

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF: )  
 ) No. 2016-MBR-05  
**GRADIENT HOME MORTGAGE, LLC** )  
License No. MB.6760951 )  
Attention: Zachary Reimringer, NMLS Primary Co. Contact )  
4105 Lexington Avenue N, Suite 330 )  
Arden Hills, MN 55126 )

ORDER REVOKING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”), having reviewed the activities of **GRADIENT HOME MORTGAGE, LLC (“GRADIENT”)**, 4105 Lexington Avenue N, Suite 330, Arden Hills, Minnesota 55126, and making findings under the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], and the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this **ORDER REVOKING LICENSE**.

STATUTORY PROVISIONS

1. Section 2-4 of the Act requires applicants/licensees to make certain averments to the Department, of which failure to fulfill the obligations of an averment shall subject the licensee to penalty, including the requirements to (c) maintain records for 36 months; (d) file with the Department any required reports; (s) advise the Department of any changes to the information submitted on its most recent license application within 30 days of said change; (t) comply with the Act and Rules.
2. Section 2-6 of the Act provides that an Illinois Residential Mortgage License shall be renewed on the common renewal date of the Nationwide Mortgage Licensing System (“NMLS”) upon a licensee submitting a properly completed renewal application form. It is the responsibility of each licensee to timely accomplish renewal of its license. A licensee ceasing activities regulated by the Act and desiring to no longer be licensed must inform the Department in writing, convey the license, provide a plan for withdrawal from the regulated business, and comply with the Department’s surrender guidelines.
3. Section 4-5 of the Act provides that when the Department finds any person in violation of the grounds set forth in subsection (i), the Department may enter an order revoking a license as authorized by subsection (h)(1). A licensee violates Section 4-5(i) of the Act due to (17) failure to comply with or violation of any provision of the Act.

### FACTUAL FINDINGS

4. On October 1, 2015 and upon information that GRADIENT no longer wanted to maintain its active Illinois Residential Mortgage License No. MB.6760951 (“License”), the Department placed a deficiency on GRADIENT’s account in the NMLS directing GRADIENT to follow the instructions on the Illinois surrender checklist at the NMLS Resource Center.
5. Thereafter, GRADIENT took no action to apply using said checklist for surrender of its License, and the NMLS licensing renewal window for calendar year 2016 opened on November 1, 2015.
6. On December 31, 2015, the NMLS closed its licensing renewal window, but permitted late renewal applications to be received through February 29, 2016. GRADIENT again took no action on or before February 29, 2016 to timely or late renew or surrender its License.
7. On March 2, 2016, the Department sent an email to GRADIENT with the Department’s surrender checklist attached. In this email, the Department notified GRADIENT that “according to our records your company did not renew or surrender its license for 2016. Please follow the attached checklist to correctly surrender your Illinois Residential Mortgage License. If not surrendered properly you can be subject to revocation.”
8. On March 21, 2016 and upon the Department receiving no response from GRADIENT to its March 2, 2016 email, the Department called the primary company contact in the NMLS for GRADIENT and found that the telephone number provided by GRADIENT automatically disconnected the Department’s call.

### LEGAL CONCLUSION

9. The Department finds that GRADIENT failed to apply for renewal or surrender of its License as required by the Act, and further failed to comply with averments to the Department to maintain and update records.
10. GRADIENT is in violation of Sections 2-4, 2-6, and 4-5(i) (17) of the Act.

### NOW IT IS HEREBY ORDERED THAT,

The Department **REVOKES** GRADIENT HOME MORTGAGE, LLC’s Illinois Residential Mortgage License No. MB.6760591 pursuant to Section 4-5(h) (1) of the Act.

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2016

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DIVISION OF BANKING

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KERRI DOLL  
ACTING 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 affected party may file a request for a hearing on a decision by the Director. The request for a hearing must be filed with the Department at 320 West Washington Street, 5<sup>th</sup> Floor, Springfield, IL 62786 within 10 days after the appealing party's receipt of this Order; a \$500 hearing fee payable to the Department by cashier's check or money order must be filed with the hearing request. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in this Order pursuant to 38 Ill. Adm. Code 1050.1570. After receipt of a proper and timely request for hearing, 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].**