

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

IN THE MATTER OF)
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)
ROYALTY MORTGAGE CORPORATION) No. 2009-MBR-12
ATTN: Felicia Rusz)
8020 N. Lincoln Avenue)
Skokie, IL 60077)
Licensee No. MB.6760122)

ORDER REVOKING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having reviewed activities conducted by Royalty Mortgage Corporation, 8020 N. Lincoln Avenue, Skokie, Illinois, 60077, (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)(1) of the Act. The Department makes the following:

FINDINGS

1. That Royalty Mortgage Corporation, is an Illinois residential mortgage licensee holding inactive lapsed license number MB.6760122 (the "License"), and located at 8020 N. Lincoln Avenue, Skokie, Illinois, 60077;
2. The Department has found violations of the following Act and Rules Sections in the Report of Examination ("ROE") of Royalty Mortgage for the period 8/14/2006 to 11/30/2007 and as transmitted by the Department to Royalty Mortgage on 4/4/2008: Act Sections 3-2 and 3-5, and Rules Sections 1050.410, 1050.1010, 1050.1110, 1050.1175, 1050.1250, and 1050.1350;
3. That due to the violations cited, the ROE was assigned to Supervision Section to document corrections and compliance by Royalty Mortgage with the Act and Rules;
4. That the Supervision Section thereafter required Royalty Mortgage to provide a special audit by 8/1/2008 showing 2008 compliance with net worth, based upon determinations that Royalty Mortgage failed to maintain net worth as of 12/31/2006 and 12/31/2007;
5. That the Department received correspondence from Royalty Mortgage on 7/28/2008 stating that the company wished to surrender its residential mortgage license; however, said notice did not remove Royalty Mortgage from its responsibility to provide documentation of

corrections and compliance, and comply with license surrender guidelines. These are mandatory steps prior to the Department approving any requested change to license status;

6. That Licensee's license status went to lapsed inactive on September 5, 2008 and that Licensee has not submitted its license renewal to the Department;
7. That a Potential Disciplinary Letter was sent to Licensee on December 2, 2008, via U.S. first-class and certified mail service; and
8. That Licensee has failed to provide to the Department the requested information or documentation by the due dates as requested by the Department.

CONCLUSIONS

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

That notwithstanding notices and other efforts by the Department, Licensee failed to correct the aforementioned violations cited in the ROE and failure to comply with net worth requirements in violation of Sections 3-2, and 3-5 and Rules Sections 1050.410, 1050.1010, 1050.1110, 1050.1175, 1050.1250 and 1050.1350 of the Rules, and is in further violation of Sections 4-5(i) (11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that the license of **ROYALTY MORTGAGE CORPORATION**, License No. MB.6760122 is revoked by Order of the Department pursuant to Section 4-5(h)(1) of the Act for failure to comply with the provisions cited herein of the Act and rules, effective ten days after receipt of this Order, unless you request a hearing pursuant to the Act and Subpart N of the Rules, including remitting the hearing fee required by Section 1050.210 of the Rules.

ORDERED THIS 13TH DAY OF JANUARY, 2009

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

MICHAEL T. MCRAITH, ACTING SECRETARY
DIVISION OF BANKING

JORGE A. SOLIS, DIRECTOR

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.].