PRESTON DUFAUCHARD
California Corporations Commissioner
ALAN S. WEINGER
Deputy Commissioner
MARISA I. URTEAGA-WATKINS (SBN236398)
Corporations Counsel
1515 K Street, Suite 200
Sacramento, California 95814
Telephone: (916) 445-9626
Fax: (916) 445-6985

Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS

OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE CALIFORNIA CORPORATIONS COMMISSIONER, Complainant, v. THORNBURG MORTGAGE HOME LOANS, INC. Respondent.	File No.: 4130384 **ACCUSATION** California Financial Code §50311

The Complainant, California Corporations Commissioner ("Commissioner"), is informed and believes, and based upon such information and belief, alleges and charges Respondent as follows:

I.

Respondent THORNBURG MORTGAGE HOME LOANS, INC. ("THORNBURG") is a residential mortgage lender and mortgage loan servicer licensed by the Commissioner pursuant to the

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California Residential Mortgage Lending Act (California Financial Code, § 50000 *et seq.*) ("CRMLA"). THORNBURG has its principal place of business located at 2300 North Ridgetop Rd. Santa Fe, NM 87506.

II.

Pursuant to California Financial Code sections 50307 and 50401, and California Code of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file the following annual reports with the Commissioner: (1) Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report"); (2) Report on Non-traditional, Adjustable Rate and Mortgage Loan Products ("Non-traditional Report"); and (3) Non-traditional, Adjustable Rate and Mortgage Loan Survey ("Survey"). The Activity Report, Non-traditional Report, and Survey must be filed with the Commissioner on or before March 1st of each year for the preceding twelve (12) month period ending on December 31.

On or about January 24, 2011, an Activity Report form, Non-traditional Report form and Survey were sent to all CRMLA licensees, including THORNBURG, with a notice stating that these reports were due on or before March 1, 2011. To date, THORNBURG has not submitted the Activity Report, the Non-traditional Report or the Survey to the Commissioner.

III.

Pursuant to California Financial Code section 50200, all licensees under the CRMLA are required to file audited financial statements ("Audited Report") with the Commissioner. THORNBURG was required to file its Audited Report for its fiscal year ending December 31, 2010 to the Commissioner on or before April 15, 2011.

On or about December 9, 2010, a reminder notice was issued to THORNBURG reminding THORNBURG that the Audited Report was due to be filed with the Commissioner on or before April 15, 2011. THORNBURG did not submit the Audited Report to the Commissioner, despite this reminder notice.

On or about May 31, 2011, a letter was sent to THORNBURG demanding that it file the

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Audited Report "within ten (10) days of the date of this letter." THORNBURG was notified that failure to file the Audited Report would result in the referral of this matter to the Special Administrator for administrative action that may result in fines and a revocation of THORNBURG's license pursuant to Financial Code section 50326. THORNBURG failed to submit the Audited Report. To date, THORNBURG has not filed the Audited Report.

IV.

Pursuant to California Financial Code section 50401, all licensees under the CRMLA are required to pay any and all assessments or fees issued by the Commissioner. Assessment invoice number MB0259 for 2010/2011 was issued to THORNBURG pursuant to Financial Code section 50401 on or about September 30, 2010 ("Assessment"). The Assessment payment was due within twenty (20) days of September 30, 2010. To date, THORNBURG has not paid the Assessment.

V.

Pursuant to California Financial Code section 50002.5, all licensees under the CRMLA are required to transition their licenses to the Nationwide Mortgage Licensing System (NMLS) when they are issued a license by the Commissioner. On or about September 12, 2001, the Commissioner issued license number 4130384 to THORNBURG pursuant to the CRMLA. To date, THORNBURG has not transitioned their license to the NMLS.

VII.

California Financial Code section 50327 provides in pertinent part:

> (a) The commissioner may, after notice and a reasonable opportunity to be heard, 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; or (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.

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VIII.

The Commissioner finds that, by reason of the foregoing, THORNBURG MORTGAGE HOME LOANS, INC. has violated California Financial Code sections 50002.5, 50200, 50307, 50401 and California Code of Regulations, title 10, section 1950.314.8. Based thereon, grounds exist to revoke THORNBURG MORTGAGE HOME LOANS, INC.'s license as a residential mortgage lender and mortgage loan servicer.

WHEREFORE, IT IS PRAYED that the residential mortgage lender and mortgage loan servicer license of THORNBURG MORTGAGE HOME LOANS, INC. be revoked and, pursuant to Financial Code section 50311, be given a transition period of sixty (60) days within which to complete any loans for which it had prior commitments.

DATED: September 5, 2011
Sacramento, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

By_____

Marisa I. Urteaga-Watkins
Corporations Counsel