

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2013-CD3
NEW HOPE CONSULTING)
a/k/a NEW HOPE CONSULTING, INC.)
180 N LaSalle Street)
Suite 3700)
Chicago, IL 60601)

**ORDER TO CEASE AND DESIST
FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES & ASSESSING FINE**

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”), having conducted an investigation of NEW HOPE CONSULTING A/K/A NEW HOPE CONSULTING, INC. (“New Hope Consulting”) with its office at 180 N LaSalle Street, Suite 3700, Chicago, IL 60601 and found violations of the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635], hereby issues this ORDER TO CEASE AND DESIST FROM UNLAWFUL RESIDENTIAL MORTGAGE ACTIVITIES AND ASSESSING FINE.

STATUTORY PROVISIONS

1. Section 1-3(a) of the Act provides that no person, partnership, association, corporation, or other entity shall engage in the business of brokering, funding, originating, servicing or purchasing of residential mortgage loans without first obtaining a license from the Secretary of the Department (“Secretary”).
2. Section 1-3(b) of the Act provides that no person, partnership, association, corporation, or other entity except a licensee under the Act or an entity exempt from licensure shall do any business under any name or title, or circulate or use any advertising or make any representation or give any information to any person, which indicates or reasonably implies activity within the scope of the Act.
3. Section 1-3(d-1) of the Act provides the Secretary with the authority to issue orders against any person if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur, if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Secretary, or for the purposes of administering the provisions of this Act and any rule adopted in accordance with this Act.
4. Section 1-3(e) of the Act provides that any person, partnership, association, corporation or other entity who violates any provision of this Section commits a business offense shall be fined an amount not to exceed \$25,000.

5. Section 1-4(p) of the Act defines “Loan Broker” or “Broker” as a person, partnership, association, corporation or limited liability company, not lawfully exempt from the Act, who performs the activities described in subsections (c), (o), and (yy) of the Act.
6. Section 1-4(yy) of the Act defines “loan modification” to mean for compensation of gain, either directly or indirectly offering or negotiating on behalf of a borrower or homeowner to adjust the terms of a residential mortgage loan in a manner not provided for in the original or previously modified loan.

FACTUAL FINDINGS

7. On August 16, 2013, the Department received a complaint alleging that an unlicensed entity New Hope Consulting was engaging in licensable activities – specifically, loan modification – without possessing an Illinois Residential Mortgage License. The Department’s records confirm that New Hope Consulting has never filed an application with or been issued a license by the Department to conduct activities subject to the Act.
8. The assigned investigator (“Investigator”) conducted two site visits of New Hope Consulting’s office at 180 N LaSalle Street, Suite 3700, Chicago, IL 60601 (“Office”). During the first visit on August 20, 2013, the Investigator met with Arturo Hernandez (“A. Hernandez”), an employee who stated that the company was owned by his brother, Gerardo Hernandez (“G. Hernandez”), and Gerardo’s wife, Jacqueline Hernandez.
9. On August 23, 2013, the Investigator returned to the Office and met with G. Hernandez and Brian Valdez (“Valdez”), another employee. G. Hernandez admitted to incorporating New Hope Consulting in February 2012 and commencing operations at the Office in May 2012. Under G. Hernandez’ direction, the company is believed to have taken approximately 2,000 loan modification applications.
10. The Department’s investigation found that New Hope Consulting employed G. Hernandez, A. Hernandez, and Brian Valdez to negotiate loan modifications with lenders on behalf of its clients.

LEGAL CONCLUSIONS

BASED UPON THE ABOVE FACTUAL FINDINGS, THE DEPARTMENT CONCLUDES:

11. NEW HOPE CONSULTING is in violation of Sections 1-3(a) & (b) of the Act.

NOW IT IS HEREBY ORDERED THAT:

1. NEW HOPE CONSULTING, and by and through its principals and agents, shall CEASE AND DESIST from holding itself out as licensed to conduct residential mortgage broker activities in the State of Illinois and from engaging in any licensable activities pursuant to 1-3(d-1) of the Act.

2. NEW HOPE CONSULTING is assessed and shall pay a fine in the amount of \$25,000 pursuant to Section 1-3(e) of the Act. 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
Attention: FISCAL DIVISION
320 W. Washington, 5th Floor
Springfield, Illinois 62786.**

ORDERED THIS 6TH DAY OF NOVEMBER, 2013

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
MANUEL FLORES, ACTING SECRETARY

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 \$500 hearing fee by certified check or money order shall be filed with the Department at 320 West Washington Street, 5th Floor, Springfield, IL 62786 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].