

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

In the matter of:)	Case No. M2006-9993175
)	
FIRST AMERICAN MORTGAGE)	DIVISION ORDER
COMPANY, LLC)	
Now Known As "Crossroads Home)	Denial of Mortgage Broker Renewal
Mortgage, LLC")	&
5709 Smith Rd.)	Notice of Appellate Rights
Brook Park, Ohio 44142)	
)	

WHEREAS, 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 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, First American Mortgage Company, LLC ("Respondent") is a limited liability corporation that was issued a certificate of registration to engage in the mortgage broker business pursuant to R. C. Chapter 1322.

WHEREAS, on November 14, 2006, the Division issued Respondent a Notice that informed it that the Division had intended to deny the renewal of Respondent's mortgage broker certificate of registration, and alleged that:

1. 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).
2. 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.
3. Respondent paid referral fees to person not licensed as a loan officer, in violation of R.C. 1322.071(B)(3).
4. 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.
5. 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).

6. Respondent failed to maintain a listing of applications that have been approved, rejected or withdrawn and the identities of the lenders to whom the registrant has referred buyers, as required by O.A.C. 1301:8-7-06(A)(4).
7. 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).
8. 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).
9. 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 refuse to renew Respondent's mortgage broker certificate of registration, pursuant to R.C. 1322.10(A)(1)(a).

WHEREAS, the Notice informed Respondent of the Division's intent to refuse to renew its mortgage broker certificate of registration and of the opportunity for a hearing regarding the revocation if requested within thirty days from the mailing of the Notice. The Notice further cautioned Respondent that "[i]f the Ohio Division of Financial Institutions d[id] not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of th[e] Notice, the Superintendent w[ould] issue an order revoking Respondent's mortgage broker certificate of registration[;]"

WHEREAS, the Notice was mailed to Respondent, via certified mail, on November 14, 2006, and service was perfected;

WHEREAS, Respondent failed to request a hearing and thereby failed to defend against the Division's allegations;

WHEREAS, the Division finds that the allegations contained in the Notice are true and that Respondent's renewal application should be denied;

Respondent, First American Mortgage Company, LLC's renewal application is hereby **DENIED**.

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 16th day of January 2007.

ROBERT M. GRIESER

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