

STATE OF NEW JERSEY



DEPARTMENT OF BANKING AND INSURANCE DIVISION OF BANKING

CONSENT ORDER NO. E16-016859

IN THE MATTER OF:)
CORNERSTONE LENDING, INC.) CONSENT ORDER
NMLS #: 132234)

CHRISTOPHER BONNER)
CORNERSTONE LENDING, INC.)
720 2ND STREET PIKE, SUITE 104)
SOUTHAMPTON, PA 18966)

CHRISTOPHER BONNER)
CORNERSTONE LENDING, INC.)
6793 POINT PLEASANT PIKE)
NEW HOPE, PA 18938)

This matter having been opened to the Office of Consumer Finance within the Division of Banking of the New Jersey Department of Banking and Insurance ("Department") upon information pursuant to the last examination of Cornerstone Lending, Inc. ("the Licensee"), at all times relevant to this Consent Order, a licensed New Jersey Residential Mortgage Broker pursuant to the New Jersey Residential Mortgage Lending Act N.J.S.A. 17:11C-51 et seq., ("the Act") may have violated certain provisions of the Act and its implementing rules; and

WHEREAS IT APPEARS that the Licensee has violated the following:

1. N.J.A.C. 3:1-16.10 Special rules for brokers

The loan files review for the licensee noted that they did not contain compliant broker fee agreements as required. This was identified as a repeat violation from the previous examination.

2. **N.J.A.C. 3:15-6.4 Loan application recordkeeping requirements for business licensees (a) 2. & 5.**

The Licensee's loan application system was found to be missing the application date and disposition of each application as required. This was also noted as a repeat violation from the previous examination; and

WHEREAS, in the event that the Commissioner issued an administrative Order to Show Cause to the Licensee addressing the above-referenced apparent violations, the Licensee would be entitled to request a hearing of the matter as a contested case in accordance with the Administrative Procedure Act, **N.J.S.A. 52:14B-1 et seq.**; and

WHEREAS the Licensee understands these rights and has voluntarily waived the right to a hearing on the matters addressed in this Consent Order; and

WHEREAS, the Licensee has agreed for purposes of settlement to **ensure that its loan application system includes the application date and disposition for each application and provide all New Jersey applicants with the appropriate broker fee agreement disclosure as required**; and

WHEREAS, without making any admission of liability with respect to any of the apparent violations cited in this Consent Order, the Licensee has agreed for purposes of settlement to pay civil administrative penalties in the amount of **\$4,500**; and

WHEREAS the parties to this Consent Order have determined that this matter is suitable for resolution upon the consent of the parties and that the Licensee and the Department desire to resolve this matter without a hearing or litigation, and for further good cause appearing;

NOW, THEREFORE, IT IS on this 26th day of July 2016, ORDERED

AND AGREED as follows:

1. The Licensee will ensure that its loan application system includes the application date and disposition for each application and provide all New Jersey applicants with the appropriate broker fee agreement disclosure as required.
2. Licensee shall pay civil administrative penalties in the amount of \$4,500.

Payment shall be made as follows. The amount of said penalties is due in full upon entry into this Consent Order by means of a certified check, bank check or money order made payable to the "Treasurer, State of New Jersey" to be sent to:

**Department of Banking and Insurance
Collections Bureau
P.O. Box 325
Trenton, New Jersey 08625
Attention: Jan Allen**

This Consent Order shall be duly signed by an authorized representative of the Licensee and sent along with a copy of the proof of payment as listed above to:

**Department of Banking and Insurance
Office of Consumer Finance
P.O. Box 040
Trenton, New Jersey 08625
Attention: Troy Dayton**

3. Licensee consents to the entry of this Consent Order as a final administrative order, and Licensee understands that this final administrative order may be docketed with the Clerk of the Superior Court as provided in the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.

Consented to with respect to
both form and content:

[LICENSEE]

By:  _____

Print Name: Chris Bonner

Title: President

Date: 7/8/16

It is so ordered:

RICHARD J. BADOLATO, COMMISSIONER
NEW JERSEY DEPARTMENT OF
BANKING AND INSURANCE

By:  _____

Thomas M. Hunt, Assistant Director
Office of Consumer Finance