

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2018-MBR-03
FIRST AMERICAN MORTGAGE CORPORATION)
License No. MB.0006542)
Attention: Dan Palumbo)
209 W. Roosevelt Road)
Wheaton, IL 60187)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”), having examined and reviewed the activities of **FIRST AMERICAN MORTGAGE CORPORATION** (“**FAMC**”), 209 W. Roosevelt Road, Wheaton, Illinois 60187 and having documented repeat violations under the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], and the Residential Real Property Disclosure Act (“RRPDA”) [765 ILCS 77], hereby issues this **ORDER ASSESSING FINE**.

STATUTORY PROVISIONS

1. Section 5-11 of the Act requires licensees to provide to the borrower a complete copy of any appraisal, including any appraisal generated using the Automated Valuation Model, obtained by the lender for use in underwriting the residential mortgage loan within 3 business days of receipt by the licensee, but in no event less than 24 hours prior to the day of closing. The appraisal may be sent via first class mail, commercial carrier, by facsimile or by e-mail, if the borrower has supplied an e-mail address.
2. Section 1050.1010 of the Rules provides that the Loan Brokerage Agreement shall be: 1) signed by both the mortgage loan applicant and licensee performing loan brokerage services, and 2) contain the name and Unique Identifier in the Nationwide Multistate Licensing System (“NMLS”) of any licensee and Mortgage Loan Originator assisting the licensee in performing services for the borrower.
3. Section 70 of Article 3 of the RRPDA requires the residential mortgage broker or originator to submit all required information within 10 business days after taking a mortgage application on residential property within the program area into the Anti-Predatory Lending Database (“APLD”)
4. Section 4-5 of the Act provides that when the Department finds any person in violation of the grounds set forth in subsection (i), the Department may enter an order imposing a fine not to exceed \$25,000 for each count of separate offense as authorized by subsection (h)(5). A licensee violates Section 4-5(i) of the Act due to (11) failure to comply with any order of the Department or rule made or issued under provisions of this Act, (17) failure to comply with or violation of

any provision of this Act, and (18) failure to comply with or violation of any provision of Article 3 of the RRPDA.

FACTUAL FINDINGS

5. The Department conducted regular examinations of FAMC for the periods May 1, 2013 to April 30, 2015 (“2015 Examination”) and from May 1, 2015 to April 30, 2017 (“2017 Examination”).
6. In both the 2015 Examination and 2017 Examination, the Department found that FAMC failed to comply with Section 5-11 of the Act by having no proof the appraisal was delivered to borrowers and/or within timing requirements, Section 1010 of the Rules by having missing loan originator signatures and NMLS identifier numbers, and Section 70 of the RRPDA by not timely entering loan applications into the APLD.
7. The Department found the aforementioned violation of Section 5-11 of the Act within six loan files reviewed in the 2015 Examination for borrowers CC, MD, PV, MS, JF, and RP, and within seven loan files reviewed in the 2017 Examination for borrowers PK, KA, DE, RM, BP, GS, and NC.
8. The Department found the aforementioned violation of Section 1010 of the Rules within six loan files reviewed in the 2015 Examination for borrowers CC, MD, MS, JF, RP, and PK, and within four loan files reviewed in the 2017 Examination for borrowers PK, GS, RM, and KA.
9. The Department found the aforementioned violation of Section 70 of the RRPDA for two loan files reviewed in the 2015 Examination for borrowers CC and MD, and within three loan files reviewed in the 2017 Examination for borrowers NC, RM, and GS.

LEGAL CONCLUSION

10. FAMC violated Section 5-11 of the Act, Section 1050.1010 of the Rules, and Section 70 of Article 3 of the RRPDA as found by the Department in its examination of FAMC’s loan files during the 2015 Examination and repeated in the Department’s findings of the 2017 Examination. FAMC is in further violation of Section 4-5, subsections (i) (11), (17,) & (18) of the Act.

NOW IT IS HEREBY ORDERED THAT,

The Department assesses a fine of \$1,500 against of FIRST AMERICAN MORTGAGE CORPORATION pursuant to Section 4-5(h) (5) of the Act. The fine is 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
Attention: FISCAL DIVISION
320 W. Washington, 5th Floor
Springfield, Illinois 62786**

ORDERED THIS ____ DAY OF _____, 2018

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

KERRI A. DOLL
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 affected party may file a request for a hearing on a decision by the Director. The request for a hearing and \$500 hearing fee payable by certified check or money order must be filed with the Department at 320 West Washington Street, 5th Floor, and Springfield, IL 62786 within 10 days after the appealing party's receipt of this Order. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in this Order pursuant to 38 Ill. Adm. Code 1050.1570. After receipt of a proper and timely request for hearing, 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].