

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF)

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EQUITY MORTGAGE GROUP, INC.)

No. 2009-MBR-279

ATTN: Erol Gladan)

2334 N. Elston Avenue)

Chicago, IL 60614)

License No. MB.0004897)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having reviewed and examined the activities of Equity Mortgage Group, Inc., (the "Licensee") and 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 Equity Mortgage Group, Inc., is an Illinois residential mortgage licensee holding license number MB.0004897 (the "License") and located at 2334 N. Elston Avenue, Chicago, IL 60614;
2. That the Department examined the licensable activities of Licensee for the period 12/01/2006 to 05/31/2009, and found numerous violations of the Act and Rules as cited in the Report of Examination (the "ROE") and referred the Licensee to Supervision for the ROE to correct and comply with the Act and Rules;
3. That on September 15, 2009, the Supervision Section held a supervisory meeting with Licensee to cover items in the ROE; and that the Department advised Licensee that an enforcement issue was being created for repeat exam violation of incorrectly disclosing yield spread premium ("YSP") in loan files reviewed;
4. That on September 18, 2009, the Department's Supervision Section created an enforcement issue for Licensee's repeat exam violations of Rules Sections 1050.1175(b), (Maintenance of Records), (citing 24 CFR 3500.7 "Yield Spread Premium" disclosures). These violations were cited in files for the 2009 exam and for the 2006 exam;
5. That on October 28, 2009, the Department's Legal Section mailed to Licensee by U.S. First class and certified postage a Potential Discipline Letter citing the aforementioned violations; and

6. That on November 10, 2009, the Department acknowledges written communication with Licensee regarding cited violations; however, violations are repeat and warrant fine herein.

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 Rules Sections 1050.1110(d) and 1050.1175, and (citing violation of 24 CFR 3500.7), and is in further violation of Section 4-5(i) (11) of the Act.

ORDER

NOW THEREFORE IT IS ORDERED:

1. That EQUITY MORTGAGE GROUP, INC., License No. MB.0004897, shall be and hereby is assessed a fine in the amount of \$500 for the violations cited herein;
2. The fine in the amount of \$500 shall be due thirty (30) days after the effective date of this Order upon EQUITY MORTGAGE GROUP, INC; and
3. The fine in the amount of \$500 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: MORTGAGE BANKING
320 West Washington, 6th Floor
Springfield, IL 62786**

ORDERED THIS 12TH DAY OF NOVEMBER, 2009

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

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.*].