

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

IN THE MATTER OF:)
) No. 2019-MB-CD-1
BERWYN APARTMENTS, INC.)
26 East Avenue)
Riverside, IL 60546)
)

**ORDER TO CEASE AND DESIST FROM UNLAWFUL
RESIDENTIAL MORTGAGE ACTIVITIES**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING, (“Department”) having conducted an investigation of Berwyn Apartments, Inc (“Berwyn Apartments”) in connection to its business dealings with Brendan Mortgage, Inc. (“Brendan Mortgage”; MB 6760673/NMLS 260381) and finds violations of 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 TO CEASE AND DESIST FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES**.

STATUTORY PROVISIONS

1. Section 1-3(a) of the Act states in relevant part: No person, partnership, association, corporation or other entity shall engage in the business of brokering, funding, originating, servicing or purchasing of residential mortgage loans without first obtaining a license from the Secretary in accordance with the licensing procedure provided in this Article I and such regulations as may be promulgated by the Secretary.
2. Section 1-3(b) of the Act provides that no person, partnership, association, corporation, or other entity except a licensee under the Act or an entity exempt from licensure shall do any business under any name or title, or circulate or use any advertising or make any representation nor give any information to any person, which indicates or reasonably implies activity within the scope of the Act.
3. Section 1-3(d-1) of the Act provides that the Secretary may issue orders against any person if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur, if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Secretary, or for the purposes of administering the provisions of this Act and any rule adopted in accordance with this Act.

FACTUAL FINDINGS

4. On or about August 6, 2019, a financial review by the Department was conducted regarding Brendan Mortgage's audited financial statements which included audited statements from 2009 to 2018.
5. The Department found that Berwyn provided a line of credit and a Purchase Money Promissory Note & Security Agreement to Brendan Mortgage for the purpose of funding Brendan Mortgage's mortgage loans to borrowers.
6. The Department's records confirmed that Berwyn Apartments had never filed an application with or been issued a license by the Department to conduct activities subject to the Act and Rules.

LEGAL CONCLUSIONS

7. Berwyn Apartments, by funding residential mortgage loans for Brendan Mortgage without first obtaining a license from the Secretary in accordance with the licensing procedure provided in Article I of the Act and such regulations as may be promulgated by the Secretary, was in violation of Sections 1-3(a) & (b) of the Act.

NOW IT IS HEREBY ORDERED THAT,

BERWYN APARTMENTS, INC., and by and through its principals and agents, shall **CEASE AND DESIST** from holding itself out as licensed to conduct residential mortgage broker activities in the State of Illinois and from engaging in any licensable activities.

ORDERED THIS ____ DAY OF _____, 2019

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

CHASSE REHWINKEL
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, 5th 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].