

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

In the matter of:)	Case No. M2008-652
)	
MARY E. BRADLEY)	Notice of Intent to Deny Loan Officer
5944 Churchill Way)	Renewal Application
Medina, Ohio 44256)	&
)	Notice of Opportunity for a Hearing
)	

JURISDICTION

The Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322. In accordance therewith, the Division is accountable for the registration of mortgage brokers.

RESPONDENT

MARY E. BRADLEY ("Respondent") is an individual who held a loan officer license 003393 issued pursuant to R.C. Chapter 1322. Respondent's loan officer license expired on April 30, 2008, and Respondent filed an application to renew her loan officer license. The renewal application remains pending. Respondent's home address of record is 5944 Churchill Way, Medina, Ohio 44256. Respondent's employer is Lexington Lending & Mortgage Group, Inc., 124 Lafayette Road, Suite 04, Medina, Ohio 44256.

NOTICE OF PROPOSED ACTION

In accordance with sections 1322.04 and 1322.10 of the R.C., and R.C. Chapter 119, the Division intends to DENY Respondent's 2008 loan officer renewal application.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.10(B), and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to renew an applicant's loan officer license if the Division finds that the applicant has violated "or failed to comply with any provision of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted under a certificate of registration[.]"
- B. The Division is authorized by R.C. 1322.041(B) to renew a loan officer license if the applicant's character and general fitness commands public confidence and warrants the belief that business will be operated honestly and fairly.

- C. The Division is required by Ohio Admin. Code 1301:8-7-21(H) to consider an applicant's "failure to fully satisfy any judgment or award issued by any court of competent jurisdiction" in order to determine an applicant's character and general fitness.
- D. The Division is authorized by Ohio Admin. Code 1301:8-7-10(G) to deny a loan officer license if the applicant submits "false or incomplete information or omit[s] information in connection with a license application [.]"
- E. In or around 2004, Lexington Lending & Mortgage Group, Inc. ("Lexington Lending") submitted an application for a certificate of registration in order to transact business under R.C. 1322.01 to 1322.12. The application indicated that Respondent owned one hundred percent (100%) of Lexington Lending and was its President.
- F. In or around 2004, certificate of registration MB.803177 was issued to Lexington Lending.
- G. In or around 2008, Respondent submitted a loan officer renewal invoice/application.
- H. The 2008 loan officer renewal application ("2008 Renewal") provided the following instruction for all questions: "Within the past sixteen (16) months have any of the following occurred that were not reported to the Division." Question Number 4 of the 2008 Renewal asked "Do you have any unpaid civil judgments against you? If yes, a certified copy of the judgment entry and proof of payment history MUST be attached to this application or the application will not be processed."
- I. Respondent answered "No" to Question Number 4 of the 2008 Renewal.
- J. On or about April 13, 2007, the Garfield Heights Municipal Court filed a Judgment Entry against Respondent imposing a monetary civil judgment for the Plaintiff in Case No. CVG 0700204, *Rockside 77 Properties v. Lexington Lending & Mortgage Group, Inc.*
- K. On or about June 5, 2007, the Medina Municipal Court filed a Judgment Entry against Mary E. Bradley, imposing a monetary civil judgment for the Plaintiff in Case No. 07CVI00961, *Ohio Residential Cleaning LLC v. Mary Bradley*.
- L. On or about December 13, 2007, Mary E. Bradley, through an attorney, electronically filed a Chapter 7 Voluntary Petition in the United States Bankruptcy Court for the Northern District of Ohio which was designated Case No. 07-53982 ("Bradley Bankruptcy Petition"). The Bradley Bankruptcy Petition's Declaration Concerning Debtor's Schedules contained the electronic signature of Mary E. Bradley.
- M. Rockside 77 Properties lawsuit was listed on Page 8 of 10 of Schedule F – *Creditors Holding Unsecured Non-priority Claims* of the Bradley Bankruptcy Petition.
- N. Section 4, *Suits and administrative proceedings, executions, garnishments and attachments* on page 2 of the *Statement of Financial Affairs* of the Bradley Bankruptcy Petition lists the Rockside 77 Properties and Ohio Residential Cleaning LLC lawsuits, identifies these lawsuits as collections and affirms "judgment" as the status or disposition of the lawsuits.

As a result of the findings listed above, the Division has determined that:

- 1. Respondent had civil judgments entered against her individually and as sole owner of Lexington Lending & Mortgage Group, Inc. ("Lexington Lending") by courts of competent jurisdiction.

2. Respondent failed to disclose the civil judgments entered against her individually and as sole owner of Lexington Lending to the Division as required by Chapter 1322.
3. Because the Bradley Bankruptcy Petition lists the civil judgments and seeks to satisfy these judgments through a bankruptcy discharge, the civil judgments are unpaid.
4. Because Respondent failed to disclose unpaid civil judgments entered against her and her company on her 2008 renewal application, Respondent's character and general fitness do not command the confidence of the public and warrant the belief that the business will be operated honestly and fairly in compliance with the purposes of the Ohio Mortgage Broker Act. See R.C. 1322.041(B) and Ohio Admin. Code 1301:8-7-21(H).
5. Because Respondent failed to disclose civil judgments entered against her and her company on her 2008 loan officer renewal application, Respondent violated R.C. 1322.07(A), which prohibits a loan officer applicant from "mak[ing] any substantial misrepresentation in any registration or license application[.]"
6. Because Respondent failed to disclose civil judgments entered against her and her company on her 2008 loan officer renewal application, Respondent violated R.C. 1322.07(B), which prohibits a loan officer applicant from "[m]ak[ing] false or misleading statements of a material fact, [or] omissions of statement required by state law[.]"
7. Because Respondent failed to disclose civil judgments entered against her and her company on her 2008 loan officer renewal application, Respondent violated R.C. 1322.07(C), which prohibits a loan officer applicant from "[e]ngage[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings."
8. Because Respondent submitted false or incomplete information on and/or omitted information from the 2008 loan officer renewal application, the Division may deny Respondent's 2008 renewal application pursuant to Ohio Admin. Code 1301: 8-7-10(G).
9. Because Respondent violated R.C. 1322.07(A), (B) and (C), and Ohio Admin. Code 1301:8-7-10(G), the Division is authorized under R.C. 1322.10(A)(1)(a) to deny issuance of a loan officer license renewal to Respondent.

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an Order denying Respondent's renewal application under the Ohio Mortgage Broker Act.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed: Ohio Division of Financial Institutions, Attn: Lori A. Massey, Consumer Finance Attorney Examiner, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

At the hearing, Respondent may appear in person, by Respondent's attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses

appearing for and against Respondent. At the hearing, a corporation must have a representative that is permitted to practice before the Agency, such as an attorney.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an Order denying Respondent's renewal application.

Signed and sealed this 10th day of October, 2008.

LEIGH A. WILLIS

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