 The Complainant, the Commissioner of Financial Protection and Innovation (Commissioner),
23 files this Accusation to revoke the California Financing Law (CFL) license of Respondent,
24 California Investment Mortgage Fund I LP, (Respondent), pursuant to Financial Code section 22714.
25 The Commissioner alleges and charges as follows:

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I.

STATEMENT OF FACTS

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3 1. The Commissioner has jurisdiction over the licensing and regulation of persons and
4 entities engaged in the business of finance lending or brokering under the California Financing Law
5 (CFL) (Fin. Code, § 22000 et seq.).

6 2. Financial Code section 22159 requires CFL licensees to file an annual report with the
7 Commissioner by March 15 of each year reflecting the licensee's previous calendar year's business
8 and operations (Annual Report).

9 3. Financial Code section 22104, subdivision (a), requires that CFL licensees “maintain
10 a net worth of at least twenty-five thousand dollars (\$25,000) at all times.”

11 4. Financial Code section 22707.5, subdivision (a), provides that the Commissioner may
12 issue a citation to a licensee that the Commissioner has cause to believe is “violating any provision
13 of this division or any rule or order thereunder,” and that the Commissioner may assess an
14 administrative fine in connection with the citation of up to two thousand five hundred dollars
15 (\$2,500).

16 5. Respondent is a limited partnership, with a principal place of business at 23 Corporate
17 Plaza, Suite 150, Newport Beach, California 92660.

18 6. Respondent is licensed as a finance lender and broker under the CFL with main
19 license number 603J689.

20 7. On March 21, 2018, Respondent reported in its CFL Annual Report that it had a net
21 worth of less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

22 8. On March 6, 2019, Respondent reported in its CFL Annual Report that it had a net
23 worth less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

24 9. On March 13, 2020, Respondent reported in its CFL Annual Report that it had a net
25 worth of less than \$25,000 in violation of Financial Code section 22104, subdivision (a).

26 10. On January 13, 2021, the Commissioner demanded that Respondent submit a copy of
27 its September 30, 2020 balance sheet showing compliance with the minimum net worth requirement
28 of Financial Code section 22104 by no later than February 5, 2021.

1 11. After receiving no response to this letter, on March 3, 2021, the Commissioner
2 demanded that Respondent submit a copy of its September 30, 2020 balance sheet showing
3 compliance with the minimum net worth requirement of Financial Code section 22104 by no later
4 than March 11, 2021. Respondent failed to submit these records to the Commissioner.

5 **II.**

6 **APPLICABLE LAW**

7 12. Financial Code section 22714 in part allows the Commissioner to revoke any CFL
8 license if: (1) the “licensee has failed to comply with any demand, ruling, or requirement of the
9 commissioner made pursuant to and within the authority of this division” and (2) “licensee has
10 violated any provision of this division or any rule or regulation made by the commissioner under and
11 within the authority of this division.”

12 **III.**

13 **PRAYER**

14 13. By failing to provide the financial records demanded by the Commissioner,
15 Respondent has failed to comply with demand, ruling, or requirement of the Commissioner made
16 pursuant to and within the authority of the CFL.

17 14. By failing to maintain an adequate net worth as required by Financial Code section
18 22104, Respondent has violated a provision of the CFL.

19 15. WHEREFORE, IT IS PRAYED that Respondent’s CFL license be revoked.

20
21 Dated: March 15, 2021

MANUEL P. ALVAREZ
Commissioner of Financial Protection and Innovation

22
23 By: _____
24 VANESSA T. LU
25 Counsel
26 Enforcement Division
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