

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

IN THE MATTER OF:)	
)	
)	No. 2012-MLO-04
TIFFINI L. CHISM)	
422 N. Virginia Avenue)	
Glenwood, Illinois 60425)	
)	

**ORDER REVOKING
LOAN ORIGINATOR REGISTRATION & ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having reviewed the activities of expired Illinois Loan Originator Registrant Tiffini L. Chism (“Chism”), 422 N. Virginia Avenue, Glenwood, Illinois 60425, and having documented violations of 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 7-13 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; and (15) engage in conduct that constitutes dishonest dealings.

2. 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; and 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.

3. Section 1050.2170 (a) of the Rules gives the Secretary the authority to revoke and fine a loan originator for violating the Act or any applicable law or regulation that is committed. If the loan originator engages in a pattern of repeated violations the Secretary may impose a fine of not more than \$2,000 for each day for each violation committed.
4. Section 7-11 of the Act states the Secretary may revoke and/or fine a mortgage loan originator for violating the Act or any applicable law or regulation that is committed. If the mortgage loan originator engages in a pattern of repeated violations the Secretary may impose a fine of not more than \$2,000 for each day for each violation committed.

FACTUAL FINDINGS

5. That Chism was an Illinois Loan Originator Registrant holding expired certificate of registration No. 031.0007619 and having the last known address of 422 N. Virginia Avenue, Glenwood, Illinois 60425.
6. On July 3, 2012, the Department became aware of the grand jury indictment in the United States District Court Northern District of Illinois Eastern Division (case no. 12CR0497) against Chism based on her involvement in a mortgage fraud scheme. The matter was reviewed by the Department investigator and subsequently forwarded to the Department's Legal Section and an enforcement issue was created.
7. Chism is alleged to have, beginning in at least August of 2004 through in or about June 2008, knowingly devised and participated in a scheme to defraud and to obtain money and property from lenders by means of materially false and fraudulent pretenses, representations, and promises, which scheme affected a financial institution.
8. The indictment alleges that defendant Jason Dade ("Dade") acted as a real estate agent for prospective buyers of residential real estate, including defendant Tamika Peters ("Peters") and other buyers, knowing that the residential real estate properties would be purchased and financed through fraudulently obtained mortgages.
9. The indictment alleges that a further part of the scheme was that Dade referred prospective buyers, including defendant Peters and other buyers, to defendants Chism and Cheryl Ware ("Ware") and other loan officers to have false and fraudulent loan application packages prepared to purchase residential real estate.
10. The indictment alleges that another part of the scheme was that defendants Dade, Ware, Chism and Peters, and others knowingly prepared and caused to be prepared loan application packages for prospective buyers, as well as defendants Dade and Peters, that were fraudulent, in that the loan application packages contained materially false statements, including false statements regarding the prospective buyers' employment,

income, assets, financial condition, payment of earnest money, and intention to occupy the properties to be purchased.

11. The indictment alleges that it was further part of the scheme that defendants Dade, Ware, Chism, and Peters, and others created and caused others to create false documents, including pay stubs, forms W-2, verifications of employment, verifications of rent, verifications of deposit, earnest money checks, bank statements, tax returns, and leases, to support the materially false statements in the loan applications.
12. The indictment alleges that it was further part of the scheme that defendants Dade, Ware, Chism, and Peters, and others, knowingly submitted and knowingly caused others to submit loan application packages to lenders containing materially false statements and false statements and false supporting documents, knowing the false information was material to the lenders' decisions to issue mortgage loans to the prospective buyers.
13. The indictment alleges that at least two properties involved in the scheme were located in Chicago, Illinois; two other properties were located in Ford Heights, Illinois; and one property in Markham, Illinois
14. The indictment alleges that it was further part of the scheme that defendants Dade, Ware, Chism, and Peters, and others, were involved in at least approximately \$9,100,000 in fraudulently obtained mortgage loans, by making materially false statements in loan application packages, which resulted in the lenders and their successors incurring losses on the mortgage loans issued totaling at least approximately \$4,700,000 because the mortgage loans were not repaid or fully recovered through subsequent sale or foreclosure.

LEGAL CONCLUSIONS

15. Tiffini L. Chism violated Sections 7-13 (1), (2), (3), (7), (8), (9) & (15) of the Act and Sections 1050.2165(b),(c)&(e).

NOW IT IS HEREBY ORDERED THAT,

1. The Department **REVOKES** Tiffini L. Chism, Loan Originator Certificate of Registration No. 031.0007619, pursuant to 7-11 of the Act and Section 1050.2170(a)(1) of the Rules.
2. The Department assesses a **FINE** against Tiffini L. Chism in the amount of \$10,000 pursuant to 7-11 of the Act and Sections 1050.2170(a)(2) of the Rules. The fine is payable by certified check or money order within thirty (30) days of the effective date of this Order to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: Loan Originator Section
320 W. Washington, 5th Floor
Springfield, Illinois, 62786.**

ORDERED THIS ____ DAY OF _____, 2012

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
BRENT E. ADAMS, 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.*].

State of Illinois (
(ss:
County of Cook (

The undersigned, being duly sworn on oath, states that on ____/____/____, I mailed with sufficient postage affixed, a copy of the foregoing ORDER REVOKING LOAN ORIGINATOR REGISTRATION AND ASSESSING FINE by regular and certified mail, return receipt requested at 122 S. Michigan Avenue, Suite 1900, Chicago, Illinois 60603, to the address of Respondent registered with IDFPR Division of Banking listed below:

AFFIANT

Subscribed and sworn to before me,
this ____ day of _____, 2012

NOTARY PUBLIC

Sent to:

TIFFINI L. CHISM
422 N. Virginia Avenue
Glenwood, Illinois 60425