

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2023-MBR-04
SMART RATE MORTGAGE, LLC)
License No. MB. 6761790; NMLS 2420605)
Attn: Elizabeth Strauss)
9424 Baymeadows Road)
Suite 250)
Jacksonville, FL 32256)
)

ORDER SUSPENDING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), through further review of **SMART RATE MORTGAGE, LLC’S (“SMART RATE MORTGAGE”)** application for an Illinois Residential Mortgage License, and having documented 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 for violations of the Act and Rules.

STATUTORY PROVISIONS

1. Section 4-1(h-2) of the Act provides that the Director of the Division of Banking’s (“Director”) functions, powers, and duties shall include the following: to address any inquiries to any licensee, or the officers thereof, in relation to its activities and conditions, or any other matter connected with its affairs, and it shall be the duty of any licensee or person so addressed, to promptly reply in writing to such inquiries. The Director may also require reports from any licensee at any time the Director may deem desirable.
2. Section 4-5(h)(2) of the Act provides that when the Director finds any person in violation of the grounds set forth in subsection (i), the Director may enter an order imposing the penalty of suspension of a license subject to reinstatement upon satisfying all reasonable conditions as the Department may specify.

FACTUAL FINDINGS

3. **SMART RATE MORTGAGE** is a residential mortgage broker holding Illinois Residential Mortgage License No. MB. 6761790 since December 20, 2022.

4. The Department, upon further review of SMART RATE MORTGAGE'S license application, became concerned that not all pertinent information had been provided regarding the owner's background in the industry, including but not limited to the owner's experience with real estate finance, as required by Section 2-2(a)(5) of the Act.
5. The Department, to obtain this pertinent information, sent to SMART RATE MORTGAGE a request for information on January 12, 2023 ("RFI").
6. The RFI requested written responses from SMART RATE MORTGAGE regarding relevant work experience with real estate finance, related licenses, duties with the company, as well as relationships with employees and other affiliations.
7. The response to the RFI was due to the Department on or before January 19, 2023.
8. SMART RATE MORTGAGE failed to respond to the RFI by the January 19, 2023 due date.
9. The Department subsequently issued a Rule to Show Cause to SMART RATE MORTGAGE on January 23, 2023 ("RTSC"), giving it an opportunity to present proof that it was no longer in violation of section 4-1(h-2) of the Act, and to provide the Department a complete response to the RFI by January 30, 2023, or an Order of Suspension would be issued.
10. As of January 31, 2023, the Department still has not received a response from SMART RATE MORTGAGE regarding the RFI or the RTSC.

LEGAL CONCLUSIONS

11. SMART RATE MORTGAGE is in violation of Section 4-1(h-2) of the Act.

NOW IT IS HEREBY ORDERED THAT,

- . The Department **SUSPENDS SMART RATE MORTGAGE'S** License pursuant to Section 4-5(h)(2) of the Act, until it responds to the RFI to the satisfaction of the Department.

ORDERED THIS 1 DAY OF February 2023

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING



CHASSE REHWINKEL
DIRECTOR

You are hereby notified that this Order is an administrative decision. Pursuant to Section 4-12 of the Illinois Residential Mortgage License Act [205 ILCS 635/4-12] and the rules promulgated thereunder on Hearings Before the Division of Banking and Division of Financial Institutions [38 Ill. Adm. Code 100.5 *et seq.*], an affected party may file a petition for a hearing on an administrative decision by the Director. The petition for a hearing must be filed within 10 days after service of this Order by mail to the Department at 555 W. Monroe St., Suite 500, Chicago, IL 60201, Attn: Angela Alexandrakis with an electronic copy by email to Angela.Alexandrakis@illinois.gov. The petition for hearing must be in writing and set forth the petitioner's license number, docket number of the administrative decision that resulted in discipline, and date of the administrative decision, pursuant to 38 Ill. Adm. Code 100.30(c). An MB that requests a hearing shall pay a \$500 nonrefundable fee to the Department in accordance with 38 Ill. Adm. Code 1050.210(f). After receipt of a properly completed and timely petition for hearing, a case will be docketed and notice sent to the petitioner setting forth the date, time, and place of the hearing. Absent a petition for a hearing, this Order shall constitute a final administrative decision subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].