

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

In the matter of:)	Case No. M2008-600
)	
ELDRIDGE MORTGAGE, COMPANY, INC.)	Notice of Intent to Deny Mortgage Broker
3613 Lee Road)	Certificate of Registration Renewal
Shaker Heights, Ohio 44120)	&
)	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

ELDRIDGE MORTGAGE COMPANY, INC. ("Respondent") is a company that held a certificate of registration to engage in business as a mortgage broker pursuant to R.C. Chapter 1322. Respondent's mortgage broker certificate of registration expired on April 30, 2008, and Respondent filed an application to renew its certificate of registration. The renewal application remains pending. Respondent's business address of record is 3613 Lee Road, Shaker Heights, Ohio 44120.

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 renewal application for a mortgage broker certificate of registration.

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 mortgage broker certificate of registration 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. R.C. 1322.04(B)(3) provide that a certificate of registration will be renewed annually if the superintendent finds that the applicant meets the conditions set forth in divisions (A)(2) to (10) of R.C. 1322.04.
- C. On or about August 16, 2007, in the Common Pleas Court of Cuyahoga County, Ohio, Edward J. Eldridge, President, operations manager and sixty-five percent (65%) shareholder

of Respondent, entered a guilty plea to the amended charge of attempted drug possession, the court accepted the plea and sentenced Edward J. Eldridge to time served.

- D. In or around April 2008, Edward J. Eldridge attested that answers provided in Respondent's mortgage broker annual renewal application submitted to the Division was complete and truthful when it was not.
- E. In or around April 2008, in an attempt to renew its mortgage broker certificate of registration, Respondent provided untruthful information to the Division.

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

- 1. Respondent actions, as listed above, show 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. 1322.04(A)(10) and (B)(3).
- 2. Respondent's actions, as listed above, violated R.C. 1322.07(A), which prohibits a certificate of registration applicant from "mak[ing] any substantial misrepresentation in any registration or license application [.]"
- 3. Respondent's actions, as listed above, violated R.C. 1322.07(B), which prohibits a certificate of registration applicant from "[m]ak[ing] false or misleading statements of a material fact, [or] omissions of statement required by state law[.]"
- 4. Respondent's actions, as listed above, violated R.C. 1322.07(C), which prohibits a certificate of registration applicant from "[e]ngag[ing] in conduct that constitutes improper, fraudulent, or dishonest dealings."
- 5. Because Respondent does not meet the conditions outlined in R.C. 1322.04(A)(10) and (B)(3), the Division has the authority to refuse to renew Respondent's mortgage broker certificate of registration pursuant to R.C. 1322.10(A)(1)(a).
- 6. Because Respondent violated R.C. 1322.07(A), (B) and (C), the Division has the authority to refuse to renew Respondent's mortgage broker certificate of registration pursuant to R.C. 1322.10(A)(1)(a).

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 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 18th day of November, 2008.

LEIGH A. WILLIS

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