

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

IN THE MATTER OF:)
)
) No. 2007-MBR-14
APPEX FINANCIAL GROUP, INC.)
D/B/A APPEX DISCOUNT MORTGAGE, INC.)
Attention: Paul Zcap)
213 W. Bloomingdale Ave.)
Brandon, FL 33511)

ORDER SUSPENDING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having conducted an investigation of activities conducted by Appex Financial Group, Inc. d/b/a Appex Discount Mortgage, Inc. (the “Licensee”) and having documented violations of the Residential Mortgage License Act of 1987 (the “Act”) [205 ILCS 635] and the rules promulgated under the Act (the “Rules”) [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5 (h)(2) of the Act. The Department makes the following:

FINDINGS

1. That Appex Financial Group, Inc. d/b/a Appex Discount Mortgage, Inc. is an Illinois residential mortgage licensee holding license No. MB.6760088 and located at 213 W. Bloomingdale Ave., Brandon, Florida 33511;
2. That commencing on or around March 2007, the Department began an investigation of residential mortgage loan files connected to Clint Welsh, an unregistered loan originator employed by Licensee, and operation of unlicensed additional full service office at 7717 W. Belmont, Elmwood Park, Illinois 60607 (the “Office”) and said investigation was subsequently expanded to include Odeh Saleh, another unregistered loan originator, working at the Office; thereafter the investigation was joined with a separate existing investigation into Licensee’s brokering of a residential mortgage loan application including a fraudulent appraisal for a property at 1330 S. Komensky, Chicago, Illinois 60623, said application taken by another unregistered loan originator Deangelius Smith;

3. That the Department was initially in contact with Licensee on or around March 27, 2007 at which time Licensee acknowledged that it was the Licensee's mortgage loan files that the Department had under investigation, and that the Department was further in contact with Licensee on or around April 3, 2007 regarding the expanded investigation and that additional mortgage loan file documents were requested from Licensee and supplied for the property at 1330 S. Komensky, Chicago, Illinois 60623; and
4. That the Department's investigations confirmed from the Licensee's mortgage loan files that the Licensee through its unregistered loan originator employees at the Office had solicited at least seven Illinois consumers for residential mortgage loans, pulling credit reports for these consumers, and closed at least one loan with a lender; the Department further confirmed that Licensee had processed the mortgage loan application for the property at 1330 S. Komensky, Chicago, Illinois 60623 taken by its unregistered loan originator Deangelus Smith and had submitted it for underwriting by a lender without detecting the fraudulent appraisal in its processing of the mortgage loan application.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

That notwithstanding notices and other efforts by the Department, Licensee operated an unlicensed additional full service office at 7717 W. Belmont, Elmwood Park, Illinois 60607 in violation of Section 2-8 of the Act and Section 1050.350 of the Rules, employed three unregistered loan originators in violation of Sections 2-4(x) and 7-1 of the Act and Subpart R of the Rules, and performed negligence in processing a residential mortgage loan containing a fraudulent appraisal which it brokered to a lender in the expectation of compensation in violation of Section 4-5(i) (2) of the Act, and is in further violation of Section 4-5(i)(11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that the license of Apex Financial Group, Inc. d/b/a Apex Discount Mortgage, Inc, License No. MB.6760088 is suspended by Order of the Department pursuant to Section 4-5(h) (2) of the Act for failure to comply with the provisions cited herein of the Act and rules, effective ten days after receipt of this Order, unless you request a hearing pursuant to the Act and Subpart N of the Rules, including remitting the hearing fee required by Section 1050.270 of the Rules.

ORDERED THIS 7TH DAY OF MAY 2007

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING

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 shall be filed within 10 days after the receipt of an administrative decision and, if so requested, 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.*].