

3. The Bureau is primarily responsible for administering and enforcing the Mortgage Licensing Act for the Department.

Commercial Realty Ventures

4. Commercial Realty Ventures is currently licensed by the Department under the Mortgage Licensing Act as a mortgage broker with the license number 22617.

5. Commercial Realty Ventures is registered in the Nationwide Mortgage Licensing System and Registry ("NMLS") with the identification number of 128096.

6. Commercial Realty Ventures' principal place of business is located at 611 County Lane Road, Huntingdon Valley, Pennsylvania 19006.

7. In 2005, the Department and Commercial Realty Ventures entered into a Consent Agreement to address issues of unlicensed activity by Neil Shapiro.

8. As of December 2012, Commercial Realty Ventures employs two licensed mortgage originators.

Faye C. Shapiro

9. Faye Carolyn Shapiro ("Mrs. Shapiro") is the president and one hundred percent (100%) owner of Commercial Realty Ventures.

10. Mrs. Shapiro first obtained a mortgage originator license from the Department on February 28, 2010.

11. From February 28, 2010 to November 12, 2012, Mrs. Shapiro was licensed by the Department under the Mortgage Licensing Act as a mortgage originator sponsored by Commercial Realty Ventures.

12. As of November 12, 2012 through present day, Mrs. Shapiro is licensed by the Department under the Mortgage Licensing Act as a mortgage loan originator with the license number 30541.

13. Mrs. Shapiro is registered in NMLS with the identification number of 144832.

14. Mrs. Shapiro is employed at a full time job outside of Commercial Realty Ventures and the mortgage industry entirely.

Neil Shapiro

15. Neil Shapiro ("Mr. Shapiro") is listed as the manager of Commercial Realty Ventures in NMLS.

16. Mr. Shapiro has never held or applied for a license of any type from the Department.

17. The Department has previously issued orders involving Mr. Shapiro.

Unlicensed Activity – Neil Shapiro

18. The investigation revealed that instead of acting in the capacity of a manager for Commercial Realty Ventures, Mr. Shapiro instead engaged in the mortgage loan business as an unlicensed mortgage loan originator.

19. As of January 1, 2009, individuals acting as mortgage loan originators were required to be licensed as mortgage loan originators pursuant to Section 6111(a) of the Mortgage Licensing Act. See Section 13 of H.B. 1654 (2009), 7 Pa. C.S. § 6111(a).

20. The Mortgage Licensing Act defines a mortgage loan originator as "an individual who takes a mortgage loan application or offers or negotiates terms of a mortgage loan for compensation or gain." 7 Pa. C.S. § 6102.

21. The mortgage loan business is defined as “[t]he business of advertising, causing to be advertised, soliciting, negotiating or arranging in the ordinary course of business or offering to make or making mortgage loans.” 7 Pa. C.S. § 6102.

22. During the course of the investigation, the Department interviewed consumers associated with Commercial Realty Ventures.

23. The consumers indicated to the Department that at no time did they meet with or even speak to Mrs. Shapiro.

24. The consumers instead indicated to the Department that Mr. Shapiro handled all aspects of their mortgage loan application.

25. Mr. Shapiro’s consumer interactions constitute mortgage loan origination under the Mortgage Licensing Act. 7 Pa. C.S. § 6102.

26. Because Mr. Shapiro never held a mortgage originator license from the Department, the Mortgage Licensing Act prohibited him from engaging in the mortgage loan business by originating mortgage loans without a license. 7 Pa. C.S. § 6111(a).

Unlicensed Activity – Commercial Realty Ventures

27. The investigation revealed that Commercial Realty Ventures accepted numerous mortgage applications from an unlicensed mortgage originator.

28. As of January 1, 2009, individuals acting as mortgage loan originators were required to be licensed as mortgage loan originators pursuant to Section 6111(a) of the Mortgage Licensing Act. See Section 13 of H.B. 1654 (2009), 7 Pa. C.S. § 6111(a).

29. The Mortgage Licensing Act defines a mortgage loan originator as “an individual who takes a mortgage loan application or offers or negotiates terms of a mortgage loan for compensation or gain.” 7 Pa. C.S. § 6102.

30. As of the date of the investigation, the unlicensed individual had not obtained a mortgage originator license from the Department.

31. Commercial Realty Ventures violated the Mortgage Licensing Act when it accepted mortgage loan applications originated by the unlicensed individual.

Negligent Supervision – Faye Shapiro

32. The investigation revealed that Faye Shapiro permitted Neil Shapiro to engage in the mortgage loan business and to act in the capacity of a mortgage loan originator while Mr. Shapiro was unlicensed by the Department.

33. Commercial Realty Ventures, of which Mrs. Shapiro is the 100% owner, accepted mortgage loan applications from Mr. Shapiro while he was not licensed as a mortgage loan originator. 7 Pa. C.S. § 6139(a)(14).

34. The Mortgage Licensing Act provides that Mrs. Shapiro, as the licensee “shall directly supervise, control and maintain responsibility for the acts and omissions of the mortgage originator.” 7 Pa. C.S. § 6131(f)(1).

35. Mrs. Shapiro displayed negligence and incompetence in the mortgage loan business by allowing an employee of Commercial Realty Ventures to act as a mortgage loan originator without first obtaining a license from the Department. 7 Pa. C.S. § 6139(a)(10).

36. Mrs. Shapiro engaged in unfair and unethical activities by allowing Mr. Shapiro to act as a mortgage loan originator for Commercial Realty Ventures when he was not licensed to do so by the Department. 7 Pa. C.S. § 6139(a)(3).

Misuse of Mortgage Loan Originator's License – Faye Shapiro

37. Mrs. Shapiro, in addition to being the owner of Commercial Realty Ventures, was the only licensed mortgage loan originator employed by Commercial Realty Ventures at the time the mortgage loan applications in question were originated.

38. Mrs. Shapiro signed mortgage loan applications as the mortgage loan originator for loans that were actually originated by Mr. Shapiro during his period of non-licensure.

39. Mrs. Shapiro allowed Mr. Shapiro to act in the capacity of a mortgage originator and then Mrs. Shapiro would sign the mortgage loan application.

40. By signing her name to mortgage loan documents that she did not originate, Mrs. Shapiro committed an act of dishonesty, unfair and/or unethical business practices. 7 Pa. C.S. § 6139(a)(3).

41. By signing the mortgage loan documents that she did not originate, Mrs. Shapiro displayed negligence and incompetence in the mortgage business. 7 Pa. C.S. § 6139(a)(10).

AUTHORITY OF THE DEPARTMENT

42. 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).

43. Section 6138(a)(5) of the Mortgage Licensing Act provides the Department with the authority to “[p]rohibit or permanently remove a person or licensee responsible for a violation of this chapter from working in the present capacity or in any other capacity of the person or licensee related to activities regulated by the department.” 7 Pa. C.S. § 6138(a)(5).

44. Section 6138(a)(8) of the Mortgage Licensing Act provides the Department with the authority to impose such other conditions as the Department deems appropriate. 7 Pa. C.S. § 6138(a)(8).

45. The Mortgage Licensing Act permits the Department to suspend, revoke or refuse to renew a license of a licensee where that licensee “failed to comply with or violated any provision of this chapter or any regulation or order promulgated or issued by the department under this chapter.” 7 Pa. C.S. § 6139(a)(2).

46. Section 6139(a)(3) of the Mortgage Licensing Act provides that the Department may suspend, revoke or refuse to renew a license issued under the Act if a licensee or a director, officer, partner, employee or owner of a license has “[e]ngaged in dishonest, fraudulent or illegal practices or conduct in a business or unfair or unethical practices or conduct in connection with the mortgage loan business.” 7 Pa. C.S. § 6139(a)(3).

47. Section 6139(a)(10) of the Mortgage Licensing Act provides that the Department may suspend, revoke or refuse to renew a license issued under the Act if a licensee or a director, officer, partner, employee or owner of a license has “[d]emonstrated negligence or incompetence in performing an act for which the licensee is required to hold a license under this chapter.” 7 Pa. C.S. § 6139(a)(10).

48. The Mortgage Licensing Act permits the Department to suspend, revoke or refuse to renew a license of a licensee where that licensee is a mortgage broker and “...conducted the mortgage loan business through an unlicensed mortgage originator.” 7 Pa. C.S. § 6139(a)(14).

49. Section 6140(a) of the Mortgage Licensing Act provides, in relevant part, that “[a] person subject to the provisions of this chapter and not licensed by the department who violates any provision of this chapter or who commits any action which would subject a license to

suspension, revocation or nonrenewal under section 6139 (relating to suspension, revocation or refusal) may be fined by the department up to \$10,000 for each offense.” 7 Pa. C.S. § 6140(a).

50. 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).

51. The Mortgage Licensing Act applies to “[a]ny person who engages in the mortgage loan business in this Commonwealth” regardless of whether that person is licensed or not. 7 Pa. C.S. § 6151(2).

VIOLATIONS

52. Mr. Shapiro is in violation of Section 6111(a) of the Mortgage Licensing Act by engaging in the mortgage loan business without the appropriate license from the Department.

53. Commercial Realty Ventures is in violation of Section 6139(a)(14) of the Mortgage Licensing Act by conducting the mortgage loan business through an unlicensed mortgage loan originator.

54. Mrs. Shapiro violated Section 6139(a)(3) of the Mortgage Licensing Act by displaying negligence and incompetence in the mortgage loan business.

55. Mrs. Shapiro is in violation of Section 6139(a)(10) of the Mortgage Licensing Act by engaging in unfair and unethical activities.

56. Mrs. Shapiro is in violation of Section 6139(a)(3) of the Mortgage Licensing Act by committing an act of dishonesty, unfair and/or unethical business practices through the misuse of her mortgage originator’s license.

RELIEF

57. Fine. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro agree to pay the Department a fine of fifty thousand dollars (\$50,000). The fine shall be payable in twenty-four (24) monthly installments. The first installment payment shall be in the amount of one thousand seven hundred dollars (\$1,700) and shall be due on June 1, 2013. Each subsequent payment shall be in the amount of two thousand one hundred dollars (\$2,100) and shall be due the first of every month thereafter until paid in full. The fine payment shall be remitted by certified check or money order made payable to the Pennsylvania Department of Banking and Securities and sent to the attention of: Pennsylvania Department of Banking and Securities, Non-Depository Institutions, Bureau of Compliance and Licensing, 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

58. Failure to Pay. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro acknowledge that failure to pay this fine may result in the immediate suspension or revocation of the mortgage broker license of Commercial Realty Ventures and/or the mortgage loan originator license of Faye Shapiro. In addition, failure to pay may result in the immediate prohibition of Commercial Realty Ventures, Faye Shapiro and Neil Shapiro from the mortgage loan business.

59. Corrective Action. Commercial Realty Ventures shall accept mortgage loan applications only from licensed individuals, Faye Shapiro shall only sign those mortgage loans that she herself originates as defined in the Mortgage Licensing Act and Neil Shapiro shall not originate any mortgage loans without first obtaining a license from the Department.

FURTHER PROVISIONS

60. Consent. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro hereby knowingly, willingly, voluntarily and irrevocably consent to the entry of this Order pursuant to

the Bureau's order authority under the Mortgage Licensing Act and agree that they understand all of the terms and conditions contained herein. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro, by voluntarily entering into this Order, waive any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

61. 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).

62. 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 Commercial Realty Ventures, Faye Shapiro and Neil Shapiro.

63. Binding Nature. The Department, Commercial Realty Ventures, Faye Shapiro and Neil Shapiro, and all officers, owners, directors, employees, heirs and assigns of Commercial Realty Ventures intend to be and are legally bound by the terms of this Order.

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

65. Effectiveness. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro hereby stipulate and agree that the Order shall become effective on the date that the Bureau executes the Order (the "Effective Date").

66. 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 Commercial Realty Ventures, Faye Shapiro and Neil Shapiro in the future regarding all matters not resolved by this Order.

b. Commercial Realty Ventures, Faye Shapiro and Neil Shapiro acknowledge and agree 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.

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

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

69. 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 Department and Commercial Realty Ventures, Incorporated d/b/a Premium Mortgage Corporation, Faye Shapiro and Neil Shapiro intending to be legally bound, do hereby execute this Consent Agreement and Order.

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

Ryan M. Walsh, Chief
Bureau of Compliance and Licensing
Department of Banking and Securities

Date: May 9, 2013

**FOR COMMERCIAL REALTY VENTURES
d/b/a PREMIUM MORTGAGE CORPORATION**

(Officer Signature)

Faye Shapiro

(Print Officer Name)

President

(Title)

Date: 5/9/2013

FAYE SHAPIRO

(Signature)

Date: 5/9/2013

NEIL SHAPIRO

(Signature)

Date: 5/9/2013