

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

IN THE MATTER OF:

**LIBERTY HOME MORTGAGE CORPORATION**

License No. MB.6761322; NMLS ID 1114762

6225 Oak Tree Blvd

Independence, OH 44131

)  
) 2025-MBR-05  
)  
)  
)  
)

**CONSENT ORDER**

The ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING (“Department”) and **LIBERTY HOME MORTGAGE CORPORATION** (“**LIBERTY HOME MORTGAGE**”) hereby enter into this Consent Order pursuant to the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated under the Residential Mortgage License Act of 1987 (“Rules”) [38 Ill. Adm. Code 1050] and stipulate and agree as follows:

**STIPULATION & AGREEMENT**

The Department and LIBERTY HOME MORTGAGE stipulate that the Department, pursuant to its authority under the Act and Rules, conducted a review of LIBERTY HOME MORTGAGE’S compliance with the Residential Real Property Disclosure Act, 765 ILCS 77 *et seq.* (“RRPDA”), specifically including LIBERTY’S timely and accurate entry of loan applications into the Anti-Predatory Lending Database (“APLD”), and providing housing counseling to applicants prior to loan closing when indicated under the RRPDA.

**STATUTORY PROVISIONS**

1. Section 4-1(h-1) of the Act grants the Department the authority to issue orders against any person, if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur, if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Secretary, or for the purpose of administering the provisions of this Act and any rule adopted in accordance with the Act.
2. Section 4-5(i) of the Act states, in part, that the following acts shall constitute grounds for disciplinary action: (2) fraud, misrepresentation, deceit or negligence in any mortgage transaction, (17) violating any provision of this Act or rule promulgated under this Act, and (18) failure to comply with or any violation of any provision of Article 3 of the

RRPDA.

3. Section 4-5(h) of the Act provides for one or more of the following penalties for a violation of subsection 4-5(i): placement of the licensee on probation; and the imposition of a fine not to exceed \$25,000 for each count or separate offense.
4. Section 70 of the RRPDA requires mortgage brokers or loan originators to submit to the APLD all of the information required under RRPDA Section 72 for any mortgage on residential property within the program area of Cook, Kane, Peoria, and Will counties. Information must be entered within 10 business days after taking a mortgage loan application. Section 70 of the RRPDA further provides that, if the Department recommends counseling for a borrower, the borrower must schedule a counseling interview with a HUD-approved counselor within 10 business days. The broker or originator may not take any legally binding action concerning a loan transaction until the borrower and counselor submit all the required information to the APLD.
5. Section 72 of the RRPDA requires that all information entered into the APLD must be true and correct to the best of the originator's knowledge and updated prior to closing.
6. Section 73 of the RRPDA provides that a borrower shall be recommended for counseling where the borrower is a first-time homebuyer or refinancing a primary residence and one of the following exists: 1) the loan permits interest only payments; 2) the loan may result in negative amortization; 3) the total points and fees payable by the borrower at or before closing will exceed 5%; 4) the loan includes a prepayment penalty; or 5) the loan is an adjustable rate mortgage.

**FACTUAL FINDINGS**

7. In November 2024, the Department received information from a housing counselor in Will County questioning LIBERTY HOME MORTGAGE'S compliance with the APLD. Specifically, LIBERTY HOME MORTGAGE referred a borrower for counselling on a loan which had closed the previous year.
8. The Department contacted LIBERTY HOME MORTGAGE, and further review by the Department uncovered violations of the RRPDA including:
  - a. LIBERTY HOME MORTGAGE closed on two loans for which housing counseling was indicated without the borrowers obtaining such counseling, in violation of RRPDA Section 70(e);
  - b. Inaccurate reporting of points and fees in the APLD for two additional closed loans in violation of RRPDA Section 72, which was compounded by the fact that the inaccurate calculations caused the Department to determine that the loans required housing counseling. LIBERTY HOME MORTGAGE closed these two loans without the borrowers attending the required counseling, a further violation of RRPDA Section 70(e), and without correcting the inaccurate points and fees in the APLD; and

- c. Late or omitted entries of loan data into APLD totaling 10 entries, in violation of RRPDA Section 70(c).

## **TERMS AND CONDITIONS**

WHEREFORE, the Department and LIBERTY HOME MORTGAGE agree as follows:

- I. LIBERTY HOME MORTGAGE'S Residential Mortgage License No. MB.6761322 is placed on Probation pursuant to Section 4-5(h)(3) of the Act for a period of 24 months from the Effective Date (the "Term").
- II. During the Term, the Department may conduct periodic examinations, and LIBERTY HOME MORTGAGE shall enhance its compliance policies and procedures and training as described in paragraphs IV, V and VI below, and self-report its progress to the Department.
- III. If after a period of 12 months from the Effective Date, the Department determines, in its sole discretion, that LIBERTY HOME MORTGAGE is operating in a safe, sound, and lawful manner, the Department may terminate the probationary period.
- IV. During the Term, or so long as the licensee takes loan applications subject to the Act: (1) for each quarter (*i.e.*, the three-month period ending June 30, September 30, December 31, and March 31), LIBERTY HOME MORTGAGE shall submit to the Department all transactions from Cook, Kane, Peoria, and Will counties to analyze compliance with the RRPDA, and (2) LIBERTY HOME MORTGAGE shall provide to the Department the following information for each transaction using the form and format provided by the Department within two weeks of the end of each quarter:
  - a. The Anti Predatory Lending Database ("APLD") loan ID
  - b. If no APLD entry, basis for any exemptions
  - c. In LIBERTY HOME MORTGAGE'S opinion was the APLD entry accurate and proper?
  - d. PIN
  - e. Date of application
  - f. Date of original entry in APLD
  - g. Whether the borrower or borrowers were all first-time homebuyers or refinancing a primary residence
  - h. The principal balance of the loan at closing
  - i. The principal loan balance entered by originator/broker
  - j. The interest rate of the loan at closing
  - k. The interest rate entered by originator/broker
  - l. The total % points and fees at closing
  - m. The % points and fees entered by originator/broker

- n. Were the loan terms updated in APLD? (y, n, or n/a)
  - o. Whether there were interest only payments
  - p. Whether there was negative amortization
  - q. Whether there was a prepayment penalty
  - r. Whether there was an adjustable rate within 3 years
- V. LIBERTY HOME MORTGAGE shall demonstrate to the Department that it has (1) enhanced its policies and procedures regarding RRPDA compliance and (2) provided, at least annually, and within 90 days for new hires, a training to its employees, agents, representatives, and any mortgage loan originators or brokers who have or intend to have a financial relationship with LIBERTY HOME MORTGAGE. LIBERTY HOME MORTGAGE shall send its enhanced policies and procedures to the Department within 60 days of the Effective Date of this Consent Order.
- VI. LIBERTY HOME MORTGAGE'S training must include, but not be limited to, compliance with the Act and its implementing regulations; ethics in the residential mortgage loan industry; and understanding mortgage loans. The training shall include compliance with RRPDA, requirements to input APLD information within 10 days, updating any changes to the data, and ensuring that data input is accurate at the time of input. The first annual training must occur by July 31, 2025.
- VII. During the Term, LIBERTY HOME MORTGAGE shall notify the Department in writing of all training courses it intends to offer pursuant to Paragraphs V and VI at least thirty (30) days prior to the date of the training.
- VIII. LIBERTY HOME MORTGAGE shall provide a copy of all training materials it intends to use at any trainings conducted pursuant to Paragraphs V and VI at least fourteen (14) days before the scheduled training. The Department, in its sole discretion and with prior notice to LIBERTY HOME MORTGAGE, may attend or participate in the trainings.
- IX. LIBERTY HOME MORTGAGE will submit all requested documents via email, unless stated otherwise, to the email address that will be provided by the Department.
- X. LIBERTY HOME MORTGAGE, within 10 days of the Effective Date of this Consent Order, shall pay a Fine of \$5,000 to the Department pursuant to Section 4-5(h)(5) of the Act for its violation of the Act and the RRPDA. LIBERTY HOME MORTGAGE shall submit this payment to the Department through the Nationwide Multistate Licensing System.
- XI. LIBERTY HOME MORTGAGE agrees to comply with all of the corrective action measures in paragraphs I through V of the Consent Order during the Term. In the event LIBERTY HOME MORTGAGE fails to comply with these corrective action measures, the Department reserves the right to assess and enforce any of its disciplinary authority under the Act and Rules, up to and including additional penalties, fines and possible license revocation.

- XII. By executing this Consent Order, LIBERTY HOME MORTGAGE agrees to not file any petition for administrative hearing or judicial review of, or in connection with, this Consent Order, except in any proceeding by the Department to enforce compliance with the terms of this Consent Order.
- XIII. LIBERTY HOME MORTGAGE acknowledges that it has had the opportunity to be represented by legal counsel in this matter, and that it willingly enters into this Consent Order after full review, evaluation, and consideration with full knowledge of its rights under the Act, Rules, and the Illinois Administrative Procedure Act [5 ILCS 100].
- XIV. The Department enters into this Consent Order for the purpose of imposing measures that are fair and equitable under the circumstances and that are consistent with the best interests of the people of the State of Illinois.
- XV. This Consent Order shall become effective (the "Effective Date") upon all of those 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.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DIVISION OF BANKING

  
\_\_\_\_\_  
SUSANA SORIANO  
ACTING DIRECTOR

Date: 5/16/2025

  
\_\_\_\_\_  
LIBERTY HOME MORTGAGE CORPORATION  
Ashley Geisinger  
Chief Compliance Officer

Date: 5/12/2025