



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 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.

### **FACTUAL FINDINGS**

5. That Ware was an Illinois Mortgage Loan Originator Registrant holding expired license No. 031.0030041 (previously held loan originator registration 031.0018102 from September 14, 2006 through December 31, 2010) and having the last known address of 1001 Breckenridge Lane, Shorewood, Illinois 60404.
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 Ware 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. Ware 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 Ware and Tiffini Chism ("Chism") 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. Cheryl A. Ware 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** Cheryl A. Ware, License No. 031.0030041, pursuant to 7-11 of the Act and Section 1050.2170(a)(1) of the Rules.
2. The Department assesses a **FINE** against Cheryl A. Ware 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, 5<sup>th</sup> Floor  
Springfield, Illinois, 62786.**

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2012

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

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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, 5<sup>th</sup> 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 MORTGAGE LOAN ORIGINATOR LICENSE 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:

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AFFIANT

Subscribed and sworn to before me,

this \_\_\_\_ day of \_\_\_\_\_, 2012

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NOTARY PUBLIC

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Sent to:

CHERYL WARE  
1001 Breckenridge Lane  
Shorewood, Illinois 60404