

1 obligated to complete the loan or, (2) for performing any other activities for which a
2 license is required, unless the person is a licensed real estate broker and has complied
3 with the provisions of the Real Estate Law.

4 In addition, based on that investigation, the Commissioner has determined that FPMI has engaged
5 in, is engaging in acts, is attempting to engage in, has engaged in, or is attempting to engage in
6 practices constituting violations of the Code.

7 Based on the findings of that investigation, the Commissioner hereby issues the following
8 Findings of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section
9 10086 of the Code.

10 Whenever acts referred to below are attributed FPMI, those acts are alleged to have been
11 done by FPMI, acting by themselves, or by and/or through one or more agents, associates,
12 affiliates, and/or co-conspirators.

13 FINDINGS OF FACT

14 1. FPMI is not now and has never been licensed by the DRE as a real estate
15 corporation ("REC"), or as a fictitious business name.

16 2. On or about January 1, 2019, Leann Yan Li ("Li"), filed articles of incorporation
17 for "FP Mortgage, Inc." with the California Secretary of State's Office.

18 3. On or about November 15, 2019, the DRE received a complaint from Y.H.^{1/}
19 alleging that in or about August 2019, Y.H. was trying to buy a home and was referred to Li as a
20 mortgage officer. Y.H. alleges that on October 2, 2019, Y.H. informed Li that Y.H. found a house
21 and that the seller was taking Y.H.'s offer.

22 4. On or about October 9, 2019, Li had Y.H. fill out a loan form which had "FP
23 Mortgage, Inc." at the top of the form as the letterhead, and was signed by Li on behalf of FP
24 Mortgage, Inc. The loan form completed by Y.H. contained the following paragraph:

25 The Above Applicant(s) Whose signature appears here request(s) and agreed(s) [sic] to pay
26 FP MORTGAG, [sic] INC. in the amount of \$4823 to process a loan on their behalf for the
27 purchase or refinance of the above subject property. In the event that the loan application is
28 not approved or for any reason the loan is withdraw [sic], the full amount of the application
and processing fee will be refunded to the borrower.

^{1/} Initials are used in place of an individual's full name to protect their privacy.

1
2 5. Y.H. alleges that on October 10, 2019, Li informed Y.H. that the loan was
3 approved, and asked Y.H. to pay Li \$4,823 for the loan processing fee.

4 6. Y.H. alleges that on October 11, 2019, Y.H. gave Li check no. 424 for \$4,823,
5 made payable to "FP Mortgage Inc.," and Li deposited the check in the FPMI bank account with
6 Bank of America. Y.H. later learned that the terms of the loan that Li had represented to Y.H. had
7 changed dramatically, and Y.H. refused to sign, because it was not what Y.H. had been told by Li.

8 7. Y.H. alleges that Y.H. demanded a refund from Li, but Li did not reply.

9 8. Y.H. alleges that Y.H. persisted in asking Li to refund Y.H.'s \$4,823, that Li
10 initially said on October 24, 2019 to let her check with her accounting and she would refund Y.H.
11 the money, but that on November 11, 2019, Li stated that Y.H.'s payment for \$4,823 was just a
12 consulting fee, and that Li would not refund Y.H. the money.

13 9. According to the DRE's records as of June 15, 2021, there are no approvals of
14 advance fee materials for use by Li.

15 CONCLUSIONS OF LAW

16 10. Based on the findings of fact contained in paragraphs 1 through 9 above, FPMI
17 violated Code section 10130 by engaging in the business of, acting in the capacity of, and/or
18 advertising or assuming to act as, a mortgage loan originator, and as a real estate broker within the
19 meaning of Code Section 10131, without first obtaining a broker license from the Department, and
20 without obtaining a mortgage loan originator license endorsement.

21 11. Also based on the findings of fact contained in paragraphs 1 through 9 above,
22 FPMI violated Code section 10085.5 by claiming, demanding, charging, receiving, collecting, or
23 contracting for an advance fee (1) for soliciting lenders on behalf of borrowers or performing
24 services for borrowers in connection with loans to be secured directly or collaterally by a lien on
25 real property, before the borrower becomes obligated to complete the loan or, (2) for performing
26 any other activities for which a license is required, unless the person is a licensed real estate broker
27 and has complied with the provisions of the Real Estate Law.

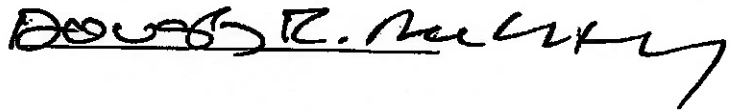
28 ///

1 DESIST AND REFRAIN ORDER

2 Based on the Findings of Fact and Conclusions of Law stated herein, IT IS
3 HEREBY ORDERED THAT FP MORTGAGE INC., while doing business in its name or any
4 other fictitious business names, immediately desist and refrain from performing any acts within
5 the State of California for which a real estate broker license is required, unless it is so licensed. IT
6 IS FURTHER HEREBY ORDERED THAT FP MORTGAGE INC., while doing business in its
7 name or any other fictitious business names, immediately desist and refrain from claiming,
8 demanding, charging, receiving, collecting, or contracting for an advance fee (1) for soliciting
9 lenders on behalf of borrowers or performing services for borrowers in connection with loans to be
10 secured directly or collaterally by a lien on real property, before the borrower becomes obligated
11 to complete the loan or, (2) for performing any other activities for which a license is required,
12 unless the person is a licensed real estate broker and has complied with the provisions of the Real
13 Estate Law.

14 DATED: 10-26-21, 2021.

16 DOUGLAS R. McCAULEY
17 REAL ESTATE COMMISSIONER

18 

20 **Notice:** Business and Professions Code Section 10139 provides that "Any person acting as a real
21 estate broker or real estate salesperson without a license or who advertises using words indicating
22 that he or she is a real estate broker without being so licensed shall be guilty of a public offense
23 punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by imprisonment in the
24 county jail for a term not to exceed six months, or by both fine and imprisonment; or if a
25 corporation, be punished by a fine not exceeding sixty thousand dollars (\$60,000)."

26 cc: FP MORTGAGE, INC.
27
28

DEPARTMENT OF REAL ESTATE

CITE & FINE
 P.O. BOX 137012
 SACRAMENTO, CA 95813-7012



CITATION

YOUR FAILURE TO RESPOND TO THIS CITATION, PAY THE ASSESSED FINE, OR SATISFY AN ORDER TO DESIST & REFRAIN MAY RESULT IN:

- ✓ LICENSE ISSUANCE WITHHELD
- ✓ A CIVIL JUDGMENT FOR THE UNPAID FINE.
- ✓ ANY UNPAID DEBT SENT TO COLLECTIONS, WHICH MAY INCUR ADDITIONAL FEES AND NEGATIVELY IMPACT YOUR CREDIT RATING.

To: FP MORTGAGE, INC.
 7870 CASTLETON ST
 SUITE 265
 CITY OF INDUSTRY, CA 91748

RE: NUMBER OF CITATIONS: 2
 CITATION NUMBER(S): See Below
 DRE CASE NUMBER: 1-19-1115-006
 DRE HEARING NUMBER: H-42083LA
 PAYMENT DUE DATE: 30 Days after receipt

TOTAL FINE AMOUNT: \$5,000.00

Pursuant to the authority provided in California Business and Professions Code §10080.9 and Commissioner's Regulation 2907, et seq., the California Department of Real Estate hereby issues this citation to FP Mortgage, Inc. (Respondent), an unlicensed entity for specified violation(s) of the Real Estate Law. An Order to Desist & Refrain (D&R) accompanies the Citation(s).

CITATION SECTION

REF	CITATION NUMBER	VIOLATION(S)	FINE
1	C-1-21-0909-001 (PRIMARY)	<p>Violation: B&P 10130 - Acting without license</p> <p>Engaging in the business of, acting in the capacity of, and/or advertising or assuming to act as, a mortgage loan originator, and as a real estate broker within the meaning of Code Section 10131, without first obtaining a real estate license from the Department, and without obtaining a mortgage loan originator license endorsement.</p>	\$2500.00

2	C-1-21-0909-002	<p>Violation: B&P 10085.5(a) - Payment of Advance Fee - Loan Secured by Lien on Real Property. Those who collect an advance fee for loan services or real estate activities must be licensed real estate brokers.</p> <p>Claiming, demanding, charging, receiving, collecting, or contracting for an advance fee (1) for soliciting lenders on behalf of borrowers or performing services for borrowers in connection with loans to be secured directly or collaterally by a lien on real property, before the borrower becomes obligated to complete the loan or, (2) for performing any other activities for which a license is required, unless the person is a licensed real estate broker and has complied with the provisions of the Real Estate Law.</p>	\$2500.00
TOTAL ADMINISTRATIVE FINES: \$5,000.00			

PAYMENT OF ADMINISTRATIVE FINE

Payment of the fine shall not constitute an admission of the violation(s) cited.

Please return the enclosed invoice form and include the Citation number on your cashier's check or money order. If you are paying by credit card, please complete and return the Credit Card Authorization form. Send payments to:

DEPARTMENT OF REAL ESTATE
 FISCAL / Citations
 Post Office Box 137006
 Sacramento CA 95813-7006

FAILURE TO RESPOND OR COMPLY WITH CITATION

The failure to comply with the terms of the citation or pay a fine assessed pursuant to B&P §10080.9 shall subject that person to formal disciplinary action by the Commissioner, which could, if you are a licensee, result in the suspension or revocation of your real estate license and mortgage loan originator license endorsement (if applicable). A license may not be renewed, nor may a new license be issued, if an unpaid fine remains outstanding or the terms of a citation have not been complied with.

Unpaid fines may be referred for collections, which may negatively affect one's credit rating. Please know that pursuant to Government Code §16583.1, a referral for collections and a subsequent collections effort may result in additional costs to you from fees related to the collections, which may total more than the amount of the initially-assessed fine. The Department may also seek a civil court judgment for the unpaid debt from superior court.

If, within thirty (30) days from the receipt of the citation, you fail to notify the Department's Cite & Fine section of your intent to contest the citation and request a formal hearing, the citation shall be deemed final.

CONTESTING THE CITATION – CITATION REVIEW CONFERENCE

You may contest or dispute any aspect of the citation by making written request to the Department no later than 30 days after receipt of the citation. Use the enclosed form, "Notice of Intent to Request a Formal Hearing", to indicate your wish to contest the citation. Upon receipt of your request, the Department will schedule you for a Citation Review Conference, or CRC, which are held in the Department's Sacramento or Los Angeles offices.

The CRC is an opportunity for you to meet in person with a representative of the Department and to present evidence or mitigating information regarding the cited violations. Following the CRC the Department will notify you of its decision to affirm, modify, or dismiss the citation(s).

CONTESTING THE D&R AND CITATION – FORMAL ADMINISTRATIVE HEARING

Pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, you have the right to a formal administrative hearing conducted by an administrative law judge through the Office of Administrative Hearings. Please refer to the accompanying Order to Desist & Refrain for information on contesting the D&R.

ADDITIONAL CITE AND FINE INFORMATION is available on the Department's website at www.dre.ca.gov.

CITE & FINE
Department of Real Estate

By:


L.S. MARTIN
Compliance Officer

STATE OF CALIFORNIA
DEPARTMENT OF REAL ESTATE

BARCODE#: 21252111782

CITATION AND FINE INVOICE

RE 589 (Rev 9/14)

DRE USE ONLY

DRE USE ONLY

CITATION INFORMATION

DRE CITATION NUMBER

C-1-21-0909-001 (PRIMARY)

DRE CASE NUMBER

1-19-1115-006

DRE RECEIVED DATE

CITATION/INVOICE DATE

09/14/2021

INVOICE NUMBER

CIT03178 (PRIMARY)

DRE LICENSE NUMBER

CITED PARTY

FP MORTGAGE, INC.
7870 CASTLETON ST
SUITE 265
CITY OF INDUSTRY, CA 91748

DESCRIPTION

TOTAL

\$5,000.00

ASSESSED ADMINISTRATIVE FINE

TOTAL DUE TO DRE BY: 30 DAYS AFTER RECEIPT

- ❖ Payment may be made by certified funds, money order, or credit card. If paying by credit card, complete and return the credit card information requested. No personal or company checks will be accepted.
- ❖ If payment is mailed, please include a copy of this invoice with your payment.
- ❖ Per Government Code §16583.1, referral of this bill to Collections may result in additional costs to you, above the amount of the initial fine assessed. To avoid additional costs, you must pay this bill within the time prescribed.

INSTRUCTIONS

FOR ACCOUNTING USE
ONLY:
164300.36

- A copy of this invoice must accompany your remittance to ensure proper credit to your account.
- Make the cashier's check or money order payable to:
California Department of Real Estate, or DRE
- Mail to: CALIFORNIA DEPARTMENT OF REAL ESTATE
FISCAL/CITATIONS
P.O. BOX 137006
SACRAMENTO, CA 95813-7006

CREDIT CARD PAYMENT FOR CITATIONS

RE 909CAF (Rev. 1/14)

GENERAL INFORMATION

- Fines may be charged to your VISA, MasterCard, Discover, or American Express credit card.
- Complete the information requested below and mail or fax to DRE at:

DEPARTMENT OF REAL ESTATE
Fiscal/Citations
P.O. Box 137006
Sacramento, CA 95813-7006
Fax: (916) 263-8889

CREDIT CARD INFORMATION

- When charging fees to your VISA, MasterCard (MC), Discover Card (DSC), or American Express (AE), the following information must be completed and submitted:

METHOD OF PAYMENT (CHECK ONE) <input type="checkbox"/> VISA <input type="checkbox"/> MC <input type="checkbox"/> DSC <input type="checkbox"/> AE	ACCOUNT NUMBER	DRE USE ONLY	
EXPIRATION DATE	AMOUNT AUTHORIZED \$	ZIP CODE OF CARDHOLDER	Approval #
CARDHOLDER NAME (PLEASE PRINT)			Reference #
CITED PERSON'S NAME (IF DIFFERENT THAN CARDHOLDER)			
PURPOSE OF TRANSACTION INVOICE CIT03178 (PRIMARY)			Transaction Date
LICENSE INFORMATION (IF APPLICABLE) <input type="checkbox"/> SALESPERSON <input type="checkbox"/> BROKER <input type="checkbox"/> CORPORATION/OFFICER ID#			Initials
DRE CITATION OR CASE # (IF KNOWN)			

CERTIFICATION

*I hereby certify that I understand that the fee remitted is deemed earned upon receipt.
(B&P Section 10207)*

SIGNATURE ➤	DATE		
PRINTED NAME (LAST, FIRST MIDDLE)	DAYTIME TELEPHONE NUMBER ()		
MAILING ADDRESS	CITY	STATE	ZIP CODE

PRIVACY NOTICE: Section 1798.17 of the Civil Code requires this notice be provided when collecting personal or confidential information from individuals. Each individual has the right to review personal information maintained by this agency, unless access is exempted by law. Government Code Section 6162 and 6163 authorizes the maintenance of this information. All information is voluntary; however, failure to provide requested information may cause your credit card payment request to be delayed. The information requested in this form is used to verify the authenticity of the credit card you wish to use to pay for DRE transaction/service fees. There are no known or foreseeable interagency or intergovernmental transfers of this information. For more information or access to this record, please contact the Fiscal Officer at (916) 576-8098 or you may write to Department of Real Estate, 1651 Exposition Blvd, Sacramento, CA 95815.

NOTICE OF INTENT TO REQUEST A FORMAL HEARING
RE 588A (New 7/14)

CITATION INFORMATION

CITED PARTY		DRE LICENSE NUMBER
CITATION NUMBER	DRE CASE NUMBER	

INSTRUCTIONS

- ❖ Check the boxes corresponding to the parts of the citation you are contesting for each violation as numbered in the citation.
- ❖ Please attach an explanation and supporting documents that you wish for us to consider during our review.

TO THE REAL ESTATE COMMISSIONER

I hereby acknowledge receipt of the Citation referenced above and notification of my right to contest the Citation. I do hereby contest the Citation and notify you that I intend to request a formal citation hearing. I have indicated below the parts of the Citation I am contesting, and I am not contesting any parts that I have not checked.

CONTESTED PARTS

VIOLATION NUMBER	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	COMMENTS
1	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
2	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
3	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
4	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
5	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
6	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	
7	<input type="checkbox"/> VIOLATION <input type="checkbox"/> ORDER OF CORRECTION <input type="checkbox"/> FINE AMOUNT	

SIGNATURE		DATE	
MAILING ADDRESS		CITY	STATE ZIP CODE
TELEPHONE NUMBER	ALTERNATE TELEPHONE NUMBER	EMAIL ADDRESS	

Return To: DEPARTMENT OF REAL ESTATE, Cite & Fine, PO Box 137012, Sacramento, CA 95813-7012

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

* * *

In the Matter of the Desist and Refrain Order to:

DRE Case No. H-42083 LA

FP MORTGAGE, INC. ,

DECLARATION OF MAILING

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the office of the Department of Real Estate of the State of California at 320 West Fourth St., Ste. 350, Los Angeles, CA 90013.. I am over the age of eighteen years and not a party to the within action.

On November 03, 2021, I served the following document(s):

- Desist and Refrain Order
- Citation
- RE-575 Notice of Service

in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

FP MORTGAGE, INC.
7870 CASTLETON ST
SUITE 265
CITY OF INDUSTRY CA 91748

(By Mail) I served the above document(s) on behalf of the Department of Real Estate by placing for collection and mailing following ordinary business practices, true copies to the addressed as shown above, on this date and at the place shown, in envelope(s) in the ordinary course of business.

(By Certified Mail) I served the above document(s) on behalf of the Department of Real Estate by placing for collection and mailing following ordinary business practices, true copies to the addressed as shown above, on this date and at the place shown, in envelope(s) in the ordinary course of business.

(By Electronic Service) I caused the above document(s) to be transmitted electronically, on behalf of the Department of Real Estate, to the person(s) at the e-mail addresses listed, above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on November 03, 2021, at Los Angeles, California.


ALEJANDRA CANCHE