

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:

NICHOLAS P. LAMBRINATOS
License No. 031.0026961; NMLS ID 232295

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) No. 2018-MLO-04
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**ORDER REVOKING
MORTGAGE LOAN ORIGINATOR LICENSE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (“Department”), having examined and investigated the activities of NICHOLAS P. LAMBRINATOS (“LAMBRINATOS”) and documented violations of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050], hereby issues this ORDER REVOKING MORTGAGE LOAN ORIGINATOR LICENSE.

STATUTORY PROVISIONS

1. Section 7-11 of the Act authorizes the Director of the Department (“Director”) to revoke and/or fine, or otherwise discipline, the license of a mortgage loan originator (“MLO”) if the Director finds that the MLO has violated the Act or any other applicable law or regulation.
2. Section 7-13 of the Act provides that it is a violation of the Act for a mortgage loan originator to: Subsection (2) Engage in any unfair or deceptive practice toward any person; Subsection (3) Obtain property by fraud or misrepresentation; Subsection (7) Fail to make disclosures as required by this Act and any other applicable State or federal law, including regulations thereunder; Subsection (8) Fail to comply with this Act or rules or regulations 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; Subsection (9) Make, in any manner, any false or deceptive statement or representation of a material fact, or any omission of a material fact, required on any document or application subject to this Act; and Subsection (15) Engage in conduct that constitutes dishonest dealings.

FACTUAL FINDINGS

3. LAMBRINATOS is an MLO holding License No. 031.0026961. LAMBRINATOS is owner of and sponsored by Great Rate Mortgage, LLC (“GRM”) holding license number License No. MB.6761044; NMLS ID 1102619.
4. On or around May 14, 2018, the Department commenced a regular examination of GRM for the period of March 1, 2017 to February 28, 2018 (“Examination”).

5. The Department found one or more misrepresentations of borrowers' assets, income, employment, home occupancy and education in eight (8) mortgage loan files submitted by GRM to another Illinois Residential Mortgage Licensee ("Lender") and others for underwriting and/or closing and funding. These loans were cited in the GRM Revocation Order 2018-MBR-04. LAMBRINATOS originated seven (7) of said eight (8) mortgage loan files. LAMBRINATOS originated seven (7) of said eight (8) mortgage loan files.
6. Loan 1 for borrower PN misrepresented assets by falsifying a bank statement. The statement in the loan file showed a June 30, 2016 balance of \$276,414.76; however, the bank produced a separate confirmation for the same account showing that the June 30, 2016 balance was only \$66,210.43.
7. Loan 2 for borrower SS misrepresented assets by falsifying a bank statement. The statement in the loan file showed a July 26, 2016 balance of \$49,700; however, the bank produced a separate confirmation for the same account showing the July 26, 2016 balance was only \$39,700.00.
8. Loan 3 for borrower MR contained a fraudulent degree from a university in Chicago to circumvent the loan guidelines requiring a two-year work history. During the underwriting process, it was confirmed that the degree had been fabricated and the university had no record of the borrower attending the school.
9. Loan 4 for borrower AA misrepresented on the loan application that the borrower would use the subject property of the loan as the borrower's primary residence. Shortly thereafter, GRM brokered another loan for borrower AA to purchase a residential property at another location, again as borrower's primary residence.
10. Loan 6 for borrower NM contained a fabricated employment letter from employer HH reflecting income of \$6,000 per month. The Lender learned during its underwriting process that the HH letter was provided by the borrower's sister, that the borrower was not employed at HH, but instead employed at another company.
11. Loan 7 for borrower SU contained a fraudulent pay stub showing income of \$8,750 per month from AMT. The Lender confirmed that the borrower was employed by another company earning the lesser amount of \$6,060 per month.
12. Loan 8 for borrower BR misrepresented employment by providing inaccurate pay stubs. The borrower's loan application dated October 2016 and the pay stubs indicated employment at BA with a monthly income of \$4,904.00. The Lender reviewed a prior loan application from the borrower dated, December 3, 2015, which indicated the borrower was employed at another company, made no mention of employment at BA, and identified the borrower as a university student. The Lender further found that the borrower had the same address as provided for BA's registered agent in Illinois Secretary of State corporate records.
13. Separate from the Examination, on or about April 12, 2018, the Department received an anonymous complaint of irregularities at Great Rate and undertook an investigation, including consultation with the Lender as to a number of loans in the Department's examination. The Investigation substantiated that LAMBRINATOS through GRM had provided false documentation to the Lender in violation of the Act and Rules.

LEGAL CONCLUSIONS

14. LAMBRINATOS is in violation of Section 7-13 (2),(3),(7),(8),(9), and (15) and of the Act.

NOW IT IS HEREBY ORDERED THAT,

The Department **REVOKES** NICHOLAS P. LAMBRINATOS' Mortgage Loan Originator License No. 031.0026961 pursuant to Section 7-11(a)(1) of the Act.

ORDERED THIS ____ DAY OF _____, 2018

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
BRYAN A. SCHNEIDER, SECRETARY



KERRI A. DOLL, DIRECTOR
DIVISION OF BANKING

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.].