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Commissioner
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Deputy Commissioner
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9 Attorneys for Complainant

11 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
12 OF THE STATE OF CALIFORNIA

13 In the Matter of:)	
)	CONSENT ORDER
14 THE COMMISSIONER OF FINANCIAL)	
15 PROTECTION AND INNOVATION,)	CFL LICENSE NO.: 603I493
)	CFL LICENSE NO.: 603I497
16 Complainant,)	CFL LICENSE NO.: 603I498
17 v.)	CFL LICENSE NO.: 603K971
)	CFL LICENSE NO.: 603K972
18 CANTOR COMMERCIAL REAL ESTATE)	CFL LICENSE NO.: 603L030
19 LENDING, L.P.,)	CFL LICENSE NO.: 603L092
)	CFL LICENSE NO.: 60DBO-35808
20 Respondent.)	CFL LICENSE NO.: 60DBO-43722
)	CFL LICENSE NO.: 60DBO-46324

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22 This Consent Order is entered into between the Commissioner of Financial Protection and
23 Innovation (Commissioner) and Cantor Commercial Real Estate Lending, L.P. (Respondent) and is
24 made with respect to the following facts:

25 **I.**

26 **RECITALS**

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

1 B. Respondent is a limited partnership with a principal place of business at 110 East 59th
2 Street, 7th floor, New York, New York 10022.

3 C. Respondent is licensed as a finance lender and/or broker under the CFL with main
4 license number 603I493.

5 D. Respondent operates no branch office in California.

6 E. In accordance with Financial Code section 22159, CFL licensees must file an annual
7 report with the Commissioner by March 15 of each year (Annual Report).

8 F. On January 5, 2022, the Commissioner again notified CFL licensees of the March 15,
9 2022 deadline to file their Annual Reports by sending notice to the email address each CFL licensee
10 must establish for communications from the Commissioner pursuant to the Commissioner's Order
11 on Electronic Communications, dated November 22, 2013. The notification again warned that the
12 Commissioner could assess monetary penalties for untimely filing or failing to file pursuant to
13 Financial Code section 22715(b).

14 G. On February 17, 2022, the Commissioner again notified CFL licensees of the March
15 15, 2022 deadline to file their Annual Reports by sending notice to the email address each CFL
16 licensee established pursuant to the Commissioner's Order on Electronic Communications, dated
17 November 22, 2013. The notification warned that the Commissioner could assess penalties and
18 summarily revoke licenses for untimely filing or failing to file pursuant to Financial Code section
19 22715.

20 H. On March 2, 2022, the Commissioner again notified CFL licensees of the March 15,
21 2022 deadline to file their Annual Reports by sending notice to the email address each CFL licensee
22 established pursuant to the Commissioner's Order on Electronic Communications, dated November
23 22, 2013. The notification warned that the Commissioner could assess penalties and summarily
24 revoke licenses for untimely filing or failing to file pursuant to Financial Code section 22715.

25 I. As of March 15, 2022, Respondent had not filed its Annual Report with the
26 Commissioner. As a result, the Commissioner issued a notice on March 18, 2022 to Respondent to
27 Respondent's email address established pursuant to the Commissioner's Order on Electronic
28 Communications, dated November 22, 2013, advising Respondent that it should file its Annual

1 Report by or before March 30, 2022 or else its licenses would be summarily revoked pursuant to
2 Financial Code section 22715.

3 J. As of March 30, 2022, Respondent had not filed its Annual Report with the
4 Commissioner as directed in the March 18, 2022 notice. As a result, on April 19, 2022, the
5 Commissioner issued Orders Summarily Revoking California Finance Lender and/or Broker
6 License(s) pursuant to Financial Code Section 22715 for CFL License Numbers 603I493, 603I497,
7 603I498, 603K971, 603K972, 603L030, 603L092, 60DBO-35808, 60DBO-43722, and 60DBO-
8 46324 (Summary Revocation Orders).

9 K. Upon receiving the Summary Revocation Orders, Respondent timely notified the
10 Commissioner that Respondent was requesting a hearing on the Summary Revocation Orders.

11 L. On April 29, 2022, Respondent submitted its Annual Report, which was due on
12 March 15, 2022, 32 business days late. Pursuant to Financial Code Section 22715, the maximum
13 penalty that may be imposed for filing 32 business days late is \$14,000.00 (\$100 per business day
14 for the first five business days and \$500 per business day thereafter up to a maximum of \$25,000).

15 M. In connection with these proceedings, Respondent represented to the Commissioner
16 that it had taken no new applications under its licenses.

17 N. The Commissioner finds that entering into this Consent Order is in the public interest
18 and consistent with the purposes fairly intended by the policies and provisions of the CFL.

19 NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions set
20 forth herein, the parties agree as follows:

21 **II.**

22 **TERMS AND CONDITIONS**

23 1. Purpose. The parties intend to resolve this matter for the purpose of judicial economy
24 and expediency and without the uncertainty and expense of a hearing or other litigation.

25 2. Order Rescinding the Summary Revocation Orders. The Commissioner hereby
26 rescinds the Summary Revocation Orders which had been issued on April 19, 2022 (Summary
27 Revocation Orders).

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1 3. Administrative Penalty. Respondent shall pay an administrative penalty of \$8,000.00
2 no later than 30 calendar days after the effective date of this Consent Order as defined in paragraph
3 27. The penalty must be made payable in the form of a cashier’s check or Automated Clearing
4 House deposit to the Department of Financial Protection and Innovation and transmitted to the
5 attention of Accounting – Litigation, Department of Financial Protection and Innovation, 2101
6 Arena Boulevard, Sacramento, California 95834. Notice of the payment must be concurrently sent
7 to Quincy Vien, Counsel, Department of Financial Protection and Innovation, 320 West 4th Street,
8 Suite 750, Los Angeles, California 90013.

9 4. Failure to Pay Administrative Penalty. If Respondent fails to comply with paragraph
10 3, the Commissioner may summarily suspend Respondent from engaging in business under its
11 licenses until it provides evidence of compliance to the Commissioner’s satisfaction. Respondent
12 hereby waives any notice or hearing rights afforded under the Administrative Procedure Act,
13 including Government Code section 11415.60, subdivision (b); Code of Civil Procedure; or any
14 other provision of law to contest the summary suspension contemplated by this paragraph.

15 5. Transition to the Nationwide Multistate Licensing System (NMLS). Respondent
16 shall transition to NMLS no later than 30 calendar days after the effective date of this Consent Order
17 as defined in paragraph 27. Notice of Respondent’s transition to NMLS must be concurrently sent to
18 Quincy Vien, Counsel, Department of Financial Protection and Innovation, 320 West 4th Street,
19 Suite 750, Los Angeles, California 90013.

20 6. Failure to Transition to the NMLS. If Respondent fails to comply with paragraph 5,
21 the Commissioner may summarily suspend Respondent from engaging in business under its licenses
22 until it provides evidence of compliance to the Commissioner’s satisfaction. Respondent hereby
23 waives any notice or hearing rights afforded under the Administrative Procedure Act, including
24 Government Code section 11415.60, subdivision (b); Code of Civil Procedure; or any other
25 provision of law to contest the summary suspension contemplated by this paragraph.

26 7. Waiver of Hearing Rights. Respondent acknowledges the Commissioner is ready,
27 willing, and able to proceed with a hearing on the Summary Revocation Orders on the charges
28 contained in this Consent Order. Respondent hereby waives the right to any hearings, and to any

1 reconsideration, appeal, or other right to review which may be afforded pursuant to the CFL, the
2 California Administrative Procedure Act, the California Code of Civil Procedure, or any other
3 provision of law. Respondent further expressly waives any requirement for the filing of an
4 Accusation pursuant to Government section 11415.60, subdivision (b). By waiving such rights,
5 Respondent effectively consents to this Consent Order and the Order Rescinding the Summary
6 Revocation Orders becoming final.

7 8. Full and Final Resolution. The parties hereby acknowledge and agree that this
8 Consent Order is intended to constitute a full and final resolution of the violations described herein,
9 and that no further proceedings or actions will be brought by the Commissioner in connection with
10 these matters except under the CFL or any other provision of law, or excepting therefrom any
11 proceeding to enforce compliance with the terms of this Consent Order.

12 9. Failure to Comply with Consent Order. Respondent agrees that if it fails to comply
13 with the terms of this Consent Order, the Commissioner may, in addition to all other available
14 remedies it may invoke under the CFL, summarily suspend/ revoke the CFL licenses of Respondent
15 until Respondent is in compliance. Respondent waives any notice and hearing rights to contest such
16 summary suspensions/revocations which may be afforded under the CFL, the California
17 Administrative Procedure Act, the California Code of Civil Procedure, or any other provision of law
18 in connection therewith.

19 10. Information Willfully Withheld or Misrepresented. This Consent Order may be
20 revoked, and the Commissioner may pursue any and all remedies available under law against
21 Respondent if the Commissioner discovers that Respondent knowingly or willfully withheld or
22 misrepresented information used for and relied upon in this Consent Order.

23 11. Future Actions by Commissioner. If Respondent fails to comply with the terms of the
24 Consent Order, the Commissioner may institute proceedings for any and all violations otherwise
25 resolved under this Consent Order. The Commissioner reserves the right to bring any future actions
26 against Respondent, or any of its partners, owners, officers, shareholders, directors, employees or
27 successors for any and all unknown violations of the CFL.

28 12. Assisting Other Agencies. Nothing in this Consent Order limits the

1 Commissioner’s ability to assist any other government agency (city, county, state or federal) with
2 any prosecution, administrative, civil or criminal action brought by that agency against Respondent
3 or any other person based on any of the activities alleged in this matter or otherwise.

4 13. No Presumption Against Drafter. Each party acknowledges that it has had the
5 opportunity to draft, review, and edit the language of this Consent Order. Accordingly, the parties
6 intend no presumption for or against the drafting party will apply in construing any part of this
7 Consent Order. The parties waive the benefit of Civil Code section 1654 as amended or
8 corresponding provisions of any successor statute, which provide that in cases of uncertainty,
9 language of a contract should be interpreted most strongly against the party who caused the
10 uncertainty to exist.

11 14. Independent Legal Advice. Each of the parties represents, warrants, and agrees that it
12 has had the opportunity to receive independent advice from an attorney(s) and/or representatives
13 with respect to the advisability of executing this Consent Order.

14 15. Headings. The headings to the paragraphs of this Consent Order are inserted for
15 convenience only and will not be deemed a part hereof or affect the construction or interpretation of
16 the provisions hereof.

17 16. Binding. This Consent Order is binding on all heirs, assigns, and/or successors in
18 interest.

19 17. Reliance. Each of the parties represents, warrants, and agrees that in executing this
20 Consent Order, it has relied solely on the statements set forth herein and the advice of its own legal
21 counsel, if represented. Each of the parties further represents, warrants, and agrees that in executing
22 this Consent Order it has placed no reliance on any statement, representation, or promise of any
23 other party, or any other person or entity not expressly set forth herein, or upon the failure of any
24 party or any other person or entity to make any statement, representation, or disclosure of anything
25 whatsoever. The parties have included this clause: (1) to preclude any claim that any party was in
26 any way fraudulently induced to execute this Consent Order; and (2) to preclude the introduction of
27 parol evidence to vary, interpret, supplement, or contradict the terms of this Consent Order.

28 18. Waiver, Amendments, and Modifications. No waiver, amendment, or modification of

1 this Consent Order will be valid or binding unless it is in writing and signed by each of the parties.
2 The waiver of any provision of this Consent Order will not be deemed a waiver of any other
3 provision. No waiver by either party of any breach of, or of compliance with, any condition or
4 provision of this Consent Order by the other party will be considered a waiver of any other condition
5 or provision or of the same condition or provision at another time.

6 19. Full Integration. This Consent Order is the final written expression and the complete
7 and exclusive statement of all the agreements, conditions, promises, representations, and covenants
8 between the parties with respect to the subject matter hereof, and supersedes all prior or
9 contemporaneous agreements, negotiations, representations, understandings, and discussions
10 between and among the parties, their respective representatives, and any other person or entity, with
11 respect to the subject matter covered hereby.

12 20. Governing Law. This Consent Order will be governed by and construed in
13 accordance with California law. Each of the parties hereto consents to the jurisdiction of such court
14 and thereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient
15 forum to the maintenance of such action or proceeding in such court.

16 21. Counterparts. This Consent Order may be executed in one or more separate
17 counterparts, each of which when so executed, shall be deemed an original. Such counterparts shall
18 together constitute a single document.

19 22. Effect Upon Future Proceedings. If Respondent applies for any license, permit or
20 qualification under the Commissioner’s current jurisdiction, or are the subject of any future action by
21 the Commissioner to enforce this Consent Order, then the subject matter hereof shall be admitted for
22 the purpose of such application(s) or enforcement proceeding(s).

23 23. Voluntary Agreement. Respondent hereby enters into this Consent Order voluntarily
24 and without coercion and acknowledges that no promises, threats, or assurances have been made by
25 the Commissioner or any officer, or agent thereof, about this Consent Order. The parties each
26 represent and acknowledge that he, she or it is executing this Consent Order completely voluntarily
27 and without any duress or undue influence of any kind from any source.

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24. Notice. Any notice required under this Consent Order shall be provided to each party at the following addresses:

To Respondent: Cantor Commercial Real Estate Lending, L.P.
c/o John J. Jones, Secretary
110 East 59th Street, 7th Floor
New York, New York 10022
Entity_Management@Cantor.com

To the Commissioner: Quincy Vien, Counsel
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013
Quincy.Vien@dfpi.ca.gov

25. Signatures. A fax or electronic mail signature shall be deemed the same as an original signature.

26. Public Record. Respondent hereby acknowledges that the Consent Order is and will be a matter of public record.

27. Effective Date. This Consent Order shall become final and effective when signed by all parties and delivered by the Commissioner’s agent via e-mail to Respondent at the following email address: Entity_Management@Cantor.com.

28. Authority to Sign. Each signatory hereto covenants that he/she possesses all necessary capacity and authority to sign and enter into this Consent Order and undertake the obligations set forth herein.

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Dated: May 11, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation



By: _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division

Dated: May 11, 2022

CANTOR COMMERCIAL REAL ESTATE LENDING, L.P.

By: _____
JOHN J. JONES
Secretary

(On Behalf of Cantor Commercial Real Estate Lending, L.P.)