

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No: 2010-LO-24
PATRICIA VARGAS)
)
5379 Galloway Drive)
)
Hoffman Estates, Illinois 60192)

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

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (“Department”), having conducted an investigation of the facts related to registered Loan Originator Patricia Vargas, (“Registrant”), 5379 Galloway Drive, Hoffman Estates, IL 60192 and having found that the Registrant has committed violations cited herein of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], and of the rules promulgated under the Act (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this Order pursuant to the authority provided under Section 7-1 of the Act and Sections 1050.2170(a)(1)&(2) of the Rules. The Department makes the following findings:

FINDINGS

1. That Registrant holds an Illinois Loan Originator Registration No. 031.0010693 (“Registration”) and has the address of 5379 Galloway Drive, Hoffman Estates, Illinois 60192;
2. That Registrant is working under the Illinois residential mortgage license of Universal Mortgage Services, LLC (License No. MB.6759670; “Licensee”) for all purposes of this Order;
3. That on March 11, 2010, the Department received a complaint from a lender alleging that the Licensee had submitted two residential mortgage loans containing altered bank statements;
4. That the Department’s Investigator (“Investigator”) opened an investigation and based upon interviews with Universal’s officers and employees and borrowers, a review of Universal’s loan logs and files, and other evidence collected during this investigation and recorded in the Report of Investigation (the “ROI”);

5. That the Investigator found that Javier Mendoza, one of the owners of Licensee owned the properties sold to borrowers B.O. & S.O. and A.R. and that another of Licensee's owners, Porfirio Mendoza, had an ownership interest in the properties through Porfirio Mendoza's company (P.D.M. Investment Partners, LLC) for the properties sold to borrowers R.O. & P.C. and J.S. & L.S.H. & C.D.;
6. That Javier Mendoza instructed Registrant to sign loan documents as having originated loans for borrowers B.O. & S.O., R.O. & P.C., A.R., and J.S. & L.S.H. & C.D. when in fact Registrant did not originate the loans. The loans were in actuality originated by Javier Mendoza, the investigation found that this was done in order to avoid the appearance of conflict of interest to lenders in connection with Licensee brokering these properties that were owned by Registrant and Porfirio Mendoza;
7. That Registrant's name and registration number appears on loan documents for loans originated by unregistered loan originator Julian "Julio" Mendoza who was not qualified to take loans. Registrant's active registration was needed to ensure the loan would be funded;
8. That Registrant allowed the loan for B.O. & S.O. to be submitted to the lender containing fraudulent/altered bank statements and verifying the facts of the lender's complaint on March 11, 2010; and
9. That Registrant knew or should have known by allowing loans to be originated with Registrant's name and Registration without Registrant actually working on the loan file was a misrepresentation to the lender and that Registrant would be responsible for any fraud within said files. These misrepresentations and dishonest dealings are violations of the Act and the Rules.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

Registrant's activities under Certificate of Registration No. 031.0010693 as cited herein warrant a revocation and fine pursuant to Rules Sections 1050.2165 (b), (c) and (e).

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Patricia Vargas, Certificate of Registration No. 031.0010693, is revoked by Order of the Department pursuant to Section 1050.2170(a) of the Rules and Section 7-1 of the Act.
2. That Patricia Vargas shall be and hereby is assessed a fine of \$20,000 for violating the Act and Rules cited herein pursuant to Rule section 1050.2170(a)(2);
3. The total fine in the amount of \$20,000 shall be due thirty (30) days after the effective date of this Order; and
4. The fee in the amount of \$20,000 shall be paid by means of a certified check or money order made payable to the:

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

ORDERED THIS ____ DAY OF _____, 2010

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

DIVISION OF BANKING

JORGE A. SOLIS, 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. You have the opportunity to request a hearing regarding this matter for a fee of \$250 plus the transcript fee pursuant to 38 Ill. Adm. Code 1050.2175. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held by the Department of Financial and Professional Regulation, Division of Banking on the administrative decision. Absent a request for a hearing, this Order shall constitute a final administrative decision subject to the Administrative Review Law [735 ICLS 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 Registrant's Licensee registered with IDFPR Division of Banking listed below:

Patricia Vargas
5379 Galloway Drive
Hoffman Estates, IL 60192

AFFIANT

Subscribed and sworn to before me,
this ____ day of _____, 2010

NOTARY PUBLIC
