

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

IN THE MATTER OF:)
)
) No. 2009-MBR-15
CENTRE MORTGAGE INC.)
License No. MB.0005912)
Attention: Ronald Manning)
3716 N. Vermilion St., Ste. D3)
Danville, IL 61832)

ORDER REVOKING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having examined Centre Mortgage Inc., (the “Licensee”) and 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 Centre Mortgage Inc. is an Illinois residential mortgage licensee holding license number MB.0005912 (the “License”) and located, according to Department records, at 3716 N. Vermilion St., Ste.D3, Danville, IL 61832;
2. That on November 11, 2008, the Department submitted an examination of Licensee for the exam period 8/01/2005 to 8/31/2008 and the examiner found several violations by the Licensee of the Act and Rules as subsequently cited in the Report of Examination (the “ROE”) as follows:
 - a. Net Worth Requirement – Licensee failed to meet the required minimum net worth requirement of \$50,000 for each of the full years ending 12/31/2005, 12/31/2006, 12/31/2007, and partial year ending 8/31/2008;
 - b. Registration Required – Licensee employed an unlicensed loan originator during the period 10/23/2006 to 12/1/2006 as cited in the ROE (violation of Section 7-1 of the Act and Section 1050.2200 of the Rules);
 - c. Liquidity Requirement – Licensee failed to maintain the minimum 20% of net worth in liquid assets at any given time as cited in the ROE (violation of 24 CFR 202.7(b)(1)(2));

- d. U.S.A. Patriot Act 2001 – Licensee failed to document evidence of borrower identification in 5 separate loan files (violation of the USA Patriot Act 2001 P.L. 107.56 – 326(a)(1)(2));
 - e. Good Faith Estimate – Licensee failed to disclose the Yield Spread Premium in the initial Good Faith Estimate in a loan file (violation of 24 CFR 3500.7(c));
 - f. Rate Lock-In – Licensee failed to provide a Rate Lock Agreement in 5 separate loan files and Licensee failed to complete a Interest Lock Letter between borrower and broker for 1 loan file (violation of Section 1050.1140 of the Rules and the Regulatory Bulletin JS93/1 of 1993 with Section 6-1 of the Act, and a repeat violation from prior examination);
 - g. Loan Brokerage Agreement - Licensee failed to provide a Brokerage Agreement in 5 loan files, failed to have its loan originator sign the Brokerage Agreement in 2 loan files, and failed to provide a loan originator registration number on the Brokerage Agreement in 4 loan files (violation of Section 1050.1010 of the Rules);
 - h. Borrower Information Document – Licensee failed to disclose the Yield Spread Premium in the initial Good Faith estimate in 1 loan file, and failed to have its loan originator sign the Initial Loan Applications of 4 loan files, and in 1 loan file it was failed to have the applicant and loan originator sign the Initial Loan Application (violation of Section 1050.1110(e) of the Rules);
 - i. Maintenance of Records – Licensee failed to include the following documents in loan files (violation of Section 1050.1175(b) of the Rules):
 - i. Final Form 1003, Good Faith Estimate, Truth In Lending, and Appraisal (4 loan files);
 - ii. Appraisal (1 loan file);
 - iii. Brokerage Disclosure Statement and Borrower Information Document (1 loan file);
 - iv. Loan Payoff Letter used for refinancing (3 loan files);
 - j. Changes Affecting Loans in Process – Licensee failed to provide proof that Notification of changes of a loan in process to be provided to borrowers to document change in interest rate to document a change in interest rate for 2 loan files (violation of Section 1050.1230 of the Rules);
 - k. Approval Notice – Licensee failed to provide evidence of Commitment/Approval Letters in 5 loan files (violation of Section 1050.1305 of the Rules);
 - l. Fees and Charges – Licensee failed to provide the Signed Rate Lock Agreement between borrower and broker in 4 loan files and a Signed Lock Rate Agreement was not completed in 2 loan files (violation of Section 1050.1335(a) of the Rules);
 - m. Compliance with Other Laws (violation of Section 1050.1350);
3. That the Department mailed to Licensee the ROE on or around 11/24/2008, and a potential disciplinary letter on or around December 16, 2008, with a request for response from Licensee as to the findings and potential discipline;
 4. That on or around 12/9/2008 and 12/23/2008, Department received responses from the Licensee; however, the Department reviewed said responses and found them to be insufficient to correct the numerous violations of the Act and Rules cited in the ROE and 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 is in violation of Sections 3-5, 6-1 and 7-1 of the Act; Sections 1050.410, 1050.1110, 1050.1140, 1050.1175, 1050.1230, 1050.1305, 1050.1335, 1050.1350, and 1050.2220 of the Rules; the U.S.A. Patriot Act 2001; 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 CENTRE MORTGAGE INC., License No. MB.0005912 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 22ND 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.*].