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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF  
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA :  
DEPARTMENT OF BANKING AND :  
SECURITIES, COMPLIANCE OFFICE :

v. :

DOCKET NO. 19 0074 (BNK-CAO)

AMERICAN NEIGHBORHOOD :  
MORTGAGE ACCEPTANCE :  
COMPANY, LLC :

CONSENT AGREEMENT AND ORDER

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”), Compliance Office (“Office”), has reviewed the business practices of American Neighborhood Mortgage Acceptance Company, LLC., (“American Neighborhood”). Based on the results of its review, together with certain disclosures American Neighborhood has made to the Department, the Office believes that American Neighborhood operated in violation of the Mortgage Licensing Act (the “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, 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 Office is primarily responsible for administering and enforcing the MLA for the Department.
3. American Neighborhood’s principal place of business is located at 700 East Gate Drive, Suite 400, Mount Laurel, NJ 08054.

4. American Neighborhood is licensed as a mortgage lender, license #33587 under the MLA which authorizes the company to service loans which it originated, negotiated, and owns, but is not licensed as a Mortgage Servicer, as required to service loans for others.

5. American Neighborhood has applied for licensure as a Mortgage Servicer.

#### Unlicensed Period

6 Section 6111(a) of the MLA requires a person engaged in the mortgage loan business as a mortgage servicer to be licensed as a mortgage servicer. 7 Pa. C.S. § 6111(a).

7. The mortgage servicer licensing requirement found in Section 6111(a) of the MLA became effective April 27, 2017.

8 The Department provided an administrative grace period allowing unlicensed persons until June 30, 2018 to apply for a license without penalty for unlicensed activity.

9. American Neighborhood filed its application for licensure as a mortgage servicer on July 9, 2019.

10. The MLA defines a "Mortgage Servicer" as "A person who engages in the mortgage loan business by directly or indirectly servicing a mortgage loan." 7 Pa. C.S. § 6102.

11. American Neighborhood has been providing mortgage servicing on loans to Pennsylvania consumers while not licensed to do so

12. American Neighborhood cooperated with the Department regarding the matters addressed in this Order.

#### Authority of the Department

13 The Department has the 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).

14. The Department may impose a fine up to \$10,000 per offense against any person who violates the MLA. 7 Pa. C.S. § 6140(a)

#### **VIOLATION**

15. American Neighborhood violated the MLA when it engaged in the business of a mortgage servicer while not licensed as a mortgage servicer. 7 Pa. C.S. § 6111(a).

## RELIEF

16. Fine. American Neighborhood agrees to pay a fine of one hundred and thirty thousand dollars (\$130,000) with the payment due within thirty (30) days of the Effective Date of the Order. The fine payment shall be made by ACH or wire transfer, or if ACH or wire transfer is unavailable, by certified check, cashier's check, teller's check or money order made payable to the "Department of Banking and Securities" and shall be mailed, or delivered in person to the attention of: Department of Banking and Securities, Compliance Office, 17 N Second Street, Suite 1300, Harrisburg, PA 17101-2290.

17. Licensure. Within five (5) days of the Effective Date of this order, the Department will issue a Mortgage Servicer license to American Neighborhood.

## FURTHER PROVISIONS

18. Consent. American Neighborhood hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Department's order authority under the MLA and agrees that it understands all of the terms and conditions contained herein. American Neighborhood, 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.

19. Consumer's Rights. The Order shall not limit or impair a consumer's rights under the MLA.

20. Publication. The Department will publish this Order pursuant to its authority in Section 302 A.(5) of the Department of Banking and Securities 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 kinds whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Office and American Neighborhood.

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

23. Counsel. This Order is subject to review by the Department's Legal Division. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

24. Effectiveness American Neighborhood hereby stipulates and agrees that the Order shall become effective on the date that the Department's Legal Division docket this Order ("Effective Date").

25. 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 American Neighborhood in the future regarding all matters not resolved by this Order.
- b. American Neighborhood 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 Department of Banking and Securities, Compliance Office, and American Neighborhood Mortgage Acceptance Company LLC intending to be legally bound do hereby execute this Consent Agreement and Order.

FOR THE COMMONWEALTH OF  
PENNSYLVANIA, DEPARTMENT OF  
BANKING AND SECURITIES,  
COMPLIANCE OFFICE

Redacted

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*[Handwritten signature]*

John Palalai, Administrator  
Compliance Office  
Department of Banking and Securities

Date: 8/13/19

FOR AMERICAN NEIGHBORHOOD  
MORTGAGE ACCEPTANCE COMPANY  
LLC

Redacted

\_\_\_\_\_  
*[Handwritten signature]*

(Officer Signature)

JOSEPH PANEBLANCO  
(Print Officer Name)

CEO  
(Title)

Date: 8/12/19

