

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

IN THE MATTER OF	)	
	)	
	)	No. 2010-MBR-113
HODZ FINANCIAL GROUP, INC.,	)	
<b>ATTN: Jusuf Hodzic</b>	)	
4744 W. Peterson Avenue	)	
Chicago, IL 60646	)	
License No. MB.6760380	)	

**ORDER REVOKING LICENSE AND ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having examined and reviewed the activities of HODZ Financial Group, Inc., ("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) & (5) of the Act. The Department makes the following:

**FINDINGS**

1. That HODZ Financial Group, Inc. is an Illinois residential mortgage licensee holding inactive, lapsed license number MB.0005649 (the "License") and located at 4744 W. Peterson Avenue, Chicago, Illinois 60646;
2. That on June 15, 2010, the Department's Supervision Section opened its first enforcement issue due violations of the Act and Rules found in the 2007-2008 examination of Licensee, and that the Department notified Licensee on August 10, 2009 and May 3, 2010 to have Licensee's accountant to provide a detailed breakdown of its 2007 financial statements and accounts receivable of \$25,000, and additionally a \$42,784 accounts receivable for 2009 (hereinafter, the "First Enforcement Issue");
3. That by July 12, 2010, Licensee had failed to submit an application for License renewal and on that date the License lapsed inactive; the Department's licensing records further noted Licensee's non-compliance with the Act and Rules through failure to pay an examination fee of \$1,156 invoiced on 9/14/2009 and lapse of Licensee's surety bond on 5/14/2010;
4. That on July 30, 2010, the Department's Legal Section sent to Licensee, by U.S. first class and certified mail, a Potential Disciplinary Letter (the initial "PDL") for the First Enforcement Issue;

5. That on August 12, 2010, Licensee provided materials to the Department that were non-responsive to the PDL and First Enforcement Issue;
6. That on August 18, 2010, the Department's Legal Section sent to Licensee, by U.S. first class and certified mail, a second Potential Disciplinary ("Second PDL") Letter citing Licensee's failure to respond properly to the PDL and First Enforcement Issue;
7. That on September 8, 2010, Licensee provided additional materials to the Department that were non-responsive to the Second PDL and on September 14, 2010, the Department sent Licensee an electronic message rejecting Licensee's September 18, 2010 response and attachments as not sufficient and detailing the reasons therefore, missing items, and failure to properly renew the Licensee;
8. That the Department has created a Second Enforcement Issue for Licensee's failure, despite Department notices, to complete and return a mandatory Loan Servicer/Loan Modification Semi-Annual Survey for the reporting period of July 1, 2009 through December 31, 2009 and as due by March 1, 2010 and extended to April 30, 2010; and
9. That Licensee has failed to respond properly respond to the Department for examination, supervision and licensing items cited herein, and failed to document and make necessary corrections and comply with the Act and Rules as cited 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 Sections 2-4, 2-6, 3-1, 3-2, 3-5, and 4-1(r), of the Act and Section 1050.210, 1050.410, and 1050.490 of the Rules, and is in further violation of Sections 4-5(i) (11), (13), and (17) of the Act.

## **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED:

1. The Department revokes **HODZ FINANCIAL GROUP, INC.**, License No. MB.6760380.
2. The Department assesses a fine against **HODZ FINANCIAL GROUP, INC.**, License No. MB.6760380, in the amount of ten thousand \$10,000 for violating the Act and Rules as cited herein payable by certified check or money order within thirty (30) days of the effective date of this order to the:

**Department of Financial and Professional Regulation  
Division of Banking  
ATTN: FISCAL DIVISION  
320 West Washington, 6<sup>th</sup> Floor  
Springfield, IL 62786**

ORDERED THIS 17<sup>TH</sup> DAY OF NOVEMBER, 2010

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
BRENT E. ADAMS, 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 and \$500 hearing fee shall be filed within 10 days after the receipt of an administrative decision. The request for hearing must include an explicit admission, denial or appropriate response to each allegation or issues contained in the administrative decision pursuant to 38 Ill. Adm. Code 1050.1570. 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.*].**