

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

IN THE MATTER OF:)
)
) No. 2009-MBR-99
LOU FUSZ HOME MORTGAGE, INC.)
License No. MB.6760219)
Attention: John Whitacre)
925 N. Lindbergh Boulevard)
St. Louis, MO 62208)

ORDER REVOKING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the “Department”), having examined Lou Fusz Home Mortgage, 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) (1) of the Act. The Department makes the following:

FINDINGS

1. That Lou Fusz Home Mortgage, Inc. is an Illinois residential mortgage licensee holding inactive, lapsed license number MB.6760219 (the “License”) and located at 925 N. Lindbergh Boulevard, St. Louis, Missouri, 62208;
2. That the Department found violations of the Act and Rules in the Report of Examination (“ROE”) of Licensee for the period 1/1/2005 to 2/29/2008 and as transmitted by the Department to Licensee on June 20, 2008. Based upon the ROE, the following violations were cited:
 - a. Net Worth Requirement – Licensee reported net worth of \$28,310 as of 12/31/2007 and in violation of the minimum \$50,000 net worth requirement, and subsequently failed to provide documentation of minimum net worth requested by the Department (violation of Sections 3-2 and 3-5 of the Act and Section 1050.410(c) of the Rules);
 - b. Loan Brokerage Agreement, Loan Brokerage Disclosure Statement, & Borrower Information Document – Licensee failed to disclose these state disclosures in eight reviewed loan files (violation of Sections 1050.1010, 1050.1020, and 1050.1110 of the Rules);
 - c. Yield Spread Premium – Licensee disclosed the premium in percentage range or did not disclose the premium on the initial Good Faith Estimate in six reviewed loan files (violation of Sections 1050.1110, 1050.1250, 1050.1350 of the Rules, and 24 CFR Part 3500.7);

- d. Maintenance of Records – Licensee failed to maintain a loan log containing the required fields as follows: application date, property seller name, property address, terms, loan program, loan originator registration number, processor name, appraiser name and license number, and points and fees charged (violation of Section 1050.1175 of the Rules);
 - e. Approval Notice – Licensee failed to deliver the approval notice to the borrower in seven reviewed loan files (violation of Section 1050.1305 of the Rules);
 - f. Loan Originator Registration Required – Licensee employed Randall Nelson to originate five loans for Licensee after his registration expired on 6/30/2007 (violation of Sections 2-4(z) and 7-1 of the Act);
3. That on July 28, 2008, Licensee was assigned to Supervision for correction of the violations in the ROE and compliance with the Act and Rules, and a supervision meeting was scheduled for the Licensee on August 5, 2008 and later cancelled pending Licensee providing company final status on or before August 7, 2008;
 4. That on December 6, 2008, the License lapsed inactive for failure of Licensee to timely renew or surrender the License per Section 2-6 of the Act; and
 5. That on December 18, 2008, Supervision referred the file to Legal Section for enforcement as Licensee had failed to provide final status response, attend a supervisory meeting, properly renew or surrender the License, and make corrections to the violations cited in the ROE and comply with 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, 3-2, 3-5, and 7-1 of the Act and Sections 1050.410, 1050.1010, 1050.1020, 1050.1110, 1050.1175, 1050.1250, 1050.1305, and 1050.1350 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 LOU FUSZ HOME MORTGAGE, INC., License No. MB.6760219 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 18TH DAY OF MARCH, 2009

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
MICHAEL T. MCRAITH, ACTING 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.*].