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8 Attorneys for Complainant

9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA

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| 12 | In the Matter of |) | CASE NO. |
| | |) | |
| 13 | THE CALIFORNIA CORPORATIONS |) | FILE NO. 506-2938 |
| 14 | COMMISSIONER, |) | |
| | |) | ORDER REVOKING THE EFFECTIVENESS |
| 15 | Complainant, |) | OF PERMIT |
| | |) | |
| 16 | v. |) | [Corporations Code section 25140] |
| | |) | |
| 17 | 21st CENTURY FINANCIAL RESOURCES, |) | |
| 18 | INC., |) | |
| | |) | |
| 19 | Respondent. |) | |
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| 20 | |) | |
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23 1. On August 27, 2007, the California Corporations Commissioner (“Commissioner”)
24 initiated this action pursuant to Corporations Code section 25140(a)(1) to revoke the permit issued to
25 21st Century Financial Resources, Inc. (“Respondent”).

26 2. 21st Century Financial Resources, Inc. is a California corporation located at 1305 Vine
27 Street, Paso Robles, California 93447. Respondent does business as 21st Century Mortgage.
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1 3. On October 2, 2006, the Commissioner issued a permit under Corporations Code section
2 25113 to 21st Century Financial Resources, Inc. to offer and sell securities in the form of fractional
3 interests in notes secured by deeds of trust in California. The permit expires on October 2, 2007.

4 4. The permit was issued under a limited offering qualification authorizing the offer and
5 sale of Respondent's securities only to investors with (a) a net worth (exclusive of home, furnishings
6 and automobiles) of at least \$250,000 and an annual gross income of at least \$65,000; or (b) a net
7 worth (exclusive of home, furnishings and automobiles) of at least \$500,000 and the amount of each
8 investor's investment must not exceed 10% of such investor's net worth (exclusive of home,
9 furnishings and automobiles.)

10 5. On or about August 24, 2007, the Department received information that Respondent
11 notified its investors by a letter dated August 17, 2007 that it will be closing as of August 24, 2007.
12 The letter stated that the recent changes in the real estate market have caused a significant reduction
13 in revenue and the company is unable to maintain daily operations.

14 6. On August 27, 2007, the Commissioner issued Notice Of Intention To Enter An Order
15 Revoking Permit Issued Under Section 25113, Accusation and accompanying documents against
16 21st Century Financial Resources, Inc. based upon the above. On August 31, 2007 these pleadings
17 were personally served on Respondent. The Department has not received a request for a hearing
18 from 21st Century Financial Resources, Inc. and the time to request a hearing expired on September
19 15, 2007.

20 Based upon the foregoing, the Commissioner finds it is in the public interest to revoke the
21 permit issued to Respondent and that Respondent's proposed plan of business and proposed issuance
22 of securities is no longer fair, just and equitable because the Respondent has ceased operations.

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NOW GOOD CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED that the Permit issued by the Commissioner to 21st Century Financial Resources, Inc. on October 2, 2006 is hereby revoked. This order is effective as of the date hereof.

Dated: September 17, 2007
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
Alan S. Weinger
Lead Corporations Counsel