

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the Matter of:

1st Financial Lending Corporation
1475 West Big Beaver Rd., Ste. 300
Troy, Michigan 48084

Enforcement Case No. 10-11119

License/Registration No's.
FL-0016553/SR-0016554

Respondent.

**FINAL ORDER REVOKING FIRST MORTGAGE LICENSE
AND SECONDARY MORTGAGE REGISTRATION**

Issued and Entered
This 26th day of March, 2012
By Stephen R. Hilker
Senior Deputy Commissioner

**I.
FINDINGS OF FACT**

1. On February 9, 2012, pursuant to MCL 445.1662 and MCL 493.61, the Commissioner of the Office of Financial and Insurance Regulation (OFIR) issued to Respondent a NOTICE OF INTENT TO REVOKE FIRST MORTGAGE LICENSE AND SECONDARY MORTGAGE REGISTRATION (Notice).

2. Said Notice was mailed to Respondent by certified mail on February 9, 2012.

3. Said Notice contained detailed allegations of specific actions that Respondent violated the Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 P.A. 173, as amended, MCL 445.1651 *et seq.* (MBLSLA), and the Secondary Mortgage Loan Act,

1981 P.A. 125, as amended, MCL 493.51 *et seq.* (SMLA), which warrant the revocation of Respondent's first mortgage license and secondary mortgage registration. In particular, the Notice alleged that Respondents conduct or practices violated:

- a. Sections 2(1), 2(4), 2(5), 2(6), 2a, 2c, 3(1), 5, 21(1), 21(2), 22(a), and 22(g) of the MBLSLA, MCL 445.1652(1), 445.1652(4), 445.1652(5), 445.1652(6), 445.1652a, 445.1652c, 445.1653(1), 445.1655, 445.1671(1), 445.1671(2), 445.1672(a), and 445.1672(g).
- b. Section 11(2) of the SMLA, MCL 493.61(2).
- c. Sections 202.9 and 202.14 of the Board of Governors of the Federal Reserve's Regulation B, implementing the Equal Credit Opportunity Act, 12 C.F.R. 202.14.
- d. Section 3500.7 of the Department of Housing and Urban Development's Regulation X, implementing the Real Estate Settlement Procedures Act, 24 C.F.R 3500.7.
- e. Sections 226.18 and 226.24 of the Board of Governors of the Federal Reserve's Regulation Z, implementing the Truth in Lending Act, 12 CFR 226.18 and 12 CFR 226.24.
- f. 16 CFR 641(c).
- g. 16 CFR 314.3 and 314.4.
- h. Section 7 of the Consumer Mortgage Protection Act, MCL 445.1637.
- i. Sections 2 and 5 of the Mortgage Lending Practices Act, MCL 445.1602 and 445.1605.

j. Rules 4 and 5 of the Mortgage Lending Practices Act, R 445.1004 and R 445.1005.

4. Said Notice further advised Respondent that failure to request a hearing within 20 days would result in the issuance of a Final Order finding the factual allegations contained in the Notice true and correct, revoking Respondent's first mortgage license and secondary mortgage registration.

5. Respondent failed to request a hearing within 20 days as required by statute.

II.
FINAL ORDER TO REVOKE FIRST MORTGAGE LICENSE
AND SECONDARY MORTGAGE REGISTRATION

NOW, THEREFORE, based upon the factual findings set forth above and the files and records of OFIR, **IT IS HEREBY ORDERED THAT:**

1. The factual allegations set forth in the Notice shall be and hereby are found to be true and correct. Specifically, it is found that Respondent engaged in conduct or practices which violated:

a. Sections 2(1), 2(4), 2(5), 2(6), 2a, 2c, 3(1), 5, 21(1), 21(2), 22(a), and 22(g) of the MBLSLA, MCL 445.1652(1), 445.1652(4), 445.1652(5), 445.1652(6), 445.1652a, 445.1652c, 445.1653(1), 445.1655, 445.1671(1), 445.1671(2), 445.1672(a), and 445.1672(g).

b. Section 11(2) of the SMLA, MCL 493.61(2).

c. Sections 202.9 and 202.14 of the Board of Governors of the Federal Reserve's Regulation B, implementing the Equal Credit Opportunity Act, 12 C.F.R. 202.14.

d. Section 3500.7 of the Department of Housing and Urban Development's Regulation X, implementing the Real Estate Settlement Procedures Act, 24 C.F.R 3500.7.

e. Sections 226.18 and 226.24 of the Board of Governors of the Federal Reserve's Regulation Z, implementing the Truth in Lending Act, 12 CFR 226.18 and 12 CFR 226.24.

f. 16 CFR 641(c).

g. 16 CFR 314.3 and 314.4.

h. Section 7 of the Consumer Mortgage Protection Act, MCL 445.1637.

i. Sections 2 and 5 of the Mortgage Lending Practices Act, MCL 445.1602 and 445.1605.

j. Rules 4 and 5 of the Mortgage Lending Practices Act, R 445.1004 and R 445.1005.

2. Respondent's first mortgage license, license no. FL-0016553, issued pursuant to provisions of the MBLSLA, shall be and hereby is **REVOKED**. Forthwith, Respondent shall return its original first mortgage license certificate to OFIR.

3. Respondent's secondary mortgage registration, registration no. SR-0016554, issued pursuant to provisions of the SMLA, shall be and hereby is **REVOKED**. Forthwith, Respondent shall return its original secondary mortgage registration certificate to OFIR.

4. This Order shall be and is effective on the date it is issued, as shown in the caption hereof. This Order shall remain in effect until terminated, modified, or set aside, in writing by the Commissioner of OFIR.

5. The Commissioner specifically retains jurisdiction of the matter contained herein to issue such further order or orders as he may deem just, necessary, or appropriate so as to assure compliance with the law and protect the interest of the public.

IT IS SO ORDERED.



Stephen R. Hilker
Senior Deputy Commissioner

