

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:

LUIS TAMAYO

333 N. Canal St.

#2405

Chicago, Illinois 60606

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No. 2012-530

**DENIAL ORDER
MORTGAGE LOAN ORIGINATOR LICENSE**

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 Luis Tamayo, (“Tamayo”), 333 N. Canal St., #2405, Chicago, Illinois 60606 pursuant to the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this Order for violations of the Act and Rules.

STATUTORY PROVISIONS

1. Section 7-3(3) states that to be issued a license an applicant has 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, an efficiently within the purpose of this Act.

2. Section 7-13 of the Act provides a list of prohibited acts and practices for mortgage loan originators, in relevant part as follows: (1) directly or indirectly employ any scheme, or artifice to defraud or mislead borrowers or lenders or to defraud any person; (2) engage in any unfair or deceptive practice toward any person; (3) obtain property by fraud or misrepresentation; (7) Fail to make disclosures as required by this Act and any other applicable State or federal law, including regulations thereunder; (8) fail to comply with this Act or rules or regulations promulgated under this Act, or fail to comply with any other state or federal law, including the rules and regulations thereunder, applicable to any business authorized or conducted under this Act; (9) make, in any manner, any false or deceptive statement or representation of a material fact, required on any document or application subject to this Act; (15) engage in conduct that constitutes dishonest dealings; (16) Knowingly instruct, solicit, propose, or cause a person other than the borrower to sign a borrower's signature on a mortgage related document, or solicit, accept or execute any contract or other document related to the residential mortgage transaction that contains any blanks to be filled in after signing or initialing the contract or other document, except for forms authorizing the verification of application information; (19) Fail to give

reasonable consideration to a examination conducted pursuant to this Act; and (20) Interfere or obstruct an investigation or examination conducted pursuant to this Act.

3. Section 1050.2165 of the Rules lists averments each applicant for loan originator must aver to, which include but are not limited to: b) will not make a false or misleading statement of a material fact, omit a required statement or make a false promise regarding a material fact, through advertising or other means, or engage in a course of misrepresentation; c) will not engage in conduct that constitutes dishonest dealings; e) will not knowingly make, propose, or solicit fraudulent, false, or misleading statements on any mortgage document or on any document related to a mortgage, including a mortgage application, real estate appraisal, or real estate settlement or closing document; and f) Will not knowingly instruct, solicit, propose, or cause a person to sign a borrower's signature not their own on a mortgage related document, or solicit, accept or execute any contract or other document related to the residential mortgage transaction that contains any blanks to be filled in after signing or initialing the contract or other document, except for forms authorizing the verification of application information.

FACTUAL FINDINGS

4. Tamayo is an applicant for an Illinois Mortgage Loan Originator License, and having the address of 333 N. Canal St., #2405, Chicago, Illinois 60606.
5. Tamayo was a 33.32% owner of the company Tamayo Financial Services, Inc. ("TFSI"). The Department through Order 2010-MBR-47 ("Order") on January 21, 2011 revoked and fined Tamayo Services \$100,000 ("Fine"). TFSI never requested an administrative hearing. The Fine was never paid by TFSI and \$20,000 was recovered through TFSI's surety bond. The remaining fine owed to the Department is \$80,000. Additionally, TFSI owes the Department \$3,162.00 for an Exam fee making the outstanding total to the Department \$83,162.00.
6. The Order was based on numerous violations of the Act and Rules by TFSI and Tamayo. In addition to the lack of financial responsibility, the violations included: interference with an exam, refusal to produce requested records, failure to reports its mortgage activities and loan repurchase demands received, brokering loans without ensuring the borrowers' ability to repay, permitting borrowers to sign disclosures which were blank and failing to properly post or advertise its company license information. The Department finds said prior Order relevant and demonstrative of Tamayo's character and having conducted licensable activities through TFSI in an unsafe, unsound and unlawful manner.

LEGAL CONCLUSIONS

7. Luis Tamayo has violated Sections 7-13 (1), (2), (3), (7), (8), (9), (15), (16), (19) & (20) of the Act and Sections 1050.2165(b),(c),(e)&(f) of the Rules. Therefore, Tamayo does not meet the standard laid out in 7-3(3) due to his lack of financial responsibility, character, and general fitness so as to command the confidence of the community.

NOW IT IS HEREBY ORDERED THAT,

The Department **DENIES** Luis Tamayo's application for a Mortgage Loan Originator License, pursuant to 7-3(3) of the Act.

ORDERED THIS ____ DAY OF _____, 2012

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUSAN J. GOLD, ACTING SECRETARY

DIVISION OF BANKING

MANUEL FLORES, 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, 5th 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.*].