

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING

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COMMONWEALTH OF PENNSYLVANIA :
DEPARTMENT OF BANKING, BUREAU :
OF COMPLIANCE AND LICENSING :
v. : Docket No. 12 0090 (ENF-CO)
INFINITE MORTGAGE SERVICES, LLC :

PA DEPT OF BANKING

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking (“Department”), Bureau of Examinations has conducted an examination of Infinite Mortgage Services, LLC (“Infinite Mortgage”) and its officers, employees and directors. Based on the results of its review, the Bureau of Compliance and Licensing (“Bureau”) concluded that Infinite Mortgage operated in violation of the Mortgage Licensing Act (“MLA”), 7 Pa. C.S. § 6101 *et seq.* The parties to the above-captioned matter, in lieu of litigation, hereby stipulate that the following statements are true and correct in the settlement of the above-captioned matter and, intending to be legally bound, hereby agree to the terms of this Consent Agreement and Order (“Order”).

BACKGROUND

1. The Department is the Commonwealth of Pennsylvania’s administrative agency authorized and empowered to administer and enforce the MLA.
2. The Bureau is primarily responsible for administering and enforcing the MLA for the Department.

3. Infinite Mortgage was licensed by the Department as a Mortgage Loan Correspondent, Nationwide Mortgage Licensing System and Registry Identification No. 134524, Mortgage Lender License No. 22607, on March 16, 2009.

4. Infinite Mortgage applied for, and was granted, a Mortgage Lender license on June 18, 2012.

5. Infinite Mortgage is currently licensed as a Mortgage Lender, license no. 37982.

6. Infinite Mortgage's principal place of business is located at 3103 Philmont Avenue, Suite 103, Huntingdon Valley, PA.

7. On June 14, 2012, an examiner from the Bureau of Examinations commenced a routine compliance examination of Infinite Mortgage upon which the Bureau's position is based.

8. The purpose of this Order is to resolve the outstanding issues resulting from the June 14, 2012 examination.

VIOLATIONS

Loan Correspondent Acting in the Capacity of a Mortgage Lender

9. The examination revealed that Infinite Mortgage, while licensed as a loan correspondent, was closing loans using their warehouse line of credit and subsequently selling the loans into the secondary market at a later date.

10. A mortgage loan correspondent is "[a] person who engages in the mortgage loan business by directly or indirectly originating and closing mortgage loans in his or her own name utilizing funds provided by a wholesale table funder or other funding sources under the circumstances described under section 6123(6) (relating to mortgage loan business prohibitions) and *simultaneously assigning the mortgage loans to the wholesale table funder.*" (emphasis added) 7 Pa. C.S. § 6102.

11. "A licensee engaging in the mortgage loan business shall not. . . [i]n the case of a mortgage loan correspondent, service mortgage loans or close mortgage loans utilizing funding other than a wholesale table funder, except in an emergency circumstance where wholesale table funding is not available." 7 Pa. C.S. § 6123(6).

12. A total of one hundred seventy-seven (177) mortgage loans were closed by Infinite Mortgage utilizing funds from their warehouse line of credit.

13. During the examination, Infinite Mortgage applied for and was granted a mortgage lender license.

AUTHORITY

14. The Department has authority to issue orders as may be necessary for the proper conduct of the mortgage loan business by licensees and the enforcement of the MLA. 7 Pa. C.S. § 6138(a)(4).

15. The Department has the authority to suspend, revoke or refuse to renew a license if a licensee has failed to comply with or violated any provision of the MLA. 7 Pa. C.S. § 6139(a)(2).

16. The Department may fine a licensee that commits an action which would subject it to suspension, revocation or nonrenewal under 7 Pa. C.S. § 6139 up to \$10,000 per offense. 7 Pa. C.S. § 6140(b).

RELIEF

17. Fine. Within thirty (30) days of the Effective Date of this Order, Infinite Mortgage agrees to pay to the Department a fine of eight thousand eight hundred fifty dollars (\$8,850). The fine payment shall be remitted by certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of: Pennsylvania Department

of Banking, Non-Depository Institutions, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

18. Corrective Action. Upon the Effective Date of this Order, Infinite Mortgage shall ensure that it maintains the proper mortgage license and that all mortgage loans are originated in accordance with the allowable practices of the mortgage license held.

FURTHER PROVISIONS

19. Consent. Infinite Mortgage hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the MLA and agrees that it understands all of the terms and conditions contained therein. Infinite Mortgage, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

20. Publication. The Department will publish this Order pursuant to its authority in Section 302.A(5) of the Department of Banking Code. 71 P.S. § 733-302.A(5).

21. Entire Agreement. This Order contains the whole agreement between the parties. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Bureau and Infinite Mortgage.

22. Binding Nature. The Department and Infinite Mortgage Services intend to be and are legally bound by the terms of this Order.

23. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

24. Effectiveness. Infinite Mortgage hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order.

25. Other Enforcement Action.

a. The Department reserves⁴ all of its rights, duties, and authority to enforce all statutes, rules and regulations under its jurisdiction against Infinite Mortgage, in the future regarding all matters not resolved by this Order.

b. Infinite Mortgage acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

26. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

27. Counterparts. This Order may be executed in separate counterparts and by facsimile or electronic mail in portable document format "PDF."

28. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

WHEREFORE, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking, Bureau of Compliance and Licensing and Infinite Mortgage Services, LLC intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING, BUREAU OF
COMPLIANCE AND LICENSING**

10/25/2012

John Talalai, Enforcement Administrator
Bureau of Compliance and Licensing
Department of Banking

Date: 10/19/2012

FOR INFINITE MORTGAGE SERVICES, LLC

(Officer Signature)

LEA Horowitz

(Print Officer Name)

Owner

(Title)

Date: 10/19/2012