

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

IN THE MATTER OF: )  
)  
) No. 2009-MBR-207  
**1<sup>ST</sup> (FIRST) PRIORITY FUNDING, INC.** )  
ATTN: Daniel Duncan )  
1635 N. Arlington Heights Rd., Suite 120 )  
Arlington Heights, IL 60005 )  
License No. MB.0004343 )

**ORDER REVOKING LICENSE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having reviewed and examined the activities conducted by 1<sup>st</sup> (First) Priority Funding, 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)(1) of the Act. The Department makes the following:

**FINDINGS**

1. That 1<sup>st</sup> (First) Priority Funding, Inc., is an Illinois residential mortgage licensee holding inactive license number MB.0004343 (the “License”), lapsed 01/30/2009, and located at 2025 S. Arlington Heights Road, Suite, 120, Arlington Heights, Illinois, 60005;
2. The Department found violations of the Act and Rules in the Report of Examination (“ROE”) of Licensee for the period 12/1/2003 to 11/30/2006 and as transmitted by the Department to Licensee on or around 5/13/2008. Based upon the ROE and after supervisory review, the following violations were cited:
  - a. Advertising (Act Section 3-3 and Rules Section 1050.940)
  - b. Averments (Act Section 2-4)
  - c. Loan Brokerage Agreement (Rules Section 1050.1010)
  - d. Maintenance of Records (Rules Section 1050.1175)
  - e. Good Faith Requirement (Rules Section 1050.1250)
  - f. Compliance with Other Laws (Rules Section 1050.1350)
  - g. Borrower Information Document (Rules Section 1050.1110)
  - h. Continuing education of Loan Originators (Rules Section 1050.2120)
  - i. Definitions (Act Section 1-4 and Rules Section 1050.110)
  - j. Changes Affecting Loans in Process (Rules Section 1050.1230)

3. That on June 20, 2008, Licensee attended a supervisory meeting for the violations cited in the ROE, and was requested at that meeting and in a follow-up letter to provide by 7/11/2008 additional information and documentation for items in the ROE as well as certain additional items, including but not limited to, 2007 brokerage activity report and accountant-signed copy of 2006 financial statements;
4. That on February 9, 2009, Licensee sent to the Department's Supervision Section a letter that it was closing down business;
5. That on March 3, 2009, the Department's Supervision Section advised Licensee that the outstanding supervisory requested items must be submitted, and upon completion of supervisory request, then proper application could be made for surrender of the License;
6. That on May 4, 2009, an enforcement issue was created for the Licensee due to the numerous violations of the Act and Rules cited in the ROE and failure to respond to supervisory requests of the Department;
7. That on July 9, 2009, a Potential Disciplinary Letter was sent to Licensee via U.S. first-class and certified mail service;
8. That on July 21, 2009, a signed receipt card evidencing receipt of such delivery was received by the Department;
9. That Licensee has failed to provide to the Department the requested information or documentation by the due dates as requested by the Department; and
10. That an enforcement order has been prepared herein based upon a review of the Licensee's record of non-compliance with the Department, and cited provisions 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 1-4, 2-4 and 3-3 of the Act, and Sections 1050.110, 1050.940, 1050.1010, 1050.1110, 1050.1175, and 1050.1230, 1050.1250, 1050.1350, and 1050.2120 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 that the license of **1<sup>ST</sup> (FIRST) PRIORITY FUNDING, INC.**, License No. MB.0004343 is revoked by Order of the Department pursuant to Section 4-5(h) (1) 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 1050.210 of the Rules.

ORDERED THIS 10<sup>TH</sup> DAY OF AUGUST, 2009

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
BRENT E. ADAMS, ACTING SECRETARY

DIVISION OF BANKING

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JORGE A. SOLIS, 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 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.*].**