

4. Section 7-1A of the Act states, in part, it is unlawful for any individual to act or assume to act as a mortgage loan originator, as defined in subsection (jj) of Section 1-4 of the Act, without obtaining a license from the Department.
5. Section 7-11 of the Act authorizes the Department to revoke and/or fine, or otherwise discipline, the license of a Mortgage Loan Originator (“MLO”) if the Secretary finds that the MLO has violated this Act or any other applicable law or regulation. A maximum fine is authorized of \$1,000 for each day for each violation of this Act or other applicable law or regulation that is committed, \$3,000 for each day for each violation for engaging in 7-13(1) and \$2,000 for repeat violations.
6. Section 7-13 of the Act provides a list of prohibited acts and practices for MLOs, including employing a scheme to defraud or mislead borrowers, engaging in any unfair or deceptive practice, obtaining property by fraud or misrepresentation, aiding and abetting any person in the conduct of business under this Act without a valid license. MLOs are prohibited from violating any rules and regulations. MLOs are prohibited from making any false or deceptive statement or representations of a material fact or an omission of material fact, required on any document or application subject to this Act. MLOs are also prohibited from negligently making any false statement or knowingly and willfully making any omission of a material fact in connection with any report filed with a governmental agency and engaging in conduct that constitutes dishonest dealings. MLOs must give reasonable consideration to a borrower’s ability to repay the debt.
7. RRPDA Section 70(c) requires a mortgage broker or loan originator to submit to the Anti-Predatory Lending Database (“APLD”) all of the information required in RRPDA Section 72 for any mortgage on property within the program area. APLD entries are required within 10 days after taking a mortgage loan application. RRPDA Section 72 requires a mortgage broker or loan originator to submit information about each loan into the APLD, including in subsection (4) the name of the loan originator for the transaction.

FACTUAL FINDINGS

8. HODZIC holds Illinois Mortgage Loan Originator License No. 031.0028285 (“MLO License”). Since May 15, 2012, HODZIC is employed as a MLO by Acceptance Capital Mortgage Corporation (“ACMC”; License No. MB. 6760844).
9. HODZIC, as a licensed MLO, communicates with homebuyers to negotiate residential mortgage loan terms and prepares residential loan mortgage applications to secure funding from prospective lenders.
10. On October 8, 2013, the Department first discovered that Roxana Aranibar (“Aranibar”) and her company MRC Consultant Corp. (“MRC”), both unlicensed under the Act, were engaged in two mortgage-related schemes to harm homebuyers.
11. HODZIC conspired with Aranibar and MRC (jointly hereinafter referred to as “Aranibar”) a scheme by which Aranibar would solicit referrals from real estate licensees and others in order

to lure homebuyers or homeowners in distress into using her consulting services for the purpose of securing referrals, upfront, and other fees for Aranibar, and commissions for himself.

12. To effectuate and in furtherance of the scheme Aranibar, on behalf in association with HODZIC, employed the use of the following tactics upon ten homebuyers (hereinafter "Homebuyer(s)"):
 - a. Aranibar prepared mortgage loan applications for the purchase of residential real estate for Homebuyers.
 - b. Aranibar required that the Homebuyers divulge their social security numbers and other personal information in order to complete the loan applications.
 - c. To qualify Homebuyers, who would otherwise not qualify for a loan, Aranibar created or caused to be created the following fraudulent loan documents:
 1. Loan applications;
 2. Employment verification forms; and
 3. Pay Stubs.
 - d. HODZIC would accept the completed loan files from Aranibar and forwarded the same to ACMC to secure funding.
 - e. HODZIC would then promise to pay Aranibar a referral fee once the loans were funded by ACMC.
 - f. HODZIC would then seek a MLO commission by ACMC for loans closed through ACMC.
13. Aranibar charged Homebuyers 1 and 7 a total of \$12,465 for her illegal mortgage consulting services.
14. HODZIC received from Aranibar eight residential mortgage loan applications for Homebuyers 2, 4, 5, 6, 7, 8, 9 and 10, who were seeking to purchase homes.
15. HODZIC, in exchange for Aranibar's illegal referrals agreed to pay her a \$250.00 referral fee for every loan closed and funded.
16. HODZIC knew as part of the scheme Aranibar created false documentation for Homebuyers 2, 6, 7, 8 and 10 to qualify them for conventional loans or Federal Housing Administration "FHA" insured loans. The inclusion of these false documents demonstrated that Aranibar, who dealt directly with the Homebuyers, knew or should have known they did not have the ability to repay these loans.
17. HODZIC knew or should have known as part of the scheme Aranibar repeatedly listed false employment for Homebuyers on their loan applications. For Homebuyers 7 and 8, Aranibar listed the same Chicago restaurant as an employer even though neither Homebuyer worked

there. For Homebuyer 2, Aranibar falsely listed a Chicago beauty supply company as an employer.

18. HODZIC knew or should have known as part of the scheme Aranibar charged a fee to Homebuyer 7 for fake pay stubs and Homebuyer 8 a fee for fake rent receipts.
19. HODZIC was both a MLO and Branch Manager of the ACMC office where the loans were submitted and processed for funding.
20. HODZIC upon receiving the loans from Aranibar signed-off on them as if he himself had originated the loans.
21. HODZIC, by signing-off on the loans, knew or should have known that he would have to accept responsibility for all the fraudulent documents in the loans and any subsequent harm to Homebuyers, including the harm from failing to consider the Homebuyers ability to repay the loans.
22. HODZIC'S name was entered into the APLD as the loan originator for loans he did not originate.
23. HODZIC through ACMC attempted to obtain funding for Consumers 2, 4, 5, 6, 7, 8, 9 and 10. The loans for Consumers 2 and 5 were funded.
24. HODZIC was to be paid a MLO commission by ACMC for loans funded through ACMC.

LEGAL CONCLUSIONS

COUNT I MORTGAGE FRAUD

25. HODZIC accepted fraudulent documents in 5 Homebuyers' loan applications for financing the purchase of residential real estate in violation of Sections 4-5(i)(2) and 7-13(1) of the Act.

COUNT II VERIFICATION OF BORROWERS' ABILITY TO REPAY

26. HODZIC originated 5 Homebuyer loans for which he received fraudulent documents and failed to verify the Homebuyers' ability to repay the loans in violation of Sections 5-6 and 7-13 (19) of the Act.

COUNT III PROHIBITED ACTS

27. HODZIC assisted an unlicensed MLO by signing-off as the MLO on the loans that Aranibar actually originated in violation of Act Section 7-13(6). HODZIC falsely signed loan applications as a loan originator in violation of Act Section 7-13(9). HODZIC'S actions were unfair and deceptive to borrowers, lenders, and the Department in violation of Act Section 7-13(2). HODZIC by having his name in the APLD for loans he did not originate was in violation

of Act Section 7-13(10). HODZIC'S actions through participating in and benefiting from the scheme were not in compliance with the Act nor state or federal law and would constitute dishonest dealings in violation of Act Sections 7-13(3),(8) & (15).

COUNT IV APLD VIOLATION

28. HODZIC'S name was falsely entered into the APLD using HODZIC'S license credential for 7 Homebuyer loans in violation of Section 72(4) of the RRPDA.

NOW IT IS HEREBY ORDERED THAT:

1. The Department **REVOKES** HODZIC'S Mortgage Loan Originator License No. 031.0028285 pursuant to Sections 7-11 of the Act.
2. The Department assesses a **FINE** against HODZIC pursuant to Sections 4-5 and 7-11 of the Act in the **total amount of \$134,000, as calculated:**

COUNT I: \$90,000 (\$75,000, and \$15,000 for violations of Act Section 7-13(1))

COUNT II: \$30,000(\$25,000, and \$5,000 for violations of Act Section 7-13(19))

COUNT III:\$7,000 (for violations of Act Sections 7-13(2),(3),(6),(8), (9), (10) and (15))

COUNT IV:\$7,000 (for violations of Section 72(4) of the RRPDA)

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, 5th Floor
Springfield, Illinois, 62786**

ORDERED THIS ____ DAY OF _____, 2014

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

DIVISION OF BANKING

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 REVOKING MORTGAGE LOAN ORIGINATOR LICENSE AND ASSESSING FINE** by regular and certified mail, return receipt requested at 100 W. Randolph St., Chicago, Illinois 60601, to the address of Respondent registered with IDFPR Division of Banking listed below:

AFFIANT

Subscribed and sworn to before me,

this ____ day of _____, 2014

NOTARY PUBLIC

Sent to:

JUSUF HODZIC
6448 N. Algonquin
Chicago, IL 60646