

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)	
)	No. 2011-MBR-28
KASE MORTGAGE BANC, INC.)	
License No. MB.6760481)	
ATTN: Sandro Rodriguez)	
352 S. Liberty Street)	
Elgin, IL 60120)	

ORDER REVOKING LICENSE & ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having investigated the activities of Kase Mortgage Banc, Inc., (“Licensee”) and documented violations of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Sections 4-5(h)(1) & (5) of the Act. The Department makes the following:

FINDINGS

1. That Kase Mortgage Services, Inc. is an Illinois residential mortgage licensee holding inactive, lapsed license number MB.6760481 (“License”) and located according to Department’s records at 352 S. Liberty Street, Elgin, Illinois 60120 (“Office”);
2. That on February 15, 2011, the Department received a complaint filed with the Real Estate Section by consumers EG & RR alleging that Licensee, its owner Sandro Rodriguez (“Rodriguez”), and another Rodriguez-owned company called Latino Americana Promotions (aka L.A. Promotions) were engaged in unlicensed mortgage broker and loan modification services. In addition to real estate services, the consumers E.G. & R.R. alleged that they had been offered mortgage broker and loan modification services by Rodriguez and his companies, that they had paid Licensee for a credit check, and paid Rodriguez and Latino Americano Promotions a \$750 fee upfront for loan modification services. The Consumers stated that Rodriguez and his companies failed to refund their monies upon complaining to Rodriguez about the services provided;
3. That on February 22, 2011, the Department opened an investigation of the Real Estate complaint through the assigned investigator (“Investigator”) and the investigation identified the following facts:
 - a. Department licensing records revealed that the License lapsed inactive on November 19, 2009;
 - b. A review of documents provided with the Real Estate complaint provided evidence of two checks written by consumer E.G. and given to Rodriguez including a check payable

- to Licensee, dated April 12, 2010, in the amount of \$30.00 with memo "Reporte;" and a check payable to Latino Americano Promotions, dated April 26, 2010, in the amount of \$750, with memo "Loan Modification Fee;"
- c. An interview was conducted by the Investigator with consumer R.R. on February 23, 2011 confirming facts of the Real Estate complaint;
 - d. On April 5, 2011, the Investigator interviewed Rodriguez at the Office, noting advertising of refinance and loans on the front window (although no signage for Licensee), and Rodriguez informed the Investigator that he had taken three loan modification applications through Latino Americano Promotions prior to closing it down in May 2010. Rodriguez stated to the Investigator that the check to Licensee in the amount of \$30.00 was for running consumer R.R.'s credit, upon R.R.'s request to see if R.R. would qualify for a loan. Rodriguez further stated that the check was made out to Licensee because Rodriguez only had an account through Licensee to check on a borrower's credit and not through Latino Americano Productions;
4. That the Investigator closed the investigation and included findings of violations that Licensee had given consumers information falsely representing that it held a license to conduct mortgage brokering activities, and had engaged in mortgage brokering activities without holding a valid Illinois residential mortgage license. An enforcement issue was created and the matter referred for legal review and enforcement; and
 5. That the Department has further found that Licensee previously engaged in unlicensed activities pursuant to Department investigation and Order No.2009-MBR-295 and that Licensee has engaged in a pattern of practice of unlicensed activities and repeated violations of 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 1-3(a) of the Act and Sections 1050.310(a) and 1050.910 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 KASE MORTGAGE BANC, License No. MB.6760481 is revoked by Order of the Department pursuant to Section 4-5(h)(1) of the Act and fined \$25,000 pursuant to Section 4-5(h)(5) of the Act for failure to comply with the provisions cited herein of the Act and Rules. The fine in the amount of \$25,000 shall be paid within thirty (30) days after the effective date of this Order by means of 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 7TH DAY OF SEPTEMBER, 2011

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

DIVISION OF BANKING

MANUEL FLORES, 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 by certified check or money order shall be filed with the Department at 320 West Washington Street, 6th Floor, Springfield, IL 62786 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 issue 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.*].