

NEWS RELEASE

**JOSEPH A. SMITH, JR.
COMMISSIONER OF BANKS**

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Commissioner of Banks Revokes License of Mortgage Loan Officer Engaged in Fraud

RALEIGH – Commissioner of Banks Joseph A. Smith, Jr., issued an order today permanently revoking the license of a Fayetteville mortgage loan officer for mortgage fraud and identity theft.

According to the Commissioner's order, the loan officer, Kimberly C. Taylor, engaged in numerous instances of falsifying documents in connection with mortgage loan closings. In addition, the Commissioner found that Ms. Taylor stole the financial identities of her mortgage loan customers and fraudulently secured loans for her benefit in their names.

In addition to the permanent revocation of Ms. Taylor's license as a loan officer, the Commissioner fined Ms. Taylor \$50,000, the maximum penalty for the five mortgage loan transactions that involved falsified documents.

"We will not tolerate fraud in the mortgage market," said Mark Pearce, Deputy Commissioner of Banks. "Fraudsters should be aware that in addition to administrative sanctions, we will refer evidence of criminal activity to law enforcement."

The Office of the Commissioner of Banks has added two investigators to crack down on reports of mortgage fraud and is actively investigating a number of other reports of fraudulent activity.

Borrowers that believe they have been victims of mortgage fraud are encouraged to file a complaint with the North Carolina Office of the Commissioner of Banks (NCCOB) through its website: www.nccob.org.

The Commissioner's order found that in 2004 and 2005, while working for Advantage Loans, Inc., Ms. Taylor had falsified documents related to three mortgage loans. In 2006, while working for NationsBest Financial Services, Inc., the Commissioner found that Ms. Taylor falsified documents in at least two other loan transactions. The mortgage broker companies may have liability of nearly half a million dollars in the event the mortgage loans fail to be repaid.

In addition, the Commissioner found that Ms. Taylor used personal financial information obtained from her mortgage loan customers to secure at least seven personal loans from Centura Bank, without the knowledge of her customers. The Commissioner found that Centura had lost nearly \$100,000 due to personal loans secured through Ms. Taylor's activity.

Since the enactment of the Mortgage Lending Act in 2002, over 150 companies and individuals have had their licenses revoked, denied or suspended, according to NCCOB sources.

The Commissioner's order is available on NCCOB's website at: www.nccob.org. Taylor has the opportunity to appeal the Commissioner's Decision and Order to the North Carolina State Banking Commission within 20 days.

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