

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:

AMERICAN HOMEOWNERS ALLIANCE, INC.)

5535 N. Lincoln Ave., Apt. 402)

Chicago, Illinois 60625)

NO. 2019-MB-CD-02

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

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having reviewed the conduct of **AMERICAN HOMEOWNERS ALLIANCE, INC.** (“**AMERICAN HOMEOWNERS ALLIANCE**”), 5535 N. Lincoln Ave., Apt. 402., Chicago, Illinois 60625, and found violations by of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] hereby issues this **ORDER TO CEASE AND DESIST FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITY.**

STATUTORY PROVISIONS

1. Section 1-3(a) of the Act provides that 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 of the Department (“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 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 the Secretary the authority to 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.
4. Section 1-4 (p) of the Act defines “Loan Broker” or “Broker” as a person, partnership, association, corporation or limited liability company, not lawfully exempt from the Act, who performs the activities described in subsections (c), (o), and (yy) of the Act.

5. Section 1-4(yy) of the Act defines “loan modification” to mean for compensation or gain, either directly or indirectly offering or negotiating on behalf of a borrower or homeowner to adjust the terms of a residential mortgage loan in a manner not provided for in the original or previously modified loan.

FACTUAL FINDINGS

6. On September 5, 2019, Department received information that AMERICAN HOMEOWNERS ALLIANCE was offering loan modifications.
7. The Department’s review found that, AMERICAN HOMEOWNERS ALLIANCE, which is owned by James Hamilton, is not licensed by the Department to act as a residential mortgage licensee.
8. The Department’s investigation found that, AMERICAN HOMEOWNERS ALLIANCE, was advertising loan modifications through Facebook and Linkdin.

LEGAL CONCLUSIONS

9. AMERICAN HOMEOWNERS ALLIANCE, INC., without a license, through its agents, solicited, advertised and offered loan modification services AMERICAN HOMEOWNERS ALLIANCE, INC., is in violation of Sections 1-3(a) & (b) of the Act.

NOW IT IS HEREBY ORDERED THAT,

AMERICAN HOMEOWNERS ALLIANCE, INC., an unlicensed entity and by and through its principals and agents, shall **CEASE AND DESIST** from soliciting or offering to modify residential mortgage loans, and engaging in any other licensable activities under the Act pursuant to Section 1-3(1-d) of the Act.

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 party may file a request for a hearing on an administrative decision. The request for a hearing and \$500 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5th Floor, Springfield, IL 62786, ATTN: Loan Originator Section within 10 days after the receipt of an administrative decision. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in the administrative decision pursuant to 38 Ill. Adm. Code 1050.1570. 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.*]