

**STATE OF ILLINOIS**

**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**

**DIVISION OF BANKING**

IN THE MATTER OF	)	
	)	
	)	No. 2009-MBR-298
<b>CLEAR CHOICE FINANCIAL GROUP, INC.</b>	)	
License No. MB.6759363	)	
Attention: Ronald Wallschlaeger	)	
11405 Main Street, #2	)	
Roscoe, IL 61073	)	

**ORDER ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having investigated the activities of Clear Choice Financial 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 Clear Choice Financial Group, Inc. is an Illinois residential mortgage licensee holding license number MB.6759363 (the “License”) and located at 11405 Main Street, #2, Roscoe, Illinois 61073;
2. That on October 20, 2009, the Department received a report from a housing counseling agency that a client B.J. was told he had to pay the \$300 counseling fee that was required to obtaining a mortgage from Licensee in violation of the Residential Real Property Disclosure Act [765 ILCS 77], and SB 1167 amendments thereto. The housing counseling agency also documented significant differences in the fees listed on the initial and final Good Faith Estimates (“GFE”) and Truth-in-Lending (“TIL”) forms as well as between the interest rate agreed to with Licensee (4.375%) and the final interest rate from the lender (4.625%);
3. That the Department opened an investigation of Licensee and contacted Ronald Wallschlaeger (“Wallschlaeger”), the owner of Licensee, and the assigned investigator (the “Investigator”) requested information and documents from Wallschlaeger, including the name of Licensee’s loan originator, copy of the B.J. loan file and an explanation of differences between initial and final fees and interest rates;

4. That the Investigator was informed by Wallschlaeger that Licensee employed Raymond Bravo (“Bravo”) as loan originator for the B.J. loan, provided a copy of the B.J. loan file, and provided an explanation of differences in the interest rates indicating that the borrower B.J. had signed a rate lock/float agreement form agreeing to float the interest rate of the loan and not lock the rate;
5. That the Investigator interviewed B.J. and confirmed that B.J. had paid the counseling fee as directed by Bravo who said that he would reimburse B.J. B.J. also described rate and term discrepancies he noticed between Licensee’s GFE and TIL and the lender’s GFE and TIL, and that he had informed Bravo and upon being told that no changes (to the final GFE and TIL) would be made, decided to not pursue the loan with Bravo;
6. That the Investigator collected additional information and documents from B.J. in connection with the loan, including items placing the authenticity of the borrowers’ signatures in question on the rate lock/float form and failure of Licensee at that time to reimburse B.J. for the \$300 money order that B.J. tendered and was cashed by the housing counseling agency for housing counseling services provided to B.J.;
7. That the Investigator next interviewed Bravo and was told that (in Bravo’s absence) Bravo’s brother had directed B.J. to pay the counseling fee for later reimbursement at closing of the loan, and further was told by Bravo that the borrowers signed the rate lock/float form in Bravo’s presence agreeing to float the interest rate;
8. That the Investigator conducted a document review and visually noted discrepancies in the borrowers’ signatures on the rate lock/float form in relation to other signed documents, continued to gather additional facts from a realtor-relative of B.J., and conducted additional interviews along with other Department staff of Wallschlaeger and Bravo on October 28, 2009, and including details of Licensee’s processing of the B.J. loan file;
9. That the Investigator filed the Report of Investigation (the “ROI”), and created an enforcement issue that was opened in the Department’s Legal Section on December 2, 2009 and in which the Investigator determined that Licensee had either directly or indirectly instructed the borrower B.J. to pay the requisite counseling fee of \$300 knowing such fee was to be paid by the Licensee, and that Licensee had acted in violation of its averments and engaged in improper practices in failing to obtain brokered loan terms for the borrower B.J., and citing violations of sections of the Act and Rules, and the Residential Real Property Disclosure Act;
10. That on December 9, 2009, the Department’s Legal Section mailed by U.S first class and certified postage a Potential Disciplinary Letter to the Licensee citing the aforementioned violations; and
11. That on December 11, 2009, the Department’s Legal Section received a written electronic response from Licensee agreeing that the counseling fee had not been properly paid by the Licensee, but reiterating the company’s view that the customer signed the float/rate lock form and was fully aware that their rate was floating. The Licensee has subsequently submitted proof of reimbursement to the consumer B.J. and the Department has considered Licensee’s history without prior enforcements, responsiveness to Department inquiries, and evidence of reimbursement in this case in determining the amount of the fine.

**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(f),(j),(k),(r), & (t) of the Act and Section 1050.1350 of the Rules, and is in further violation of Sections 4-5(i)(11) and (17) of the Act, and the Residential Real Property Disclosure Act.

**ORDER**

NOW THEREFORE IT IS ORDERED:

1. That CLEAR CHOICE FINANCIAL GROUP, INC., License No. MB.6759363, shall be and hereby is assessed a fine in the amount of \$700.00 for the violations cited herein;
2. The fine in the amount of \$700.00 shall be due thirty (30) days after the effective date of this Order upon CLEAR CHOICE FINANCIAL GROUP, INC.; and
3. The fine in the amount of \$700.00 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, 6<sup>th</sup> Floor  
Springfield, IL 62786**

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 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.*].**