

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
) No. 2024-MBR-01
BRENDAN MORTGAGE INCORPORATED)
NMLS No. 260381)
Attention: Scott Barfuss)
30 East Avenue)
Riverside, IL 60546)

CONSENT ORDER

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (“Department”) and **BRENDAN MORTGAGE INCORPORATED** (“**BRENDAN MORTGAGE**”) hereby enter into this Consent Order pursuant to the Residential Mortgage License Act of 1987 (“Act”) [205 ILCS 635] and the rules promulgated thereunder (“Rules”) [38 Ill. Adm. Code 1050] and stipulate and agree as follows:

STIPULATIONS & AGREEMENT

STATUTORY PROVISIONS

1. Section 2-2(a) of the Act states that the Secretary shall issue a license upon completion of all the subsections. Additionally, the Secretary may impose conditions on a license if the Secretary determines that the conditions are necessary or appropriate. These conditions shall be imposed in writing and shall continue in effect for the period prescribed by the Secretary.

FACTUAL FINDINGS

2. BRENDAN MORTGAGE is applying for a residential mortgage license.
3. BRENDAN MORTGAGE previously held residential mortgage license MB.6760673 from July 9, 2009 through December 31, 2022.
4. BRENDAN MORTGAGE failed to renew for the year 2023 and the license was placed in a terminated expired status.
5. While licensed BRENDAN MORTGAGE had numerous adversely rated exams requiring supervision.

TERMS AND CONDITIONS

WHEREFORE, the Department and BRENDAN MORTGAGE agree to place the following preemptive conditions to ensure future compliance with the Act and Rules as follows:

- I. The Department will issue a residential mortgage license to BRENDAN MORTGAGE upon the effective date of this Consent Order.
- II. BRENDAN MORTGAGE agrees to relinquish its servicing rights and forgo servicing as one of its listed activities. BRENDAN MORTGAGE will provide the information for the servicer it will contract with including name, license number, address, and copy of the agreement (“Servicer Information”) within 5 days of the Effective Date of this Consent Order. BRENDAN MORTGAGE will inform the Department within 14 days if it changes servicers and provide the Servicer Information.
- III. For a period of twenty-four (24) months from the Effective Date of this Consent Order (the “Term”), or so long as BRENDAN MORTGAGE takes loan applications subject to the Act: every six months will provide five sample files to

the Department to review for compliance with the Act and Rules. Said sample files will comprise loans originated during the preceding six months. The Department will notify BRENDAN MORTGAGE of any instances of non-compliance identified in the selected files and allow such to be corrected by BRENDAN MORTGAGE within 14 days of notification.

- IV. BRENDAN MORTGAGE agrees to provide a list of all consumer complaints made in writing to the Department, the Office of the Illinois Attorney General, Consumer Protection Division, or any similar government division or agency, or received directly by BRENDAN MORTGAGE from its two last active years and explanation of how each one was addressed including the ones that were brought to the attention of the Department, W.Y. and M.B. The Department will determine if said consumer complaints have been adequately addressed by BRENDAN MORTGAGE. Any consumer complaint made in writing to the Department, the Office of the Illinois Attorney General, Consumer Protection Division, or any similar government division or agency, from the date of the new license must be reported to the Department within 10 days during the Term. This requirement will also apply to any written consumer complaint, made directly to BRENDAN MORTGAGE, concerning errors in the loan origination process, inaccurate or incomplete consumer disclosures, or inaccurate accounting of loan proceeds or borrower payments, or repurchase demands.
- V. BRENDAN MORTGAGE agrees to disburse loan proceeds by check payable jointly to its borrowers/homeowners and the home improvement contractor identified in the applicable loan agreement borrower. BRENDAN MORTGAGE

agrees to deliver said check to the borrowers/homeowners. BRENDAN MORTGAGE is prohibited from disbursing any funds to home improvement contractors except in the manner provided by this paragraph.

- VI. BRENDAN MORTGAGE agrees to not file any petition for administrative or judicial hearing of this Consent Order. The Department has the right to prosecute any matter that is not addressed in the Consent Order. BRENDAN MORTGAGE acknowledge that it was represented by legal counsel in negotiating this Consent Order, and that it willingly enters into this Consent Order after full review, evaluation, and consideration and with full knowledge of its rights under the Act, the Rules, the rules on Hearings Before the Division of Banking and Division of Financial Institutions [38 Ill. Adm. Code 100], and the Illinois Administrative Procedure Act [5 ILCS 100].
- VII. The Department enters into this Consent Order for the purpose of imposing measures that are fair and equitable under the circumstances and that are consistent with the best interests of the people of the State of Illinois.
- VIII. This Consent Order shall become effective upon the signatories below signing and dating the Consent Order, and on the date that the last of those designated for the Department sign and date the Consent Order (the "Effective Date").

The foregoing Consent Order is approved in full.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING



Date: March 21, 2024
SUSANA SORIANO
ACTING DIRECTOR



Date: 3/21/24
Scott Barfuss, for Brendan Mortgage Incorporated