

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

IN THE MATTER OF	)	
	)	
	)	No. 2009-MBR-259-b
<b>MORTGAGE &amp; INVESTMENT</b>	)	No. 2009-MBR-CD2-b
<b>CONSULTANTS, INC.</b>	)	
License No. MB.6760437	)	
Attention: Kevin Kleist	)	
2489 Rice Street, Suite 200	)	
St. Paul, MN 55113	)	

**CONSENT ORDER & SETTLEMENT OF ALL MATTERS**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), and MORTGAGE & INVESTMENT CONSULTANTS, INC. (“MIC”), hereby enter into this Consent Order & Settlement of All Matters (the “Consent Order”) to resolve all issues involving the conduct of licensable activities and in connection with common office locations as hereinafter identified. This Consent Order is made pursuant to 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]. The Department and MIC stipulate as follows:

**STIPULATIONS**

The Department and MIC stipulate that the Department has investigated the license status and/or conduct of licensable activities from office locations as follows: 1) 2239 W. North Avenue, Chicago, Illinois (“Office One”), and 2) 2400 W. Johnsburg Rd., Johnsburg, Illinois (“Office Two”). The Department has previously made determinations of violations and issued disciplinary orders against MIC Nos. 2009-MBR-259 and 2009-MBR-CD2, in relation to this Consent Order; (hereinafter the

“Department’s Orders”) and/or created enforcement issues relating in significant parts to the license status and/or conduct of licensable activities from Office One and Office Two. The Department’s Orders are currently under administrative appeal and there has been no final determination of facts in the administrative hearing proceedings. The Department and MIC now desire to resolve all matters pertaining to the license status and conduct of licensable activities from Office One and Office Two and any other matters set forth in the Department’s Orders. The Department and MIC further stipulate that the findings of violations of the Act and Rules in the regular examination of MIC, and as cited in Order 2009-MBR-259 have required referral for Department supervision, and that MIC has complied with the Department’s requests related to supervision and has documented corrective actions to the Department subsequent to this examination. MIC will be fully accountable under its Illinois residential mortgage license number MB.6760437 for the proper licensing of any branches in Illinois and for compliance with the terms and conditions of this Consent Order.

### **TERMS AND CONDITIONS**

WHEREFORE, the Department and MIC agree as follows:

- I. The Department reduces MIC’s fine as assessed in Order 2009-MBR-259 to \$75,000 and rescinds Order 2009-MBR-CD2. Upon execution of this Consent Order, MIC agrees to pay the agreed upon amount in twelve monthly installments of \$6,250 commencing on May 31, 2010 and on the last day of each month thereafter through April, 2011.
- II. MIC agrees to withdraw its applications for additional full service offices at Office One and Office Two. MIC also withdraws its application for an additional full service office at 20 N. Racine, Chicago, Illinois. MIC has made a business decision to restructure its Illinois loan origination operations and put in place new quality controls for its Illinois operations. For this purpose, MIC has terminated the employment of all staff and loan originators in Illinois that were operating improperly from an unlicensed office and having transferred from prior employment in a licensed setting at the same office. MIC

will no longer perform any loan modifications in Illinois. MIC will continue to operate its Illinois licensable activity through its corporate location with its designated, remaining Illinois registered loan originators, Brian Sewell and Jamie Gould, until the later of such time MIC employs five (5) or more Illinois-domiciled mortgage loan originators or by the next renewal date for MIC's License if MIC employs any Illinois-domiciled loan originators. The Department and MIC may mutually agree to revise or remove requirements for licensing of additional full service offices in Illinois as permitted by the Act and Rules at any time by amending this Consent Order, or this requirement will expire by its terms at the end of the next renewed License. MIC may decide to operate a full service branch location at any time and MIC reserves the right to submit additional full service branch location applications in the future.

- III. MIC agrees to conduct its licensable activities in compliance with the Act and Rules. MIC agrees to employ only registered loan originators or licensed mortgage loan originators, as applicable, for all loan originator or mortgage loan originator activities as defined in the Act and Rules, and to maintain loan logs and loan files in full compliance with the Act and Rules. The Department may conduct other investigations and examinations of MIC and its office locations under the Department's regulatory authority to verify compliance with the Act and Rules, including conducting a regular examination of MIC within twelve (12) months of the last examination which began in July 2009 and concluded in September 2009. MIC agrees to cooperate with the Department in any such undertakings by the Department.
- IV. MIC acknowledges that in the event it materially violates this Consent Order, the Department may take any enforcement action against MIC's Illinois residential mortgage license authorized by the Act. In the event that MIC defaults on the payments as agreed

in Paragraph I of this Consent Order, the Department agrees to notify MIC and counsel in writing of the default and allow MIC 5 business days to cure the default.

- V. MIC agrees to withdraw their administrative hearing requests of the Department Orders and to not file any petition for hearing and administrative review, or judicial review, of this Consent Order. MIC acknowledges that it has been represented by legal counsel in negotiating this Consent Order pertaining to the Department Orders, and MIC willingly enter into this Consent Order after full review, evaluation, and consideration and with full knowledge of their rights under the Act, and the Illinois Administrative Procedure Act.
- VI. The Department enters into the Consent Order for the purpose of imposing measures that are fair and equitable in the circumstances and that are consistent with the best interests of the people of the State of Illinois. This Consent Order shall be published on the Department's website.
- VII. The Consent Order shall become effective upon all the parties hereinafter designated signing and dating the Consent Order and on the date that the last of those designated for the Department sign and date the Consent Order.

The foregoing Consent Order is approved in full.

\_\_\_\_\_ date: \_\_\_\_\_  
Blaine Niven  
Chief Executive Officer  
Mortgage & Investment Consultants, Inc.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

\_\_\_\_\_ date: **MAY 24, 2010**  
JORGE A. SOLIS, DIRECTOR

