

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

IN THE MATTER OF:)
)
ALLIED HOME MORTGAGE CORPORATION) No. 2012-MBR-06-b
License No. MB.0006724)
6110 Pinemont Drive, Suite 220)
Houston, TX 77092)

CONSENT ORDER

The Illinois Department of Financial and Professional Regulation, Division of Banking (“Department”) and Allied Home Mortgage Corporation (“Allied”) hereby enter into this Consent Order (“Consent Order”) and stipulate and agree to the following:

STIPULATIONS

The Department and Allied stipulate that the Department and Allied both received written notice from Allied’s insurer that Allied’s surety bond on file with the Department, would be cancelled effective on December 7, 2011. The Department initially issued Order 2011-MBR-100 (“First Order”) suspending Allied’s Illinois residential mortgage license number MB.0006724 (“License”) and assessing a fine for failure to provide continuous surety bond coverage. Separately, Allied applied to surrender its License. To be approved for surrender, however, Allied had to show that it was in compliance with all statutory and regulatory provisions. Allied made an inquiry, but did not formally request an administrative hearing on the First Order. The Department subsequently issued Order 2012-MBR-06 (“Second Order”) based upon Allied’s failure to comply with the First Order. Allied stipulates that it is in the process

of winding down its business operations, that it has ceased all originations of Illinois residential mortgage loans, and only holds servicing rights to Illinois residential mortgage loans for which it is seeking to transfer or sell to other licensed or lawfully exempt entities. Allied further stipulates that it has transferred day-to-day servicing functions to licensed or lawfully exempt entities for all Illinois residential mortgage loans and that it has no direct contact with consumers for such loans. The Department and Allied now desire to settle all matters pertaining to the First Order and the Second Order pursuant to the terms and conditions of this Consent Order.

TERMS AND CONDITIONS

WHEREFORE, the Department and Allied agree as follows:

- I. Allied by signing this Consent Order unequivocally states that it has ceased engaging in any licensable activities with respect to Illinois residential mortgage loans with the exception of holding servicing rights and engaging in activities necessary to transfer or sell such servicing rights.
- II. Allied must provide the Department with an initial monthly written report at the time of executing this Consent Order listing all Illinois residential mortgage loans for which it retains servicing rights and thereafter produce an updated monthly written report every thirty (30) days listing all Illinois residential mortgage loans for which it still retains servicing rights and detailing its activities to transfer or sell such servicing rights. Allied will provide to the Department all such reports using the format of a completed loan log pursuant to 38 Ill. Adm. Code 1050.1175(b) or such other format and

information as required by the Department. Allied agrees to cooperate in any inquiries made by the Department.

- III. The Department hereby rescinds the License suspension in the First Order and the License revocation in the Second Order and amends the First Order to reduce Allied's fine to seven thousand five hundred dollars (\$7,500). Allied agrees to submit said fine payment in certified funds within thirty (30) days of the effective date of this Consent Order.
- IV. The Department agrees to process Allied's License surrender application upon compliance with the terms and conditions in Sections I, II, and III above. The Department will surrender the License in good standing upon Allied satisfying all requirements for surrender.
- V. Allied agrees to not file any petition for administrative or judicial hearing or review of the First Order, Second Order, or of this Consent Order. Allied acknowledges that it has been represented by legal counsel in negotiating this Consent Order, and that it willingly enters into this Consent Order after full review, evaluation, and consideration and with full knowledge of its rights under the Act, Rules, and Illinois Administrative Procedure Act [5 ILCS 100].
- VI. The Department enters into the Consent Order for the purpose of imposing measures that are fair and equitable in the circumstances and that are consistent with the best interests of the people of the State of Illinois, and the Department will take no other action against Allied so long as it complies with the terms of this Consent Order.

VII. The Consent Order shall become effective upon all the parties hereinafter designated signing and dating the Consent Order and on the date that the last of those designated for the Department sign and date the Consent Order.

The foregoing Consent Order is approved in full.

_____ date: _____
James C. Hodge, Allied Home Mortgage Corporation

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

_____ date: **MAY 22, 2012**
MANUEL FLORES, DIRECTOR