

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

IN THE MATTER OF:)
)
) No. 2007-MBR-15
ILLINOIS MORTGAGE ASSOCIATES, LTD.)
Attention: John Tagtmeier)
1806 Glenview Road)
Glenview, IL 60025)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having conducted an investigation of activities conducted by Illinois Mortgage Associates, Ltd. (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)(5) of the Act. The Department makes the following:

FINDINGS

1. That Illinois Mortgage Associates, Ltd. is an Illinois residential mortgage licensee holding license No. MB.0000396 (the “License”) and located at 1806 Glenview Road, Glenview, Illinois 60025;
2. That commencing on or around February 2007, the Department began an investigation of certain residential mortgage loan files brokered by Licensee for purposes of determining whether they contained fraudulent appraisals and other violations of the Act and Rules;
3. That the Department’s investigation confirmed that Licensee brokered and was compensated for a residential mortgage loan application including a fraudulent appraisal for a property located at 7746 S. Greenwood, Chicago, Illinois 60619 (the “Loan”);
4. That the Department’s investigation further confirmed that Licensee had performed negligent processing and other activities on the Loan by first accepting a loan application package including the already ordered and prepared fraudulent appraisal from an unregistered loan originator named Deangelus Smith and then employing or contracting Deangelus Smith and an individual known as Emmanuel Always to process the Loan under Licensee’s License without the Licensee providing quality control or supervision over the processing of the Loan;

5. That the Department's investigation further confirmed that for nine to ten loans, including the Loan, Licensee had compensated Deangelus Smith and/or Emmanuel Always at an amount beyond what is ordinary or customary for loan processing services; and
6. That the Department found that compensation Licensee paid Deangelus Smith and Emmanuel Always for the Loan and other loans constituted non-registered loan originator compensation and/or a referral or kickback fee in violation of Section 8 of the federal Real Estate Settlement Procedures Act (RESPA), that Licensee wrongly substituted the name of John Tagtmeier for that of Deangelus Smith as the loan originator for the Loan in order to use Tagtmeier's active loan originator registration, and that Licensee performed negligent processing by using a pre-existing fraudulent appraisal in connection with the Loan.

CONCLUSIONS

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

That Licensee's activities cited herein violate Sections 2-4(x), 4-5(i)(2) and 7-1 of the Act, Sections 1050.1350 and 1050.2110 et seq. of the Rules; and Section 8 of RESPA, and are further in violation of Sections 4-5(i)(11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Illinois Mortgage Associates, Ltd. shall be and hereby is assessed a fine of \$25,000 for violating the provisions of the Act and Rules cited herein;
2. The total fine in the amount of \$25,000 shall be due thirty (30) days after the effective date of this Order upon Illinois Mortgage Associates, Ltd. and
3. The fine in the amount of \$25,000 shall be paid by means of a certified check or money order made payable to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: FISCAL DIVISION, 2ND FLOOR
320 W. Washington Street
Springfield, IL 62786**

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 by the Department of Financial and Professional Regulation, Division of Banking on the administrative decision. 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.*].