

In the matter of:

## ORDER OF REVOCATION & FINE

(B) Borrowers on six other properties that were refinanced through Respondent during late 2004 also did not receive their proper payoffs or loan funds. The total of funds lost through the conduct of the Respondent in these transactions exceeds \$1.1 million dollars.

(C) Upon information and belief, Arthur Wootton, Respondent's owner and operations manager acted as the title agent in these above noted mortgage transactions and was in control of monies placed in escrow to fund these loans. Notwithstanding the provision of these loan funds by the financial institution, the proceeds provided were not properly applied to the loan transactions for which they were received. Respondent knew or should have known that the funds transferred to its escrow account were not properly being set aside for their intended purpose and were not available to be paid over to the prior mortgage note holders. Said conduct constitutes a continued course of misrepresentation as well as improper and dishonest dealings in violation of R.C. § 1322.07(B) and (C).

(D) Respondent acting through Arthur Wootton and/or others knowingly made or caused to be made false statements on the HUD-1 Settlement Statements for each of the affected consumer/victims in that these settlement statements each indicate that payment was made to the prior mortgage note holder or to the seller of the property, when in truth and fact these payments were not made. Such conduct violates in each case R.C. § 1322.07(E) which prohibits false statements on mortgage documents.

(E) Respondent acting through Arthur Wootton and/or others received money for brokering certain mortgage loan transactions, even though the loan fund proceeds had not been distributed on behalf of the consumer/buyer. Such conduct violates in each case R.C. § 1322.08(B) which prohibits payment in such circumstances prior to the disbursement of the loan proceeds.

WHEREAS, Professional Mortgage Corp. failed to respond and request a hearing in writing to the Division within thirty (30) days of the date of the mailing of the above-referenced Notice of Opportunity for a Hearing in this matter as required by the notice provided pursuant to R.C. Chapter 119.

WHEREAS, in determining the fine set forth herein consideration was given to the seriousness of the violations; the registrant's good faith efforts to prevent the violation; the registrant's history of violations and compliance; and the Respondent's financial resources, as well as other relevant factors.

NOW THEREFORE, the Division adopts the facts set forth in the allegations as true, and finds and holds that the acts set forth therein establish that Respondent has engaged in conduct constituting a continued course of misrepresentation as well as improper and dishonest dealings in violation of R.C. § 1322.07(B) and (C). The Division further finds Respondent's conduct in violation of R.C. § 1322.07(E) and R.C. § 1322.08(B) as set forth herein.


It is hereby ORDERED and DECREED that:

- A. Professional Mortgage Corp. knew or should have known that the funds transferred to the escrow account controlled by Arthur Wootton,

Respondent's owner and operations manager, in the fall and winter of 2004 were not properly being set aside for their intended purpose and were not available to be paid over to the prior mortgage note holders. Said conduct constitutes a continued course of misrepresentation as well as improper and dishonest dealings in violation of R.C. § 1322.07(B) and (C).

- B. Professional Mortgage Corp. knowingly made or caused to be made false statements on the HUD-1 Settlement Statements for each of the affected consumer/victims in that these settlement statements each indicate that payment was made to the prior mortgage note holder or to the seller of the property, when in truth and fact these payments were not made. Said conduct in each case constitutes the making of false statements on a mortgage document in violation of R.C. § 1322.07(E).
- C. Professional Mortgage Corp. received money for brokering a mortgage loan transaction, even though the loan fund proceeds had not been distributed on behalf of the consumer/buyer. Said conduct in each case constitutes a violation of R.C. § 1322.08(B) which prohibits such payments prior to the disbursement of the loan proceeds.
- D. Professional Mortgage Corp. be and is hereby assessed a fine of \$20,000 pursuant to R.C. 1322.10(A)(2). Such fine shall be due and owing upon the entry of this Order and shall be made payable to the Ohio Superintendent of Financial Institutions for deposit in accordance with R.C. § 1322.21.
- E. Professional Mortgage Corp.'s mortgage broker certificate of registration, MB 0267, be and is hereby revoked, which revocation is immediate and effective upon execution by the Superintendent of the Division of Financial Institutions of this Order, and on such date it will become a final order.

IT IS SO ORDERED

  
**Robert Grieser**  
Deputy Superintendent for Consumer Finance  
Division of Financial Institutions  
Ohio Department of Commerce

  
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Date