



4. UAMC is currently licensed under the Mortgage Licensing Act as a mortgage lender, with license number 21377 and with the Nationwide Mortgage Licensing System & Registry (“NMLSR”) identification number of 1058.

5. UAMC maintains its principal place of business at 700 NW 107<sup>th</sup> Avenue, Floor 3, Miami, Florida 33172-3161.

6. UAMC currently operates one branch in the Commonwealth of Pennsylvania located at 8 West Broad Street, Suite 226, Hazleton, Pennsylvania 18201.

7. UAMC operates other out-of-state branches that are licensed by the Department to do business in Pennsylvania.

8. On or around July 7, 2010, the Department conducted an off-site examination (“Examination”) of UAMC commenced at the Department’s Reading Field Office in Reading, Pennsylvania.

9. During the Examination, UAMC’s licensing manager was available via telephone and email to answer any questions.

10. UAMC cooperated fully with the Department during the Examination process.

#### Unlicensed Branch

11. The Bureau contends that UAMC originated mortgages secured by real property located in Pennsylvania from an out-of-state location in Maryland that was not licensed to conduct business in Pennsylvania.

12. The Mortgage Licensing Act applies to mortgage loans regardless of their place of execution where the mortgage loan is secured by real property located in Pennsylvania. 7 Pa. C.S. § 6151(1)(iii).

13. The Mortgage Licensing Act defines a “branch” as “[a]n office or other place of business other than the principal place of business, located in this Commonwealth or any other state, where a person engages in the mortgage loan business subject to this chapter.” 7 Pa. C.S. § 6102.

14. UAMC currently operates one licensed branch in the State of Maryland.

15. The Mortgage Licensing Act requires a mortgage loan business applicant to disclose in their application for licensure all *addresses* where it will be conducting mortgage loan business. 7 Pa. C.S. § 6131(a)(1)(ii)(emphasis added).

16. UAMC did not disclose all of its locations in Maryland on its mortgage license application as required by the Mortgage Licensing Act.

17. Because UAMC did not disclose its unlicensed branch, any mortgage loan origination activity there, in regards to mortgage loans secured by real property located in Pennsylvania, would constitute mortgage loan business at an unlicensed branch under the Mortgage Licensing Act.

18. UAMC neither confirms nor denies the Bureau’s allegations.

19. UAMC told the Bureau that it intends to revisit its current internal procedures to ensure all mortgage origination business will be in compliance with the provisions of the Mortgage Licensing Act.

#### Good Faith Estimate Disclosure

20. The Examination revealed that UAMC did not properly disclose a seventy-five dollar (\$75) title fee (“Title Fee”) charged by the title company on the Good Faith Estimate provided to UAMC consumers.

21. The Mortgage Licensing Act requires its licensees to comply with applicable federal laws, one of which is RESPA. 7 Pa. C.S. § 6121(3).

22. The Real Estate Settlement Procedures Act ("RESPA") is a federal law that requires that a mortgage loan applicant be provided a good faith estimate of the settlement charges the applicant is likely to incur on a mortgage loan transaction. 24 C.F.R. § 3500, et seq.

23. The Good Faith Estimate form is set forth in Part 3500.7 of RESPA and is to be completed in accordance with the instructions in Appendix C of Part 3500. 24 C.F.R. § 3500 (Appendix C).

24. RESPA requires that in Block 4 of the Good Faith Estimate form a loan originator provide the "estimated total charge for third party settlement service providers for all closing services, regardless of whether the providers are selected or paid for by the borrower, seller, or loan originator." 24 C.F.R. § 3500 (Appendix C).

25. Instead of including the seventy-five dollar (\$75) fee on the Good Faith Estimate form, UAMC included that fee on the "Closing Protection Letter" of the HUD-1 Settlement Statement ("HUD-1") and the Addendum of Additional Disbursements Exhibit to the HUD-1.

26. Because UAMC did not properly disclose a title fee on the Good Faith Estimate form as required by RESPA, the Bureau believes it is in violation of the Mortgage Licensing Act. 7 Pa. C.S. § 6121(3), 24 C.F.R. § 3500 (Appendix C).

27. UAMC followed up with the Bureau and indicated that it was taking corrective measures to properly disclose this fee and that it performed a review of prior loans which verified that it had not exceeded the 10 percent tolerance permitted by RESPA on those loans.

### Authority of the Department

28. Section 6138(a)(4) of the Mortgage Licensing Act grants the Department broad authority to issue orders as may be necessary for the proper conduct of the mortgage loan business and enforcement of the Mortgage Licensing Act. 7 Pa. C.S. § 6138(a)(4).

29. Section 6140(b) of the Mortgage Licensing Act provides, in relevant part, that “[a] person licensed under this chapter or director, officer, owner, partner, employee or agent of a licensee who violates a provision of this chapter or who commits any action which would subject the licensee to suspension, revocation or nonrenewal under section 6139 may be fined by the department up to \$10,000 for each offense.” 7 Pa. C.S. § 6140(b).

### **VIOLATIONS**

30. The Bureau contends that because UAMC did not disclose its Baltimore location, any mortgage loan origination activity there, in regards to mortgage loans secured by real property located in Pennsylvania, would constitute conducting the mortgage loan business at an unlicensed branch under the Mortgage Licensing Act.

31. The Bureau contends that UAMC is in violation of the Mortgage Licensing Act because UAMC did not disclose a settlement service fee that the consumer could shop for in Block 6 of the Good Faith Estimate form. 7 Pa. C.S. § 6121(3), 24 C.F.R. § 3500 (Appendix C).

### **RELIEF**

32. Fine. UAMC agrees to pay a fine of eight thousand five hundred dollars (\$8,500) which shall be due and payable to the Department within thirty (30) days of the Effective Date of this Order. The fine payment shall be remitted by a company check, certified check or money order made payable to the Pennsylvania Department of Banking and sent to the attention of:

Pennsylvania Department of Banking, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

### FURTHER PROVISIONS

33. Consent. UAMC hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's order authority under the Mortgage Licensing Act and agrees that it understands all of the terms and conditions contained herein. UAMC, 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.

34. 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).

35. 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 UAMC.

36. Binding Nature. The Department, UAMC, and all officers, owners, directors, employees, heirs and assigns of UAMC intend to be and are legally bound by the terms of this Order.

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

38. Effectiveness. UAMC hereby stipulates and agrees that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

39. Other Enforcement Action.

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

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

41. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

42. 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.

