

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

In the matter of:)	Case No. M2010-115
)	
NICHOLAS A. HUNTER)	Notice of Intent to Refuse to Renew Loan Officer License
2901 Utopia Place)	Notice of Intent to Impose Fine
Cincinnati, OH 45208)	&
)	Notice of Opportunity for a Hearing
)	

JURISDICTION

The Ohio Department of Commerce, by and through the Superintendent of the Division of Financial Institutions ("Division"), is charged with the responsibility of administering and enforcing the Ohio Mortgage Broker Act, codified in Ohio Revised Code ("R.C.") Chapter 1322. In accordance therewith, the Division is accountable for the registration of mortgage brokers.

RESPONDENT

NICHOLAS A. HUNTER ("Respondent") is an individual who holds a loan officer license issued pursuant to R.C. Chapter 1322. Respondent's address of record is 2901 Utopia Place, Cincinnati, Ohio 45208. Respondent's loan officer number is LO.021527. Respondent's employer of record is Star Point Mortgage, Inc., 3930 Edwards Road, Cincinnati, Ohio 45209. On January 25, 2010, Respondent submitted an application to renew his loan officer license, which remains pending.

NOTICE OF PROPOSED ACTION

In accordance with R.C. 1322.10 and R.C. Chapter 119, the Division intends to REFUSE to renew Respondent's loan officer license and impose a FINE.

BASIS FOR PROPOSED ACTION

The Division has conducted an investigation of Respondent, pursuant to R.C. 1322.10(B), and has found the following:

- A. The Division is authorized by R.C. 1322.10(A)(1)(a) to refuse to renew a loan officer license if the Division finds that the licensee has violated "or failed to comply with any provisions of sections 1322.01 to 1322.12 of the Revised Code or the rules adopted under those sections or any other law applicable to the business conducted under a certificate of registration or license."
- B. The Division is authorized by R.C. 1322.10(A)(2) to "[i]mpose of fine of not more than one thousand dollars, for each day a violation of law or rule is committed, repeated or continued. If the registrant or licensee engages in a pattern of repeated violations of law or rule, the Division may impose a fine of not more than two thousand dollars for each day the violation is committed, repeated, or continued."

- C. R.C. 1322.07(F) prohibits any licensee from instructing, soliciting, proposing, or otherwise causing a buyer to sign in blank a mortgage related document.
- D. R.C. 1322.07(C) prohibits any licensee from engaging in conduct that constitutes improper, fraudulent or dishonest dealings.
- E. R.C. 1322.072 prohibits persons from knowingly circumventing, interfering with, obstructing, or failing to cooperate, including making a false or misleading statement, failing to produce records, or intimidating or suborning any witness and tampering with, altering or manufacturing any evidence in connection with any examination or investigation conducted by the superintendent of financial institutions under sections 1322.01 to 1322.12 of the Revised Code.
- F. Pursuant to R.C. 1322.06(A), the Division conducted an examination of Star Point Mortgage on July 6-7, 2009. During the course of this examination, the Division examiner found that one of Respondent's buyers/consumers (Maham) had signed mortgage related documents, specifically the Mortgage Loan Origination Disclosure Statement (MLODs), in blank.
- G. Following the Division's July 2009 Examination, on September 16, 2009, the Division sent a subpoena to Star Point Mortgage requesting the individual buyer and HUD files for the Mahams and six other consumers.
- H. When the Division received the response to the subpoena, the MLODs signed in blank by the Mahams had been filled out including the signature of Respondent.
- I. On or about January 28, 2010, Star Point Mortgage's operations manager, Mark Jordan, explained to the Division that after a loan closes, his processor checks the files and fills in any missing information.
- J. The documents obtained during the July 2009 examination and submitted by Star Point Mortgage under September 2009 subpoena indicate that the Maham mortgage loan was originated in December of 2008 and was closed in December of 2008.

As a result of the findings listed above, the Division has determined that:

- 1. Respondent's actions as alleged herein constitute violations of R.C. 1322.07(C).
- 2. Respondent's actions as alleged herein constitute violations of R.C. 1322.07(F).
- 3. Respondent's actions as alleged herein constitute violations of R.C. 1322.072.
- 4. Because Respondent violated or failed to comply with R.C. sections 1322.07(C), 1322.07(F) and 1322.072, the Division is authorized under R.C. 1322.10(A)(1)(a) to refuse renewal of Respondent's loan officer license.
- 5. Because Respondent violated or failed to comply with R.C. sections 1322.07(C), 1322.07(F) and 1322.072, the Division is authorized under R.C. 1322.10(A)(2) to impose a fine upon Respondent.

6. A fine in the amount of two thousand five hundred dollars (\$2,500.00) is reasonable, appropriate, and necessary.

NOTICE OF OPPORTUNITY FOR A HEARING ON PROPOSED ACTION

Therefore, pursuant to R.C. Chapters 1322 and 119, Respondent is hereby notified that thirty-one (31) days from the date of the mailing of this Notice, the Superintendent intends to issue an Order refusing to renew Respondent's loan officer license and ordering payment of a two thousand five hundred dollar (\$2,500.00) fine under the Ohio Mortgage Broker Act.

Respondent is further notified, pursuant to R.C. Chapter 119, that Respondent is entitled to a hearing on this matter. If Respondent desires to request a hearing, the request must be made in writing, and must be received in the offices of the Ohio Division of Financial Institutions within thirty (30) days of the time of the mailing of this Notice. Hearing requests should be addressed: Ohio Division of Financial Institutions, Attn: Lori A. Massey, Consumer Finance Attorney, 77 South High Street, 21st Floor, Columbus, Ohio 43215-6120.

At the hearing, Respondent may appear in person, by Respondent's attorney, or by such other representative as is permitted to practice before the Agency, or Respondent may present its position, arguments, or contentions in writing, and, at the hearing, may present evidence and examine witnesses appearing for and against Respondent. At the hearing, a corporation must have a representative that is permitted to practice before the Agency, such as an attorney.

If the Ohio Division of Financial Institutions does not receive a written request for a hearing in its offices within thirty (30) days of the time of the mailing of this Notice, the Superintendent will issue an Order refusing to renew Respondent's loan officer license and ordering payment of a two thousand five hundred dollar (\$2,500.00) fine.

Signed and sealed this 11th day of March, 2010.

LEIGH A. WILLIS

Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce