

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

IN THE MATTER OF:)
)
Mortgage Sources Corp.) No. 2011-MBR-CD12-b
Attention: Kevin Keith Kleweno)
7105 W. 105th St.)
Overland Park, KS 66212)

ORDER ISSUING CEASE & DESIST WITH FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”) having reviewed Mortgage Sources Corp.’s activities after surrender of its Illinois residential mortgage license, hereby reissues this ORDER to Mortgage Sources Corp., and amending references thereto, to cease and desist from conducting mortgage brokering or any other licensable activities and pay a fine pursuant to Sections 1-3(d-1) & (e) and 4-1(h-1) of the Residential Mortgage License Act of 1987 (“RMLA”) [205 ILCS 635]. The Department makes the following:

FINDINGS

1. That Mortgage Sources Corp. held Illinois residential mortgage license number MB.6760176 (“License”) from October 19, 2006 to October 19, 2008 and applied for and was granted surrender of the License in October 2008;
2. That on or around March 9, 2011, the Department became aware that Mortgage Sources Corp., through loan originator Gary Hiatt (“Hiatt”), had brokered a residential mortgage loan during the period November 30 - December 15, 2010 for a Kane County property located at 42W975 Plank Road, Hampshire, Illinois 60140 (“Loan”);
3. That the Department had been contacted by Hiatt because the title company would not process or close the Loan without entry of the Loan into the Illinois Anti-Predatory Lending Database (“IAPLD”) as required by Article 3 of the Residential Real Property Disclosure Act [765 ILCS 77/70]. The Department found that neither Mortgage Sources Corp. or Hiatt were properly licensed under the RMLA in order to be eligible to use the IAPLD, nor did Mortgage Sources Corp. or Hiatt possess any lawful exemption from RMLA licensure and use of the IAPLD; and
4. That the Department has been given reasonable cause showing that an unsafe, unsound, or unlawful practice has occurred with respect to Mortgage Sources Corp. in that it continued to conduct mortgage brokering activities after surrender of its License in violation of the

RMLA, attempted to close the Loan without properly entering the required information into the IAPLD, and has reasonable cause that other unlicensed activities may have occurred or are about to occur.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

Mortgage Sources Corp. has violated Sections 1-3(d-1) & (e), and 4-1(h-1) of the Act by engaging in mortgage brokering without holding an active Illinois residential mortgage license.

NOW THEREFORE IT IS HEREBY ORDERED

Mortgage Sources Corp., by and through its owners, managers, officers, directors, employees, and agents, shall immediately cease and desist engaging in any mortgage brokering or other licensable activities under the RMLA, 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 13TH DAY OF MAY, 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.*].