

COMMONWEALTH OF MASSACHUSETTS

Suffolk, SS.

COMMISSIONER OF BANKS
MORTGAGE LENDER AND
MORTGAGE BROKER
LICENSING AND
THIRD PARTY LOAN SERVICER
REGISTRATION
Docket No. 2022-010

In the Matter of)
loanDepot.com, LLC d/b/a “LDWholesale” and “Mello”)
Irvine, California)
NMLS# 174457)
_____)

CONSENT ORDER

WHEREAS, loanDepot.com, LLC d/b/a “LDWholesale” and “Mello” (“loanDepot” or the “Company”), with its main office located at 6561 Irvine Center Drive, Irvine, California 92618, has been advised of its rights to Notice and Hearing pursuant to Massachusetts General Laws chapters 255E, section 7(a) and 30A, section 10, and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF A CONSENT ORDER (“Consent Agreement”) with the Division of Banks (“Division”) dated December 30, 2022 whereby, solely for the purpose of settling this matter and without admitting, and otherwise denying, any allegations of fact or the existence of any violations of law, loanDepot agrees to the issuance of this CONSENT ORDER (“Consent Order”) by the Commissioner of Banks (“Commissioner”);

WHEREAS, the Division of Banks (“Division”), through the Commissioner, has jurisdiction over the licensing and regulation of persons and entities engaged in the business of a mortgage lender and mortgage broker in Massachusetts pursuant to M.G.L. chapter 255E, section 2;

WHEREAS, a person or entity must register with the Commissioner prior to acting as a third party loan servicer in Massachusetts pursuant to Massachusetts General Laws (“M.G.L.”) chapter 93, section 24A;

WHEREAS, a person or entity acting as a third party loan servicer in Massachusetts must comply with the requirements of 209 Code of Massachusetts Regulations (“C.M.R.”) 18.00 *et seq.*;

WHEREAS, loanDepot is, and at all relevant times has been, a foreign company conducting business in the Commonwealth of Massachusetts. loanDepot’s main office is located at 6561 Irvine Center Drive, Irvine, California 92618;

WHEREAS, loanDepot is licensed by the Commissioner as a mortgage lender and mortgage broker under M.G.L. chapter 255E, section 2. According to records maintained on file with the Division, and as recorded on the Nationwide Multi-State Licensing System and Registry (“NMLS”), the Commissioner initially issued mortgage company license number MC174457 to loanDepot, which became effective on or about November 15, 2010, covering both mortgage broker and mortgage lender license types;

WHEREAS, according to records maintained on file with the Division, and as recorded on the NMLS, on or about August 12, 2014, loanDepot submitted an application for a third party loan servicer registration with the Division; on or about August 28, 2014, the application was deemed “withdrawn-voluntary without licensure”;

WHEREAS, according to records maintained on file with the Division, and as recorded on the NMLS, on or about September 13, 2016, loanDepot submitted an application for a third party loan servicer registration with the Division; on or about November 4, 2016, the application was deemed “withdrawn-voluntary without licensure”;

WHEREAS, according to records maintained on file with the Division, and as recorded on the NMLS, on or about January 25, 2019, loanDepot submitted an application for a third party loan servicer registration with the Division; on or about June 20, 2019, after consultation with the Division, the application was withdrawn and deemed “withdrawn-voluntary without licensure”

WHEREAS, according to records maintained on file with the Division, and as recorded on the NMLS, on or about February 11, 2021, loanDepot submitted an application for a third party loan servicer registration with the Division; on or about June 29, 2021, after consultation with the Division, the application was and deemed “withdrawn-voluntary without licensure”

WHEREAS, on or about September 27, 2022, the Division became aware that loanDepot had engaged in the business of a third party loan servicer in Massachusetts without the appropriate registration;

WHEREAS, upon being made aware that a third party loan servicer registration was required to engage in its activities, loanDepot immediately cooperated with the Division’s inquiry in an effort to promptly resolve its concerns; and

WHEREAS, the parties now seek to resolve by mutual agreement the matters identified above.

ORDER

NOW COME the parties in the above-captioned matter, the Division and the Company, and stipulate and agree as follows:

1. The Company shall remit one million dollars (\$1,000,000.00) to the Commonwealth of Massachusetts Mortgage Education Trust upon execution of this Consent Order. The funds shall be payable by cashier’s check to the “Commonwealth of Massachusetts, Division of Banks Mortgage Loan Settlement

Trust” and mailed to the Division of Banks, Attn: Mortgage Examination Unit, 1000 Washington Street, 10th Floor, Boston, Massachusetts 02118.

2. loanDepot shall establish, implement, and maintain adequate internal policies and procedures to ensure that the Company refrains from engaging in any business activity that requires licensing or registration from the Division prior to obtaining the appropriate license or approval from the Division.
3. Nothing in this Consent Order shall be construed as permitting loanDepot to violate any law, rule, regulation, or regulatory bulletin to which the Company is subject.
4. Failure to comply with the terms of this Consent Order may constitute grounds for formal regulatory action pursuant to applicable provisions of the General Laws of the Commonwealth of Massachusetts including, but not limited to, revocation of any and all licenses and registrations issued by the Division or denial of any applications pending with the Division.
5. This Consent Order shall become effective immediately upon the date of its issuance.
6. The provisions of this Consent Order shall be binding upon loanDepot and its respective subsidiaries, officers and directors, successors and assigns, and those persons in active participation with them, directly or indirectly, acting individually or through any corporate or other entity.
7. In consideration of this Consent Order, the Division agrees not to pursue any other remedial measures, sanctions, or penalties relative to this matter unless the Division is made aware of material information that is not addressed in this Consent Order, or if loanDepot fails to comply with the terms of this Consent Order.

8. Without limiting the Division's discretion set forth within Massachusetts General Laws chapter 93, section 24A and the Division's regulation 209 CMR 18.00 *et seq.* in determining whether to issue a license and/or registration to loanDepot, any such application shall not be denied solely as a result of any of the issues resolved by this Consent Order or because loanDepot entered into this Consent Order.
9. The provisions of this Consent Order shall not limit, estop, or otherwise prevent any other state agency or department from taking any other action under separate authority affecting the Company or any of its officers and directors, or their successors or assigns.
10. The provisions of this Consent Order shall remain effective and enforceable except to the extent that, and until such time as, the Commissioner or a court of competent jurisdiction modifies, terminates, suspends, or sets aside any provision of this Consent Order.
11. In accordance with the terms of the Consent Agreement entered into by loanDepot and the Commissioner, loanDepot has waived all rights of appeal that it may have relative to this Consent Order or any of its provisions.
12. This Consent Order and the Consent Agreement are the complete documents representing the resolution of this matter. There are no other agreements between the Division and loanDepot.

BY ORDER AND DIRECTION OF THE COMMISSIONER OF BANKS:

Dated at Boston, Massachusetts, this 30 day of December, 2022.

By:

Mary L. Gallagher
Commissioner of Banks