

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

In the matter of:	)	Case No. M2006-9993175
	)	
<b>FIRST AMERICAN MORTGAGE</b>	)	<b>Notice of Intent to Deny Mortgage Broker Renewal</b>
<b>COMPANY, LLC</b>	)	<b>&amp;</b>
5709 Smith Rd.	)	<b>Notice of Opportunity for a Hearing</b>
Brook Park, Ohio 44142	)	
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**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, and the rules adopted thereunder.

**RESPONDENT**

**FIRST AMERICAN MORTGAGE COMPANY, LLC** (“Respondent”) holds a mortgage broker certificate of registration issued by the Division. Its business address of record is 5709 Smith Rd., Suite 200, Brook Park, Ohio 44142.

**NOTICE OF PROPOSED ACTION**

In accordance with R.C. 1322.10(A)(1)(a), and pursuant to R.C. Chapter 119, the Division intends to REVOKE Respondent’s mortgage broker certificate of registration.

**BASIS FOR PROPOSED ACTION**

Pursuant to R.C. 1322.10(B), the Division conducted an investigation of Respondent, and as a result thereof, alleges 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. Ohio Administrative Code (“O.A.C.”) Section 1301:8-7 is comprised of rules authorized by R.C. 1322.12 and duly promulgated by the superintendent of the Division.
- C. Respondent engaged in a continued course of misrepresentations to its customers, by consistently underestimating its customers’ costs and other fees due at closing, in

violation of R.C. 1322.07(B).

- D. Respondent's mortgage loan origination disclosure statements do not comply with the requirements set forth in R.C. 1322.062(A), in that Respondent's disclosures stated ranges of fees instead of a sum certain or specific interest rate, or stated that broker fees were to be determined later.
- E. Respondent paid referral fees to person not licensed as a loan officer, in violation of R.C. 1322.071(B)(3).
- F. Respondent failed to maintain a special account for payment of third-party fees, as required by R.C. 1322.08(A) and O.A.C. 1301:8-7-05.
- G. Respondent failed to return copies of loan officers' licenses to the Division within five days of the termination of their employment, as required by R.C. 1322.031(E)(2).
- H. Respondent failed to maintain a listing of applications that have been approved, rejected or withdrawn and the identities of the lenders to whom the registrant has referred buyers, as required by O.A.C. 1301:8-7-06(A)(4).
- I. Respondent failed to maintain a scrapbook or file containing the record of all newspaper, magazine, direct mail or other advertisements for at least one year, as required by O.A.C. 1301:8-7-06(A)(6) and 1301:8-7-07(C).
- J. Respondent failed to ensure that the required records are available for review by the Division, as required by O.A.C. 1301:8-7-06(C).
- K. Due to Respondent's failure to comply with R.C. Sections 1322.01 to 1322.12 of the Ohio Mortgage Broker Act, the Division is authorized to revoke 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 revoking Respondent's mortgage broker certificate of registration.

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: Jason K. Wright, Consumer Finance Associate Counsel, 77 South High Street, 21<sup>st</sup> 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.

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 revoking Respondent's mortgage broker certificate of registration.

Signed and sealed this 14<sup>th</sup> day of November 2006.

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**ROBERT M. GRIESER**  
Deputy Superintendent for Consumer Finance  
Division of Financial Institutions  
Ohio Department of Commerce