

**STATE OF ILLINOIS**

**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**

**DIVISION OF BANKING**

<b>IN THE MATTER OF:</b>	)	
	)	No. 2017-MBR-02
<b>1<sup>ST</sup> EAGLE MORTGAGE, INC.</b>	)	
License No. MB.6760798	)	
Attention: Herbert Levin	)	
790 W. Frontage Road, Suite 418	)	
Northfield, IL 60093	)	

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”), having examined and reviewed the activities of **1<sup>ST</sup> EAGLE MORTGAGE, INC.** (“**1<sup>ST</sup> EAGLE MORTGAGE**”), 790 W. Frontage Road, Suite 418, Northfield, Illinois 60093 and having documented repeat violations under the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], and the Residential Real Property Disclosure Act (“RRPDA”) [765 ILCS 77], hereby issues this **ORDER ASSESSING FINE**.

**STATUTORY PROVISIONS**

1. Section 70 of Article 3 of the RRPDA requires the residential mortgage broker or originator to submit all required information within 10 business days after taking a mortgage application on residential property within the program area into the Anti-Predatory Lending Database (“APLD”).
2. 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 imposing a fine not to exceed \$25,000 for each count of separate offense as authorized by subsection (h)(5). A licensee violates Section 4-5(i) of the Act due to (11) failure to comply with any order of the Department or rule made or issued under the provisions of this Act, (17) failure to comply with or violation of any provision of this Act, and (18) failure to comply with or violation of any provision of Article 3 of the RRPDA.
3. Section 5-11 of the Act requires licensees to provide to the borrower a complete copy of any appraisal, including any appraisal generated using the Automated Valuation Model, obtained by the lender for use in underwriting the residential mortgage loan within 3 business days of receipt by the licensee, but in no event less than 24 hours prior to the day of closing. The appraisal may be sent via first class mail, commercial carrier, by facsimile or by e-mail, if the borrower has supplied an e-mail address.
4. Section 1050.1030 of the Rules provides that no licensee shall knowingly provide, or offer to provide, for any borrower any loan brokerage services, as defined by the Act, under any

arrangement with any entity other than a licensee or an entity exempt from licensing under the Act.

5. Section 1050.1177 of the Rules states that all licensees engaged in loan brokering or originating shall maintain a loan application file for each loan application that contains certain information such as the Loan Brokerage Agreement and appraisal and all other documents in or related to the loan file.
6. Section 1050.1305 of the Rules requires that immediately upon approval of a residential mortgage loan application, the licensee shall deliver to the borrower a written loan approval notice stating the terms and condition of the residential mortgage loan agreed to by the licensee and borrower.

### **FACTUAL FINDINGS**

7. The Department conducted regular examinations of 1<sup>ST</sup> EAGLE MORTGAGE in calendar year 2014 for the periods April 1, 2011 to November 30, 2013 (“2014 Examination”) and in calendar year 2016 for the periods December 1, 2013 to November 30, 2015 (“2016 Examination”).
8. For the 2014 Examination and 2016 Examination, the Department found that 1<sup>ST</sup> EAGLE MORTGAGE failed to comply in each exam with four separate statutory or regulatory requirements. These include: 1) engaging in prohibited practice of working with one or more named unlicensed processing companies, 2) failure to timely input identified loans into the Anti-Predatory Lending Database, 3) failure of identified loan files to contain the loan approval notice, and 4) failure of identified loan files to include timely delivery of appraisal to borrower/borrower acknowledgement of appraisal receipt.
9. The Department has reviewed written comments submitted by 1<sup>ST</sup> EAGLE MORTGAGE in response to the Department’s findings and considered said comments in preparing this Order.

### **LEGAL CONCLUSION**

10. 1<sup>ST</sup> EAGLE MORTGAGE committed violations of Section 70 of Article 3 of the RRPDA, Section 5-11 of the Act, and Sections 1050.1030, 1050.1177, and 1050.1305 of the Rules, and is in further violation of subsections (11), (17), and (18) of Section 4-5(i) of the Act.

### **NOW IT IS HEREBY ORDERED THAT,**

The Department assesses a fine of \$1,000 against 1<sup>ST</sup> EAGLE MORTGAGE, INC. pursuant to Section 4-5(h) (5) of the Act. The fine is payable by certified check or money order within thirty (30) days of the effective date of this Order to the:

**Department of Financial and Professional Regulation  
Division of Banking  
Attention: FISCAL DIVISION  
320 W. Washington, 5<sup>th</sup> Floor  
Springfield, Illinois 62786**

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DIVISION OF BANKING

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KERRI A. DOLL  
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 and \$500 hearing fee payable by certified check or money order must be filed with the Department at 320 West Washington Street, 5<sup>th</sup> Floor, and Springfield, IL 62786 within 10 days after the appealing party's receipt of this Order. 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].**