

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

IN THE MATTER OF:)
)
NW HOMESTART MORTGAGE, INC.) No. 2024-MBR-10
)
License No. MB.6760896; NMLS ID 916408)
Attention: Sarah Brinkmann)
307 West Main Street)
Freeport, Illinois 61032)
)

ORDER REVOKING LICENSE

THE DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”), having conducted an examination of **NW HOMESTART, INC.** (“**HOMESTART**”), 307 West Main Street, Freeport, Illinois 61032 and making findings under the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], and the rules promulgated thereunder (the “Rules”) [38 Ill. Adm. Code 1050] hereby issues this **ORDER REVOKING LICENSE**.

STATUTORY PROVISIONS

1. Section 2-4 of the Act lists prohibited acts and practices for licensees. It is a violation of the Act for a licensee subject to the Act to (d) fail to file with the Secretary any report or reports which it is required to file under any of the provisions of the Act; or (t) fail to comply with the provisions of the Act; or (u) fail to submit to periodic examination by the Secretary as required.
2. Section 3-2 of the Act requires a licensee to file its most recent audit report, or, for a mortgage broker, unaudited financial statements, with the Director of the Department’s Division of Banking (“Director”) or NMLS within 90 days after the end of the licensee’s fiscal year.
3. 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 revoking a license as authorized by subsection (h)(1). A licensee violates Section 4-5(i) of the Act due to (11) failure to comply with any order of the Director or rule made or issued under the provisions of this Act, (13) failure to pay in a timely manner any fee, charge or fine under this Act, and (17) failure to comply with or violation of any provision of this Act.
4. Section 4-8.3 of the Act requires that on or before March 1 of each year or the date selected for Mortgage Call Reports under Section 4-9.1 of the Act, each licensee shall file a report

with the Secretary that discloses such information as the Secretary requires. A licensee filing a Mortgage Call report is not required to file an annual report.

5. Section 1050.430 of the Rules provides that the failure to deliver audit reports within 90 days after the date specified in Section 3-2 of the Act, unless extended for cause by the Department, shall subject the licensee to payment of a fee at the rate of \$50 per calendar day for each day that such failure is continuing for up to three months.

FACTUAL FINDINGS

6. HOMESTART is a residential mortgage licensee holding Illinois Residential Mortgage License No. MB.6760896 with an expiration date of December 31, 2022 (“License”).
7. On November 22, 2022, HOMESTART was notified by a Pre-Examination Alert Requirements Letter (“PEARL”) from the Department that an examination of the licensee was to be conducted for the period of February 1, 2022, to January 31, 2023.
8. Despite additional requests from the Examiners, HOMESTART failed to submit complete books or records for examination in response to the PEARL or in conformance with the Act or Rules as required to complete the examination.
9. The Report of Examination (“ROE”) pursuant to the Act was completed for HOMESTART in January 2023. HOMESTART did not respond to the ROE.
10. HOMESTART failed to file an annual audited financial statement for 2021 or mortgage call report for 2021 and Q1, Q2, and Q3 of 2022. Additionally, HOMESTART failed to file the first half of the 2022 Default and Foreclosure Report.
11. HOMESTART failed to surrender its license.
12. HOMESTART failed to renew its license for the year 2023.

LEGAL CONCLUSION

13. HOMESTART is in violation of Sections 2-4 (d) (t), and (u), 3-2, 4-5(i)(11), (13), and (17), 4-8.3 of the Act and violated Section 1050.430 of the Rules.

NOW IT IS HEREBY ORDERED THAT,

The Department **REVOKES** NW HOMESTART, INC.’s Illinois Residential Mortgage License No. MB.6760896 pursuant to Section 4-5(h)(1) of the Act.

ORDERED THIS 23rd DAY OF OCTOBER 2024

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING



SUSANA SORIANO
ACTING DIRECTOR

You are hereby notified that this Order is an administrative decision. Pursuant to Section 4-12 of the Illinois Residential Mortgage License Act [205 ILCS 635/4-12] and the rules promulgated thereunder on Hearings Before the Division of Banking and Division of Financial Institutions [38 Ill. Adm. Code 100.5 *et seq.*], an affected party may file a petition for a hearing on an administrative decision by the Director. The petition for a hearing must be filed within 10 days after service of this Order by mail to the Department at 555 W. Monroe St., Suite 500, Chicago, IL 60661, Attn: Angela Alexandrakis with an electronic copy by email to Angela.Alexandrakis@illinois.gov and fpr.doblelegal@illinois.gov. The petition for hearing must be in writing and set forth the petitioner's license number, docket number of the administrative decision that resulted in discipline, and date of the administrative decision, pursuant to 38 Ill. Adm. Code 100.30(c). An MB that requests a hearing shall pay a \$500 nonrefundable fee to the Department in accordance with 38 Ill. Adm. Code 1050.210(f). After receipt of a properly completed and timely petition for hearing, a case will be docketed and notice sent to the petitioner setting forth the date, time, and place of the hearing. Absent a petition for a hearing, this Order shall constitute a final administrative decision subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].