

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

In the matter of:	)	Case No. M2008-711
	)	
<b>GERSPACHER MORTGAGE, LTD.</b>	)	<b>DIVISION ORDER</b>
856 Beechwood Drive	)	<b>Mortgage Broker Registration Revocation</b>
Medina, Ohio 44256	)	&
	)	<b>Notice of Appellate Rights</b>

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WHEREAS, the Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division") and charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, as codified in Ohio Revised Code ("R.C.") Chapter 1322, the Division finds that this Order is necessary and appropriate, in the interest of the public, and is consistent with the purposes of the Ohio Mortgage Broker Act; and

WHEREAS, Gerspacher Mortgage, Ltd. ("Respondent") is a limited liability company that held a certificate of registration to engage in business as a mortgage broker pursuant to R.C. Chapter 1322; and

WHEREAS, on March 12, 2009, the Division issued Respondent a Notice which informed it that the Division had conducted an investigation of Respondent and, as a result thereof, alleged that:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to revoke a mortgage broker certificate of registration if the Division finds that the applicant has violated "or failed to comply with any provisions 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. 1322.07(F) prohibits a mortgage broker, registrant or licensee from "knowingly instruct[ing], solicit[ing], propos[ing] or otherwise caus[ing] a buyer to sign in blank a mortgage related document."
- C. R.C. 1322.07(C) prohibits a mortgage broker, registrant or licensee from engaging in conduct that constitutes improper, fraudulent or dishonest dealings.
- D. On December 2005, buyers were presented with and signed a Truth-In-Lending Disclosure Statement that was in blank except for the letters "TBD" hand written where the monthly payment information should have been disclosed as required under the Truth in Lending Act, 15 USC 1601, *et seq.* and 12 CFR 226.17 through 12 CFR 226.23.
- E. Respondent's actions listed in Paragraph D violated R.C. 1322.07(F) and R.C. 1322.07(C).
- F. Because Respondent violated or failed to comply with R.C. 1322.07(F), the Division is authorized under R.C. 1322.10(A)(1)(a) to revoke Respondent's mortgage broker certificate of registration.

WHEREAS, the Division obtained service upon Respondent and, upon Respondent's timely request for hearing, a hearing was initially scheduled for April 10, 2009. The hearing was continued at

Respondent's request and rescheduled to June 11, 2009 to allow time for Respondent to retain legal counsel. The hearing was held on June 11, 2009. Neither Respondent nor its legal counsel appeared at the hearing; and

WHEREAS, a Report and Recommendation was filed with the Division on August 17, 2009, recommending the Division revoke Respondent's certificate of registration. (A copy of the Report and Recommendation is attached hereto). No objections were filed;

In accordance with R.C. 119.09, the Division has considered the record, consisting of the Report and Recommendation, the transcript of testimony and exhibits, as well as all applicable laws. As a result, the Division makes the following findings and conclusions. Any finding and/or conclusion not specifically addressed below is approved, adopted and incorporated herein.

The Division hereby adopts the Recommendation and revokes Respondent's mortgage broker certificate of registration.

It is so ordered.

#### **NOTICE OF RIGHT TO APPEAL**

Respondent is hereby notified that this Order may be appealed, pursuant to R.C. 119.12, by filing a notice of appeal with the Ohio Division of Financial Institutions, setting forth the Order appealed from and the grounds for the appeal. A copy of such notice of appeal must also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 21<sup>st</sup> day of September, 2009.

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**LEIGH A. WILLIS**

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