

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
) No. 2013-MLO-CD-08
ALFREDO BUSANO)
5 Quincy Circle)
South Barrington, Illinois 60010)

**ORDER TO CEASE AND DESIST
FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having investigated and reviewed the activities of ALFREDO BUSANO (“BUSANO”), 5 Quincy Circle, South Barrington, Illinois 60010, and documented violations by BUSANO of 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 to BUSANO this ORDER TO CEASE AND DESIST FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES.

STATUTORY PROVISIONS

1. Section 1-3(a) of the Act states in relevant part: No person, partnership, association, corporation or other entity shall engage in the business of brokering, funding, originating, servicing or purchasing of residential mortgage loans without first obtaining a license from the Secretary in accordance with the licensing procedure provided in this Article I and such regulations as may be promulgated by the Secretary.
2. Section 1-3(b) of the Act provides that no person, partnership, association, corporation, or other entity except a licensee under the Act or an entity exempt from licensure shall do any business under any name title, or circulate or use any advertising or make any representation nor give any information to any person, which indicates or reasonably implies activity within the scope of the Act.
3. Section 1-3(d-1) of the Act provides that the Secretary may 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 purposes of administering the provisions of this Act and any rule adopted in accordance with this Act.

4. Section 1-3(e) of the Act provides that any person, partnership, association, corporation or other entity who violates any provision of this Section commits a business offense and shall be fined an amount not to exceed \$25,000.
5. Section 1-4(hh) of the act defines a loan originator in relevant part: “Loan originator” means any natural person who, for compensation or in the expectation of compensation, either directly or indirectly makes, offers to make, solicits, places, or negotiates a residential mortgage loan.
6. Section 1-4(jj) of the Act defines a mortgage loan originator as an individual who for compensation or gain or in the expectation of compensation or gain (i) takes a residential mortgage loan application; or (ii) offers or negotiates terms of a residential mortgage loan.
7. Section 7-1 of the Act states that it is unlawful for any natural person to act or assume to act as a loan originator, as defined in subsection (hh) of Section 1-4, without being registered in the State of Illinois.
8. Section 7-1A of the Act states that it is unlawful to work as a mortgage loan originator, as defined in subsection (jj) of Section 1-4 of this Act, without obtaining a license from the Director, unless the individual is exempt under subsection (c) of this Section.
9. Section 7-13 of the Act provides a list of prohibited acts and practices for mortgage loan originators, including (6) conducting any business covered by this Act without holding a valid license as required under this Act, or assisting or aiding and abetting any person in the conduct of business under this Act without a valid license as required under this Act.
10. Section 70(c) of the RRPDA requires the broker or originator for any mortgage on residential property located within the program area to submit all of the information required under Section 72 to the anti-predatory lending database (the “APLD”) within 10 days after taking a mortgage application.
11. Section 72(4) of the RRPDA requires that the broker or originator submit information for inclusion in the APLD for each loan for which the originator takes an application including information about the originator, the company the originator works for, and the originator’s license number.

FACTUAL FINDINGS

12. BUSANO formerly held an Illinois Provisional Loan Originator Certificate of Registration No. 030.0013387 for the period of July 2, 2004 to June 30, 2005. His last known address was 5 Quincy Circle, South Barrington, Illinois 60010.
13. BUSANO worked under the license of Apollo Mortgage Finance Corp. (MB.0006086) (“Apollo Mortgage”) for all purposes of this Order.
14. On March 24, 2011, the Department received a complaint alleging that Apollo Mortgage was employing the services of an unlicensed Mortgage Loan Originator identified as BUSANO. The Department’s internal records showed that Apollo Mortgage was properly licensed as a mortgage

broker in Illinois at that time; however, BUSANO was not licensed as a loan originator in Illinois.

15. On March 30, 2011, the Department's Investigator conducted an on-site visit of Apollo Mortgage's offices in Hoffman Estates, Illinois during which the Investigator met and interviewed BUSANO. The investigation revealed that Apollo Mortgage is a company ostensibly owned by Rachele D'alesio ("D'ALESIO"). During the interview, BUSANO admitted that D'ALESIO was simply an owner on paper and that he owned a 5% stake in the company, contrary to the Department's internal records, which reflected that BUSANO was an inactive owner with a 0% stake in the company.
16. During the investigation, BUSANO provided a loan log with loans dating from April 21, 2008 to March 19, 2011. He admitted that during his tenure at Apollo Mortgage, he engaged in licensable activities, i.e. taking loan applications, quoting interest rates and terms, and explaining loan products, without being licensed as a loan originator in Illinois. According to the Department's investigation and review of the loan log, BUSANO originated at least seventy (70) loans for the following borrowers under the name of Illinois-licensed Mortgage Loan Originator Joseph Deitschel as identified in the order against Apollo Mortgage (2013-MBR-47, "Apollo Order").
17. According to the Department's investigation, although Apollo Mortgage employed Deitschel, BUSANO stated that Deitschel had limited contact with borrowers and limited loan processing duties. BUSANO admitted to forging Deitschel's signature on the above-referenced seventy loan applications.
18. In order to further conceal unlicensed loan origination activity, Busano entered licensed Mortgage Loan Originator Deitschel's name into the APLD as the loan originator of record for 38 loans (denoted by an asterisk in Table 1 above).
19. BUSANO also failed to enter into the APLD five loans (denoted by a bullet point in Table 1) as required by the RRPDA.
20. With respect to the APLD, BUSANO entered 42 loans after the 10-day requirement, ranging from 19 to 281 days late.

LEGAL CONCLUSIONS

BASED UPON THE ABOVE FACTUAL FINDINGS, THE DEPARTMENT CONCLUDES:

21. BUSANO violated Sections violated 1-3(a) & (b), and 7-13 (6) of the Act and Sections 70(c) and 72(4) of the RRPDA.

NOW IT IS HEREBY ORDERED THAT,

1. BUSANO shall **CEASE AND DESIST** from engaging in mortgage loan originating activities in the State of Illinois pursuant to Section 1-3(d-1) of the Act.

2. The Department assesses a **FINE** against BUSANO in the amount of \$25,000 pursuant to section 1-3(e) 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
ATTN: Loan Originator Section
320 W. Washington, 6th Floor
Springfield, Illinois 62786

ORDERED THIS ____ DAY OF _____, 2013

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
MANUEL FLORES, ACTING SECRETARY

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 \$250 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5th Floor, Springfield, IL 62786, ATTN: Loan Originator Section 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.*].

State of Illinois (
 (ss:
 County of Cook (

The undersigned, being duly sworn on oath, states that on _____, I mailed with sufficient postage affixed, a copy of the foregoing **ORDER TO CEASE AND DESIST FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES** by regular and certified mail, return receipt requested at 100 W. Randolph Street, Chicago, Illinois 60601, to the address of Respondent registered with the Department and listed below:

AFFIANT

Subscribed and sworn to before me,
this ____ day of _____, 2013

NOTARY PUBLIC

Sent to:

ALFREDO BUSANO
5 Quincy Circle
South Barrington, Illinois 60010