

**STATE OF ILLINOIS**  
**DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION**  
**DIVISION OF BANKING**

IN THE MATTER OF: )  
 )  
**RONALD E. REED** ) 2015-MLO-01-d  
16937 Glen Oaks Dr. )  
Country Club Hills, Illinois 60478 )  
 )

**MORTGAGE LOAN ORIGINATOR LICENSE**  
**DENIAL ORDER**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (“Department”), having conducted a review of the application and background of Mortgage Loan Originator applicant Ronald E. Reed (“REED”), 16937 Glen Oaks Dr., Country Club Hills, Illinois 60478, pursuant to the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635/1 et seq.] and the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this Order for not meeting the standards of the Act.

**STATUTORY PROVISIONS**

1. Section 7-2(a) of the Act states what is needed for State license application and issuance. Applicants for a license shall apply in a form prescribed by the Director. Each form shall contain content as set forth by rule, regulation, instruction, or procedure of the Director and may be changed or updated as necessary by the Director in order to carry out the purposes of this Act.
2. Section 7-13 of the Act provides a list of prohibited acts and practices for MLOs, including Section 7-13(7) failure to make disclosures as required by this Act and any other applicable State or federal law, including regulations thereunder. Additionally, Section 7-13(9) prohibition from making any false or deceptive statement or representations of a material fact or an omission of material fact.
3. Section 7-3(3) of the Act states that to be issued a license an applicant must have demonstrated financial responsibility, character, and general fitness so as to command the confidence of the community and to warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently within the purpose of this Act.

## **FACTUAL FINDINGS**

4. REED is an applicant for an Illinois Mortgage Loan Originator License, and having the address of 16937 Glen Oaks Dr., Country Club Hills, Illinois 60478.
5. REED previously held MLO license number 031.0009889 (“MLO License”).
6. The Department entered a Revocation order against REED’s MLO License in Order 2015-MLO-01-b due to two consumer complaints involving fraud. REED requested a hearing on the matter.
7. The Department was then made aware that REED was arrested with a felony that would disqualify him for licensure. Subsequently, REED pled guilty to the felony and was placed on Second Chance Probation by the Circuit Court of Will County.
8. The Department and REED entered into a consent order that was executed on April 26, 2015 (2015-MLO-01-c, “Consent Order”) in which his MLO License was suspended until the conclusion of his Second Chance Probation (“Suspension”).
9. REED, per the Consent Order, was required, if he re-applied for a MLO license, to disclose the Suspension. This would have been disclosed on REED’s application for MLO licensure (“MU4”) pursuant to questions K(4),(6), and (9), which are disclosure questions related to Regulatory Actions.
10. REED’S MLO License expired on December 31, 2016, and he re-applied for an MLO license on June 22, 2017 by submitting a MU4 to the Department.
11. REED failed to disclose on his MU4 the Suspension in violation of the Consent Order by answering “No” to all of the disclosure questions in K.
12. Additionally, REED failed to disclose that he “ever” pled guilty to a felony under F1.

## **LEGAL CONCLUSIONS**

13. Based on REED’S violation of the Consent Order and failure to properly disclose his Regulatory Action and criminal plea, and the previous order entered against him by the Department was in violation of Sections 7-2(a), 7-13(7) & (9) of the Act. The Director cannot make the finding that REED meets the standards of the Act to be licensed as a Mortgage Loan Originator under Section 7-3(3).

NOW IT IS HEREBY ORDERED THAT,

The Department DENIES RONALD REED’S application for a Mortgage Loan Originator License.

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
DIVISION OF BANKING

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KERRI A. DOLL  
DIRECTOR

**You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code, 1050.1510 *et seq.* any party may file a request for a hearing on an administrative decision. The request for a hearing and \$250 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5<sup>th</sup> floor Springfield, IL 62786, ATTN: Loan Originator Section within 10 days after the receipt of an administrative decision. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in the administrative decision pursuant to 38 Ill. Adm. Code 1050.1570. A hearing shall be held on the administrative decision, by the Department of Financial and Professional Regulation, Division of Banking. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].**