

**STATE OF ILLINOIS**  
**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**  
**DIVISION OF BANKING**

IN THE MATTER OF: )  
 )  
 ) No. 2007-MBR-22  
**VALUE MORTGAGE FUNDING, INC.** )  
Attention: Eric Atamian )  
8361 E. Gelding Drive, Suite B )  
Scottsdale, AZ 85260 )

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having conducted an investigation related to activities conducted by Value Mortgage Funding, Inc. (the “Licensee”) and having documented violations of the Residential Mortgage License Act of 1987 (the “Act”) [205 ILCS 635] and the rules promulgated under the Act (the “Rules”) [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5 (h)(5) of the Act. The Department makes the following:

**FINDINGS**

1. That Value Mortgage Funding, Inc. is an Illinois residential mortgage licensee holding license No. MB.6759431 and located at 8361 E. Gelding Drive, Suite B, Scottsdale, Arizona 85260;
2. That on or around March 7, 2007 and acting upon a law enforcement tip of a possible unregistered loan originator, the Department opened an investigation of Licensee’s residential mortgage operations at Licensee’s additional full service office located at 2409 N. Cicero, Chicago, Illinois (the “Office”) (License No. MB.6759431-001);
3. That during the course of unannounced visits to the Office on March 7, 2007 and March 21, 2007, the Department’s investigator, working undercover, communicated with at least three separate individuals variously claiming to be loan originators and/or solicitors for Licensee and offering to take a loan application or commence steps to accomplish such loan application from or on behalf of the investigator;

4. That the Department's investigator found evidence of said individuals using various company business cards, but that Angelina Morales produced a business card with Licensee's name, Office address, and title of Loan Consultant, and that the investigator found further evidence of the improper posting of a copy of the License No. MB. 6759431-001 at the Office, and the investigator found further evidence of Licensee having quality control issues with the Office through a follow-up interview and comparing Licensee records of loan originator registration with on-site observations of work spaces and operations;
5. That the Department mailed to Licensee a letter of potential disciplinary action on April 13, 2007 and that Licensee provided a response on April 26, 2007, including notification that the employee acting as an unregistered loan originator was terminated from employment, but that the Department determined that said response while mitigating said findings, did not remove violations of the Act and Rules occurring as cited herein.

### **CONCLUSIONS**

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

That notwithstanding notices and other efforts by the Department, Licensee knowingly hired or employed a loan originator (Angelina Morales) who was not properly registered at all times with the Department in violation of Sections 2-4(x) and 7-1 of the Act and Section 1050.2110 et seq. of the Rules, and further permitted other non-employees to engage in loan originator activities at Licensee's facilities in violation of Section 1-4(r) and 3-4 of the Act and Section 1050.340 of the Rules, and failed to post the original Office license in violation of Section 2-9 of the Act; said actions in further violation of Section 4-5(i)(11) and (17) of the Act.

### **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Value Mortgage Funding, Inc., License No. MB.6759431 shall be and hereby is assessed a fine of \$5,000;
2. The fine in the amount of \$5,000 shall be due thirty (30) days after the effective date of this Order upon Value Mortgage Funding, Inc., and
3. The fine in the amount of \$5,000 shall be paid by means of a certified check or money order made payable to the:

**Department of Financial and Professional Regulation  
Division of Banking  
ATTN: FISCAL DIVISION, 2<sup>ND</sup> FLOOR  
320 W. Washington Street  
Springfield, IL 62786**

ORDERED THIS 24<sup>TH</sup> DAY OF MAY 2007

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING  
JORGE SOLIS, ACTING DIRECTOR

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REYNOLD M. BENJAMIN  
Assistant Director, Bureau of Residential Finance

You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code, 1050.1510 *et seq.* any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision and, if so requested, a hearing shall be held on the administrative decision, by the Department of Financial and Professional Regulation, Division of Banking. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].