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ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

In the Matter of the Mortgage Banker License of:	No. 12F-BD015-SBD
GMAC MORTGAGE, LLC #2 d/b/a DITECH and STEVEN M. ABREU, PRESIDENT and MEMBER	CONSENT ORDER
1100 Virginia Drive Fort Washington, PA 19034	
Respondents.	

On September 15, 2011, the Arizona Department of Financial Institutions (“Department”) issued Notice of Assessment alleging that Respondents had violated Arizona law. Wishing to resolve this matter in lieu of an administrative hearing, and without admitting liability, Respondents consent to the following Findings of Fact and Conclusions of Law, and consent to the entry of the following Order.

FINDINGS OF FACT

1. Respondent GMAC Mortgage, LLC #2, d/b/a Ditech (hereafter “Respondent Company”) is a Delaware limited liability company authorized to transact business in Arizona as a mortgage banker, license number BK0908591, within the meaning of A.R.S. § 6-941 *et seq.*
2. Respondent Steven M. Abreu (“Mr. Abreu”) is the President and Member of Respondent Company and is authorized to transact business in Arizona as a mortgage banker within the meaning of A.R.S. § 6-941 *et seq.*
3. An examination of Respondent Company conducted by the Department, commencing on November 8, 2010 and concluding on June 3, 2011, revealed:
 - a. Respondents failed to produce adequate evidence that reasonable employee investigations had been conducted before certain employees were hired. Specifically:
 - i. Respondents failed to obtain a dated or legible Employment Eligibility Verification (Form I-9) prior to hiring at least two (2) employees;
 - ii. Respondents failed to obtain a signed statement attesting to an applicant’s felony

- 1 convictions, including detailed information regarding each conviction, prior to
2 hiring at least three (3) employees;
- 3 iii. Respondents failed to inquire regarding an applicant's qualifications and
4 competence for the position prior to hiring at least five (5) employees;
- 5 iv. Respondents failed to obtain a credit report from a credit reporting agency prior to
6 hiring at least five (5) employees; and
- 7 v. Respondents failed to conduct further investigation of at least four (4) employees
8 who had derogatory credit reports.

9 4. Respondents failed to keep and maintain original documents or clearly legible copies
10 of all mortgage banking loan transactions. Specifically, Respondents failed to provide documents
11 showing the application's final disposition, such as a settlement statement, or a denial or withdrawal
12 letter from the loan file of at least two (2) borrowers.

13 5. Respondents failed to issue federal disclosure forms as required and did not maintain
14 either originals or clearly legible copies of same within mortgage files for the appropriate time
15 period. Specifically, Respondents' Mortgage Servicing Transfer Disclosure Statements, Good Faith
16 Estimates and Truth-in-Lending Statements were prepared on dates from seven (7) to twenty-four
17 (24) days after the initial application was taken by the loan officer in at least three (3) borrowers'
18 loan files.

19 6. These Findings of Fact shall also serve as Conclusions of Law.

20 **CONCLUSIONS OF LAW**

21 1. Pursuant to A.R.S. § 6-941 *et seq.* the Superintendent has the authority and duty to
22 regulate all persons engaged in the mortgage banker business and with the enforcement of statutes,
23 rules and regulations relating to mortgage bankers and commercial mortgage bankers.

24 2. By the conduct set forth above, Respondents have violated the following:

25 a. A.R.S. § 6-943(O) and A.A.C. R20-4-102 by failing to produce adequate evidence
26 that reasonable employee investigations had been conducted before certain employees

1 the civil money penalty.

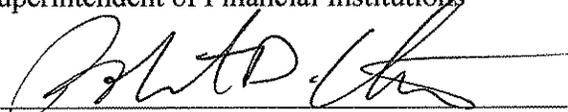
2 5. Should Respondent Company and Mr. Abreu fail to comply with this Order, the
3 Superintendent shall institute further disciplinary proceedings.

4 6. The provisions of this Order shall be binding upon Respondents, its employees,
5 agents and other persons participating in the conduct of the affairs of Respondent.

6 7. This Order shall become effective upon service, and shall remain effective and
7 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated
8 or set aside.

9 SO ORDERED this 27 day of December, 2011.

10 Lauren Kingry
11 Superintendent of Financial Institutions

12 By: 
13 Robert D. Charlton
14 Assistant Superintendent of Financial Institutions

14 **CONSENT TO ENTRY OF ORDER**

15 1. Respondents GMAC Mortgage, LLC # 2 d/b/a Ditech ("Respondent Company") and
16 Steven M. Abreu ("Mr. Abreu") acknowledge that they have been served with a copy of the
17 foregoing Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have
18 read the same, are aware of their right to an administrative hearing in this matter, and have waived
19 the same.

20 2. Without admitting liability, Respondents admit that the Superintendent has
21 jurisdiction over this matter and authority to enter into this Consent Order.

22 3. Respondents have communicated to the Department their disagreement with a
23 number of the alleged violations and are entering into this Consent Order to avoid the expense of
24 adversarial proceedings.

25 4. Respondents state that no promise of any kind or nature has been made to induce
26 them to enter into this Consent Order.

1 5. Respondents agree and acknowledge that the acceptance of this Consent Order by the
2 Superintendent is solely to settle this matter and does not preclude this Department, any other agency
3 or officer of this state or subdivision thereof from instituting other proceedings as may be
4 appropriate now or in the future.

5 6. To the extent Respondent Company accepts and acknowledges that certain of the
6 conduct set forth in the foregoing Findings of Fact, Conclusions of Law, and Order constitutes a
7 violation of applicable law or regulations, Respondent Company agrees to cease immediately from
8 engaging in the violative conduct.

9 7. Failure to correct the violations set forth above in this Order or any future findings of
10 repeat violations shall result in disciplinary action which may include a greater civil money penalty.

11 8. Steven M. Abreu, on behalf of Respondent Company, represents that he is the
12 President and Member of Respondent Company, and that, as such, has been authorized to consent to
13 the entry of this Order and to execute this Consent Order on Respondent Company's behalf.

14 9. Respondents waive all rights to seek administrative or judicial review or otherwise to
15 challenge or contest the validity of this Consent Order.

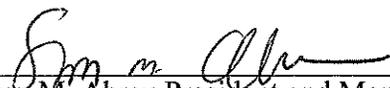
16 DATED this 7 day of Dec., 2011.

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By: 
Steven M. Abreu, President and Member of GMAC
Mortgage, LLC #2

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ORIGINAL of the foregoing filed this 21st
day of DECEMBER, 2011, in the office of:

Lauren W. Kingry, Superintendent of Financial Institutions
Arizona Department of Financial Institutions
ATTN: June Beckwith
2910 N. 44th Street, Suite 310
Phoenix, AZ 85018

COPY mailed/delivered same date to:

1 Natalia A. Garrett, Assistant Attorney General
Office of the Attorney General
2 1275 W. Washington St.
Phoenix, AZ 85007

3
4 Robert D. Charlton, Assistant Superintendent
Gabriela Macias, Examiner in Charge
ATTN: Sabrina Hampton
5 Arizona Department of Financial Institutions
2910 N. 44th Street, Suite 310
6 Phoenix, AZ 85018

7 AND COPY MAILED SAME DATE by
Certified Mail, Return Receipt Requested, to:

8
9 Steven M. Abreu, President and Member
GMAC Mortgage, LLC #2 d/b/a Ditech
27 West 72nd #810
10 New York, NY 10023
Respondents

11 William H. Finlay, Esq.
12 Ally Financial Inc.
Legal Staff/190-FTW-L95
13 1100 Virginia Drive
Fort Washington, PA 19034
14 Attorneys for Respondents

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16 By: 
2462921

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