

**COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2011-AH-0020**

IN THE MATTER OF:
CMCO MORTGAGE, LLC d/b/a THE HOME LENDING SOURCE
7851 FREEWAY CIRCLE
MIDDLEBURG HEIGHTS, OH 44130

AGREED ORDER

BACKGROUND AND FACTUAL FINDINGS

1. The Department of Financial Institutions (the “Department”) is the agency in Kentucky charged with the enforcement of KRS Chapter 286.8, the Mortgage Loan Companies and Brokers Act (the “Act”).
2. CMCO Mortgage LLC (d/b/a The Home Lending Source (“CMCO”) is licensed with the Department of Financial Institutions (“DFI”) as a mortgage loan company whose principal office is located at 7851 Freeway Circle, Middleburg Heights, Ohio 44130.
3. The DFI recently conducted an examination or investigation of CMCO and determined that CMCO and its agent, Patrick Seiter, had violated the Act by maintaining an unlicensed branch office at 6900 Houston Road, Suite 21, in Florence, Kentucky in violation of KRS 286.8-036(4) and KRS 286.8-030(1)(a).
4. KRS 286.8-036(4) provides that “no licensee shall transact the business provided for by this subtitle under any other name or maintain an office at any other location other than that designated in the license.” KRS 286.8-030(1)(a) provides that “it is unlawful for any person to transact business in Kentucky, either directly or indirectly, as a mortgage loan company or mortgage loan broker if the mortgage loan company or mortgage loan broker is not licensed in accordance with the requirements of this subtitle...”

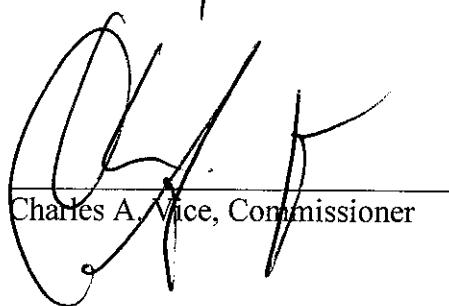
5. Further, KRS 286.8-046 permits the Commissioner to “levy a civil penalty against any person who violates any provision of or any administrative regulation promulgated under this subtitle or order issued by the Commissioner under this subtitle.” Additionally, the cost of any investigation or hearing conducted under KRS 286.8-190 may be assessed to and collected from the mortgage loan company or mortgage loan broker in question by the Commissioner. KRS 286.8-180(3).

AGREEMENT AND ORDER

The Department of Financial Institutions and CMC, in the interest of economically and efficiently resolving the violations described in the foregoing Background and Factual Findings, agree as follows:

1. CMCO agrees to pay a fine in the amount of Two Thousand Five Hundred Dollars (\$3,794) (which amount includes a civil fine of \$3,500 for the unlicensed branch and \$294 for investigation expense), which shall be made payable to the “Kentucky State Treasurer” and mailed to the Department of Financial Institutions, Attn: William Owsley, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.
2. In regard to this matter, CMCO its right to demand a hearing, at which CMCO would be entitled to legal representation, to confront and cross examine witnesses for the Department of Financial Institutions, and to present evidence on its own behalf. Further, CMCO consents to and acknowledges the jurisdiction of the Department of Financial Institutions over this matter and that this Agreement is a matter of public record and may be disseminated as such.
3. This Settlement Agreement shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 18th day of February, 2011.



Charles A. Nace, Commissioner

Consented to:

This 10th day of February, 2011



Nicole Biddle, Director
Division of Non-Depository Institutions
Department of Financial Institutions

and

This 10th day of February, 2011



CMCO Mortgage
BY: Zabin Nagpal
ITS: Danner