

1 MARY ANN SMITH  
Deputy Commissioner  
2 Department of Financial Protection and Innovation  
320 West 4<sup>th</sup> Street, Suite 750  
3 Los Angeles, California 90013

4 Attorney for Complainant

5 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION  
6 OF THE STATE OF CALIFORNIA  
7

|                                    |   |                                    |
|------------------------------------|---|------------------------------------|
| 8 In the Matter of:                | ) | CRMLA LICENSE NO.: 4131360         |
|                                    | ) |                                    |
| 9 THE COMMISSIONER OF FINANCIAL    | ) |                                    |
| 10 PROTECTION AND INNOVATION,      | ) |                                    |
|                                    | ) |                                    |
| 11 Complainant,                    | ) | NOTICE OF INTENTION TO ISSUE ORDER |
| 12 v.                              | ) | REVOKING CALIFORNIA RESIDENTIAL    |
|                                    | ) | MORTGAGE LENDING AND/OR            |
| 13 HANCOCK MORTGAGE PARTNERS, LLC, | ) | SERVICING LICENSE                  |
|                                    | ) |                                    |
| 14 Respondent.                     | ) |                                    |
|                                    | ) |                                    |

15  
16 Pursuant to Financial Code section 50327 of the California Residential Mortgage Lending  
17 Act (Fin. Code, § 50000 et seq.), notice is hereby given of the intention of the Commissioner of  
18 Financial Protection and Innovation to enter an Order revoking Respondent, Hancock Mortgage  
19 Partners, LLC’s residential mortgage lender license.

20 The attached Accusation, which is incorporated herein by this reference, states the reasons  
21 for the intended Order.

22 Unless a request for hearing, as evidenced by the mailing or delivery of the Notice of  
23 Defense, is received within 15 days after the Accusation was personally served upon you or mailed  
24 to you, such Order may be entered at any time thereafter without a hearing.

25  
26 Dated: November 28, 2023  
Sacramento, CA

CLOTHILDE V. HEWLETT  
Commissioner of Financial Protection and Innovation

27  
28 By \_\_\_\_\_  
MEIRCEE BOULAHROUD  
Financial Institutions Manager  
California Residential Mortgage Lending Act

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| 11 Complainant,                    | ) | ACCUSATION                 |
|                                    | ) |                            |
| 12 v.                              | ) |                            |
|                                    | ) |                            |
| 13 HANCOCK MORTGAGE PARTNERS, LLC, | ) |                            |
|                                    | ) |                            |
| 14 Respondent.                     | ) |                            |
|                                    | ) |                            |
|                                    | ) |                            |

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18  
19 The Complainant, the Commissioner of Financial Protection and Innovation  
20 (Commissioner) is informed and believes, and based upon such information and belief, alleges and  
21 charges Respondent Hancock Mortgage Partners, LLC (Respondent) as follows:

22 **I.**

23 **Introduction**

24 1. The Commissioner is authorized to administer and enforce the provisions of the  
25 California Residential Mortgage Lending Act (Fin. Code, § 50000 et seq.) (CRMLA) and the rules  
26 and regulations promulgated thereunder.

27 2. Respondent is a residential mortgage lender licensed by the Commissioner pursuant  
28 to the CRMLA. Respondent’s principal place of business is One Sugar Creek Center Blvd. Suite  
1000, Sugar Land, Texas 77478.

1 3. Pursuant to Financial Code section 50205, residential mortgage lender is required to  
2 maintain a surety bond.

3 4. On or around January 25, 2023 the Commissioner received notice that Respondent’s  
4 surety bond would expire on February 5, 2023.

5 5. On or around November 14, 2023, the Commissioner notified Respondent through  
6 the Nationwide Mortgage Licensing System (NMLS) and a letter that a replacement surety bond  
7 had to be filed no later than the cancellation date to avoid suspension or revocation of its residential  
8 mortgage lender license.

9 6. Respondent’s surety bond expired on February 5, 2023.

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

12 **II.**

13 **Law**

14 8. Financial Code section 50205 provides, in pertinent part:

15 (a) A residential mortgage lender or servicer licensee shall maintain a surety  
16 bond in accordance with this subdivision. The bond shall be used for the  
17 recovery of expenses, fines, and fees levied by the commissioner in accordance  
18 with this division or for losses or damages incurred by borrowers or consumers  
19 as the result of a licensee’s noncompliance with the requirements of this  
20 division. The bond shall be payable when the licensee fails to comply with a  
21 provision of this division and shall be in the amount of fifty thousand dollars  
22 (\$50,000), and may be increased by order of the commissioner to one hundred  
23 thousand dollars (\$100,000) upon a determination by the commissioner that the  
24 licensee is not in compliance with any provision of this chapter or any rule or  
25 order adopted or issued by the commissioner to implement or enforce  
26 provisions of this chapter. The bond shall be payable to the commissioner and  
27 issued by an insurance company authorized to do business in this state. An  
28 original surety bond, including any and all riders and endorsements executed  
subsequent to the effective date of the bond, shall be filed with the  
commissioner within 10 days of its execution.

(b) ... Failure to file a new bond within 10 days of the recovery on a bond, or  
within 10 days after notification by the commissioner that a new bond is  
required, constitutes sufficient grounds for the suspension or revocation of the  
license.

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(c) The commissioner may by rule require a higher bond amount for a licensee employing one or more mortgage loan originators, based on the dollar amount of residential mortgage loans originated by that licensee and any mortgage loan originators employed by that licensee. Every mortgage loan originator employed by the licensee shall be covered by the surety bond.

9. Financial Code section 50327 provides:

(a) The commissioner may, after notice and a reasonable opportunity to be heard, deny, decline to renew, suspend, or revoke any license if the commissioner finds that:

(1) The licensee has violated any provision of this division or any rule or order of the commissioner thereunder.

(2) Any fact or condition exists that, if it had existed at the time of the original application for the license, reasonably would have warranted the commissioner in refusing to issue the license originally.

(b) The power of investigation and examination by the commissioner is not terminated by the denial, nonrenewal, surrender, suspension, or revocation of any license issued by him or her.

**III.**

**Conclusion**

The Commissioner finds that, by reason of the foregoing, Respondent has violated Financial Code section 50205, and based thereon, grounds exist to revoke Respondent’s residential mortgage lender license.

WHEREFORE, IT IS PRAYED that Hancock Mortgage Partners, LLC’s residential mortgage lender license be revoked.

Dated: November 28, 2023  
Sacramento, CA

Clothilde V. Hewlett  
Commissioner of Financial Protection and Innovation

By \_\_\_\_\_  
MEIRCEE BOULAHROUD  
Financial Institutions Manager  
California Residential Mortgage Lending Act