

1 PRESTON DUFAUCHARD  
California Corporations Commissioner  
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9 BEFORE THE DEPARTMENT OF CORPORATIONS  
10 OF THE STATE OF CALIFORNIA

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12 In the Matter of the Accusation of THE  
13 CALIFORNIA CORPORATIONS  
COMMISSIONER,

) File No.: 415-0044  
)  
)

14

Complainant,

)

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v.

) ORDER REVOKING RESIDENTIAL  
) MORTGAGE LENDER LICENSE PURSUANT  
) TO CALIFORNIA FINANCIAL CODE  
) SECTION 50327  
)

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17 MENDAROS FAMILY CORPORATION,  
doing business as TRANS PACIFIC  
MORTGAGE COMPANY,

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Respondent.

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The California Corporations Commissioner find that:

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1. Respondent Mendaros Family Corporation, doing business as Trans Pacific Mortgage Company ("Mendaros") is a residential mortgage lender licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California Residential Mortgage Lending Act (California Financial Code, § 50000 et seq.) ("CRMLA"). Mendaros has its principal place of business located at 6140 Stoneridge Mall Road, Suite 380, Pleasanton, CA 94588.

1           2.       Pursuant to California Financial Code sections 50307 and 50401 and California Code  
2 of Regulations, title 10, section 1950.314.8, all licensees under the CRMLA are required to file an  
3 annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Principal  
4 Report"), Report on Non-traditional Adjustable Rate and Mortgage Loan Products ("Non-traditional  
5 Report") and Adjustable Rate and Mortgage Loan Survey ("Survey") on or before March 1st of each  
6 year for the preceding 12-month period ended December 31.

7           3.       On or about February 1, 2008, the Report, Non-traditional Report, and Survey forms  
8 were sent to all CRMLA licensees with a notice that the forms were due on or before March 1, 2008.  
9 Mendaros has not yet submitted the Report, Non-traditional Report, and Survey to the Commissioner  
10 despite the fact that the Commissioner has sent it numerous reminders.

11          4.       On or about May 15, 2008, a letter was sent to Mendaros demanding that the Report  
12 and Non-traditional Report be filed no later than May 25, 2008, and assessing Mendaros a penalty of  
13 \$1,000.00, pursuant to California Financial Code section 50326. Mendaros was notified in the letter  
14 that failure to file the Report and Non-traditional Report and/or pay the penalty by May 25, 2008  
15 would result in an action to either suspend or revoke its license.

16          5.       Mendaros has yet to submit the Report, Non-traditional Report, and Survey and/or pay  
17 the penalty as required by California Financial Code sections 50307, 50326, and 50401 and  
18 California Code of Regulations, title 10, section 1950.314.8.

19          6.       Pursuant to California Financial Code section 50200, subdivision (a), Mendaros was  
20 required to submit its audited financial statement for its fiscal year ending December 31, 2007  
21 ("Audit Report") to the Commissioner on or before April 15, 2008, including a reconciliation of its  
22 trust accounts. In addition, pursuant to the California Code of Regulations, title 10, section 1950.200,  
23 Mendaros was required to submit an Independent Auditor's Report on Internal Controls ("Report on  
24 Internal Controls") to the Commissioner on or before April 15, 2008.

25          7.       On or about December 17, 2007, the Complainant notified Mendaros in writing that its  
26 Audit Report, trust account reconciliation, and Report on Internal Controls were due on or before  
27 April 15, 2008. Mendaros failed to submit the Audit Report, trust account reconciliation, Report on  
28 Internal Controls by April 15, 2008.

1           8.       On or about June 4, 2008, a further letter was sent to Mendaros demanding that it file  
2 the Audit Report, trust account reconciliation, and Report on Internal Controls no later than June 13,  
3 2008. Mendaros failed to submit the Audit Report, trust account reconciliation, and Report on  
4 Internal Controls by June 13, 2008.

5           9.       On or about August 1, 2008, a final letter was sent to Mendaros demanding that the  
6 Audit Report, trust account reconciliation, and Report on Internal Controls be filed no later than  
7 August 11, 2008, and assessing Mendaros a penalty of \$1,000.00 pursuant to California Financial  
8 Code section 50326. Mendaros was notified in the letter that its failure to file the Audit Report, trust  
9 account reconciliation, Report on Internal Controls and/or pay the penalty by August 11, 2008 would  
10 result in an action to either suspend or revoke its license.

11           10.      Mendaros has yet to file its Audit Report, trust account reconciliation, Report on  
12 Internal Controls, and/or pay the penalty as required by Financial Code sections 50200, subdivision  
13 (a), 50326, and California Code of Regulations, title 10, section 1950.200.

14           11.      On September 16, 2008, the Commissioner issued a Notice of Intention to Issue Order  
15 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against  
16 Mendaros and Mendaros was served by certified mail with those documents at its last known address  
17 on record with the Commissioner. The Department has received no request for a hearing or any other  
18 response from Mendaros and the time to request a hearing has expired.

19           NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential  
20 mortgage lender license of Mendaros Family Corporation, doing business as Trans Pacific Mortgage  
21 Company is hereby revoked. This order is effective as of the date hereof. Pursuant to California  
22 Financial Code section 50311, Mendaros Family Corporation, doing business as Trans Pacific  
23 Mortgage Company has sixty days within which to complete any loans for which it had  
24 commitments.

25 DATED: January 22, 2009  
26 Los Angeles, CA

PRESTON DUFAUCHARD  
California Corporations Commissioner

27 By: \_\_\_\_\_  
28 ALAN S. WEINGER  
Lead Corporations Counsel