

1 PRESTON DUFAUCHARD
California Corporations Commissioner
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BEFORE THE DEPARTMENT OF CORPORATIONS

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OF THE STATE OF CALIFORNIA

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THE CALIFORNIA CORPORATIONS)
COMMISSIONER,)

File No.: 413-0783

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Complainant,)

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**ORDER REVOKING RESIDENTIAL
MORTGAGE LENDER LICENSE**

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v.)

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MONTGOMERY MORTGAGE CAPITAL)
CORPORATION,)

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Respondent.)

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The Complainant, California Corporations Commissioner ("Commissioner"), finds:

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1. Respondent, Montgomery Mortgage Capital Corporation ("Respondent") has a residential mortgage lender license ("License") issued by the California Department of Corporations ("Department") pursuant to the California Residential Mortgage Lending Act ("CRMLA") (California Financial Code sections 50000 *et seq.*).

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2. On December 17, 2007, the Commissioner notified Respondent in writing that, pursuant to Financial Code section 50200, it was required to submit an annual audit report ("Audit Report") for its fiscal year ending on December 31, 2007 no later than April 15, 2008.

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1 3. On June 4, 2008, the Commissioner again notified Respondent in writing that it had
2 failed to file its 2007 Audit Report and it was required to file its 2007 Audit Report within ten (10)
3 days of the date of the letter. Respondent failed to file its 2006 Audit Report.

4 4. On August 1, 2008, the Commissioner notified Respondent in writing that, pursuant to
5 Financial Code section 50326, Respondent was required to pay \$1,000.00 penalty for failure to file its
6 2007 Audit Report.

7 5. Respondent did not file its 2007 Audit Report and did not pay the penalty.

8 6. On November 5, 2007, the Commissioner was informed that Respondent's bond
9 would expire effective December 4, 2007 and no replacement bond had been obtained. The
10 Commissioner notified Respondent in writing that if the Commissioner did not receive Respondent's
11 reinstatement or replacement bond, the Commissioner would issue an order to discontinue any new
12 lending/brokering activities.

13 7. The bond was not replaced or reinstated. The Commissioner issued an Order to
14 Discontinue Residential Mortgage Lending and/or Servicing Activities to Respondent on December
15 5, 2007. The Order to Discontinue Residential Mortgage Lending and/or Servicing Activities
16 remained in effect because Respondent did not replace or reinstate its bond.

17 8. On February 1, 2008, an annual Report of Principal Amount of Loans and Aggregate
18 Amount of Loans Serviced form was sent to Respondent with a notice that the report was due on or
19 before March 1, 2008.

20 9. On May 15, 2008, the Commissioner notified Respondent in writing that, pursuant to
21 Financial Code section 50326, Respondent was required to pay \$1,000.00 penalty for failure to file its
22 annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced form.

23 10. Respondent did not submit its annual Report of Principal Amount of Loans and
24 Aggregate Amount of Loans Serviced form and did not pay the required penalty.

25 11. On November 5, 2008, the Commissioner filed and served the Accusation in Support
26 of Revocation of Respondent's License, the Notice of Intention to Issue Order Revoking
27 Respondent's License, and the accompanying documents (collectively, "Accusation"). The
28 Accusation was served by certified mail.

1 12. Respondent did not request a hearing and the time to request a hearing has expired.
2 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential
3 mortgage lender license issued by the Commissioner to Montgomery Mortgage Capital Corporation
4 is hereby revoked. This order is effective as of the date hereof. Pursuant to California Financial
5 Code section 50311, Montgomery Mortgage Capital Corporation has sixty days within which to
6 complete any loans for which it had commitments.

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8 DATED: November 21, 2008
9 Los Angeles, CA

PRESTON DuFAUCHARD
California Corporations Commissioner

10 By _____
11 ALAN S. WEINGER
12 Lead Corporations Counsel
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