

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
EXPRESS HOME SOLUTIONS) No. 2011-MBR-CD-15
595 Stewart Avenue, Suite 720)
Garden City, NY 11530)

ORDER TO CEASE AND DESIST & ASSESSING FINE

The Illinois Department of Financial and Professional Regulation, Division of Banking (“Department”) hereby issues to Express Home Solutions this ORDER TO CEASE AND DESIST & ASSESSING FINE. This Order is authorized by and issued pursuant to the provisions of Sections 1-3(d-1) & (e) and 4-1 (h-1) of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635].

FINDINGS OF FACT

The Department makes the following Findings of Fact:

1. That Section 1-3(a) of the Act requires any person, partnership, association, corporation or other entity to obtain an Illinois residential mortgage license to engage in the business of brokering, funding, originating, servicing, or purchasing of residential mortgage loans;
2. That the Act was amended by P.A. 96-0112, effective July 31, 2009, to enact changes for mortgage loan originators required by the federal Secure and Fair Enforcement Act for Mortgage Licensing Act of 2008 (“SAFE”);
3. That the U.S. Department of Housing and Urban Development (“HUD”) published on December 15, 2009 “SAFE Mortgage Licensing Act: HUD Responsibilities Under the SAFE Act; Proposed Rule” in which HUD expressed the view that third-party loan modification specialists are within the licensing requirements of SAFE, subject to public comment and final rule adoption, but states are empowered to act within their contemporary interpretations of state licensing laws implementing SAFE provisions and are permitted to exceed the minimum requirements of the SAFE;
4. That the Department has continued to receive an escalating number of complaints from consumers and others regarding unlicensed companies and individuals taking up-front and/or excessive fees, providing limited or no services for these fees, failing to refund unearned fees, and placing consumers at further risk of

- losing their homes through foreclosure by failing to timely obtain loan modifications or communicate status with consumers;
5. That the Department has determined that the Act, as amended by the SAFE provisions of P.A. 96-0112, authorizes the licensing and regulation of residential loan modification services by entities and individuals and as consistent with the purpose of protecting consumers under the Act;
 6. That the Department has posted two public notifications on its website www.idfpr.com consisting of a “Statement Regarding Loan Modification Services” and a “Statement Regarding Attorneys Performing Mortgage Loan Modifications;”
 7. That on May 14, 2011 at the Mortgage Relief Project held at Lincoln Park High School, the Department was alerted by homeowners JK & RS that Express Home Solutions, an unlicensed entity, was marketing residential loan modification services to Illinois consumers;
 8. That the Department became aware of other facts through a complaint made to the Department as follows:
 - a. That on or around September 14, 2010, Jason Green, a manager of Empire Home Savings/Express Home Solutions solicited JK & RS in a telephone call for loan modification services and promising to reduce their principle amount and monthly mortgage payments and further, although current on their mortgage payment, advising JK & RS to stop making mortgage payments to get a fast result.
 - b. That on or around September 22, 2010, JK & RS paid Express Home Solutions an upfront fee of \$1,500.00 for said loan modification services, but the company afterwards failed to provide the promised or contracted services.
 - c. JK & RS filed for a refund of the \$1,500.00 fee paid and Express Home Solutions has refused to refund the fee.
 - d. JK & RS have suffered monetary harm as well as impaired credit and their home is now in foreclosure;
 9. That no person, partnership, association, corporation, or other entity except a licensee under this Act or an entity exempt from licensing pursuant to Section 1-4, subsection (d) of this Act shall do any business under any name or title, or circulate or use any advertising or make any representation or give any information to any person, which indicates or reasonably implies activity within the scope of this Act; and
 10. That the Department has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur as to Express

Home Solutions providing loan modification services as an unlicensed entity and that Express Home Solutions has committed a business offense.

CONCLUSIONS

Based on the Findings of Fact, the Department makes the following Conclusions of Law:

Express Home Solutions has violated Sections 1-3(a), (b), (d-1), & (e), 4-1(h-1), and 7-1A of the Act by performing loan modification services without holding an Illinois residential mortgage license and by providing said services through its owners, officers, directors, employees or agents not licensed as mortgage loan originators.

NOW THEREFORE IT IS HEREBY ORDERED:

Express Home Solutions and as it may now be known, by and through its owners, officers, directors, employees, and agents, shall immediately cease and desist from soliciting, advertising and conducting loan modification services and shall be assessed and pay a fine in the amount of \$25,000 within thirty (30) days from the effective date of this Order by certified check or money order payable to the Department at 320 W. Washington Street, Springfield, IL 62786.

ORDERED THIS 8TH DAY OF JUNE, 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 (certified check/money order) shall be filed at 320 W. Washington, 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.].

