

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

IN THE MATTER OF:)
)
) No. 2008-MBR-73
PRIORITY 1 MORTGAGE CORPORATION)
License No. MB.0004018)
Attention: Gary DiCicco)
16 Executive Court)
South Barrington, IL 60010)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having investigated activities conducted by Priority 1 Mortgage Corporation (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 Priority 1 Mortgage Corporation is an Illinois residential mortgage licensee holding license No. MB.0004018 and located at 16 Executive Court, South Barrington, Illinois 60010;
2. That on March 4, 2008, the Department received a complaint alleging that a person identified as Michael Leonard (“Leonard”), who was a licensed real estate sales person, took a mortgage application for the Licensee for a property at 1931 Gundersen Avenue, Berwyn, Illinois (the “Loan”);
3. That Department opened an investigation and confirmed from the Department’s records that Leonard was not registered as a loan originator;
4. That a Department investigator (the “Investigator”) contacted the Licensee’s owner, Gary DiCicco (“DiCicco”) in regard to the investigation and requested a copy of the Loan file, and that the Loan file and responses provided by DiCicco were to the effect that DiCicco, not Leonard, was the loan originator on the Loan;

5. That the Investigator telephoned and interviewed the borrower of the Loan (the "Borrower") who contradicted the information provided by Licensee and DiCicco and stated that Leonard took Borrower's information for the Loan after being referred to Leonard by a friend;
6. That the Borrower further explained to the Investigator a series of problems experienced with the Loan and Leonard's loan originator services, including, but not limited to approval delays, return of a \$500 appraisal/credit report fee or loan application fee collected by Leonard, and failure to provide any of the requested copies of documentation;
7. That the Borrower next stated to the Investigator that Borrower sought the services of another loan originator who informed Borrower that Leonard was not registered to originate mortgages;
8. That the Borrower explained to the Investigator how DiCicco's name appeared on the Loan application to the effect that Borrower noticed that DiCicco's name appeared on the Loan application form when Borrower met with Leonard, and that Leonard's justification to Borrower was that DiCicco was the name of his partner, and that Borrower told the Investigator that DiCicco never worked on the Loan;
9. That on March 20, 2008, the Investigator interviewed Leonard who made statements admitting to pulling the Borrower's credit and trying to get her (Loan) approved, although disputing certain other information contained in the Borrower's complaint;
10. That on March 26, 2008, the Investigator filed a Report of Investigation (the "ROI") citing sufficient information that Licensee was in violation of loan originator registration requirements based upon Leonard's activities in relation to the Loan, and for failing to properly disclose those activities which later became the subject of a consumer complaint;
11. That on May 13, 2008, the Department mailed a potential disciplinary letter to the Licensee by U.S first class postage and registered mail, and that Licensee provided additional written response dated May 21, 2008; however, the Department has determined the responses insufficient to set aside the cited violations of the Act and Rules.

CONCLUSIONS

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

That notwithstanding notices and other efforts by the Department, Licensee is in violation of Sections 2-4 (k), (t), and (z) and 7-1 of the Act and Section 1050.2125 of the Rules, and is in further violation of Sections 4-5(i) (11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Priority 1 Mortgage Corporation, License No. MB.0004018 shall be and hereby is assessed a fine of \$5,000;

2. The fine in the amount of \$5,000 shall be due thirty (30) days after the effective date of this Order upon Priority 1 Mortgage Corporation, and
3. The fine in the amount of \$5,000 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 3RD DAY OF JULY, 2008

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING
JORGE SOLIS, DIRECTOR

REYNOLD M. BENJAMIN
Assistant Director, 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.*].