#### STATE OF ILLINOIS

#### DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

## **DIVISION OF BANKING**

IN THE MATTER OF:	) )
RASHAD CARMICHAEL	)
IL License No. 031.0043548; NMLS No. 1453799	)
10245 S. Charles	)
Chicago, IL 60643	)

No. 2017-MLO-02

#### ORDER REVOKING MORTGAGE LOAN ORIGINATOR LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, DIVISION OF BANKING ("Department"), having received an amended MU4 from RASHAD CARMICHAEL ("CARMICHAEL"), 10245 S. Charles, Chicago, IL 60643, and finding violations of the Residential Mortgage License Act of 1987 ("Act") [205 ILCS 635] and the rules promulgated thereunder [38 Ill. Adm. Code 1050] ("Rules"), hereby issues this ORDER **REVOKING MORTGAGE LOAN ORIGINATOR LICENSE**.

## **STATUTORY PROVISIONS**

- 1. Section 7-3(3) of the Act states that to be issued a license an applicant must have demonstrated financial responsibility, character, and general fitness so as to command the confidence of the community and to warrant a determination that as a mortgage loan originator ("MLO"), he or she will operate honestly, fairly, and efficiently within the purpose of the Act.
- 2. 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.
- 3. Section 7-13(10) of the Act prohibits certain acts and practices by MLOs, including negligently making any false statement or knowingly and willfully making any omission of a material fact in connection with any information or report filed with the Nationwide Mortgage Licensing System ("NMLS").

# FACTUAL FINDINGS

- 4. CARMICHAEL submitted his initial MU4 application to become a licensed MLO ("MU4") through NMLS on June 20, 2016.
- 5. The MU4 application requires disclosure questions to be responded to by the applicant, including K(9), which requires the applicant to disclose any order concerning the applicant in connection with any license or registration.
- 6. CARMICHAEL responded "no" to K(9).
- 7. CARMICHAEL, as part of his initial application, made an oath under the penalty of perjury that his answers were current, true, accurate and complete.
- 8. CARMICHAEL was issued his MLO license on July 20, 2016 ("License").
- 9. On March 24, 2017, CARMICHAEL amended him MU4 disclosure response to reflect he had been disciplined by the State of Illinois Department of Financial and Professional Regulation, Division of Real Estate ("Division of Real Estate"). On March 25, 2016, he amended more of the disclosure response for the Real Estate discipline including K(9).
- 10. CARMICHAL attached the Division of Real Estate Consent Order ("RE Consent Order") which was executed on October 8, 2015 with his disclosure explanation. The allegations in the RE Consent Order were related to consumer harm, improper licensing, and misleading advertising with substantial misrepresentations.
- 11. The RE Consent Order indefinitely suspended for a minimum of a six-month period CARMICHAEL'S Real Estate Broker License ("RE License"). A fine was also issued. CARMICHAEL, in order for his RE License to be restored, needed to petition for it and prove he paid the fine, took required course work, and met other related conditions listed in the Consent Order.
- 12. The Department confirmed on March 27, 2017 with the Division of Real Estate that the CARMICHAEL'S suspension is still in effect and has been since the RE Consent Order was executed and the fine is still outstanding.

## **LEGAL CONCLUSION**

- 13. CARMICHAEL's failure to disclose was material to the Department's review and decision to issue the License and would have been cause for denial of the license application.
- 14. The Department finds that CARMICHAEL failed to disclose RE Consent Order through CARMICHAEL's disclosure responses on his MU4 in violation of 7-13 (10).
- 15. CARMICHAEL's failure to disclose to the Department the RE Consent Order shows that he lacks character and general fitness as defined in Section 7-3(3).

### NOW IT IS HEREBY ORDERED THAT,

1. The Department **REVOKES** RASHAD CARMICHAEL's Mortgage Loan Originator License No. 031.0043548 pursuant to Section 7-11 of the Act.

ORDERED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION DIVISION OF BANKING

## KERRI A. DOLL, 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 affected party may file a request for a hearing on a decision by the Director. The request for a hearing must be filed with the Department at 320 West Washington Street, 5th Floor, Springfield, IL 62786 within 10 days after the appealing party's receipt of this Order; a \$250 hearing fee payable to the Department by cashier's check or money order must be filed with the hearing request. The request for hearing must include an explicit admission, denial, or appropriate response to each allegation or issue contained in this Order pursuant to 38 Ill. Adm. Code 1050.1570. After receipt of a proper and timely request for hearing, 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].