UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU

ADMINISTRATIVE PROCEEDING
File No. 2023-CFPB-0008

In the Matter of:

CONSENT ORDER

Freedom Mortgage Corporation

The Consumer Financial Protection Bureau (Bureau) has reviewed Freedom Mortgage Corporation’s (Freedom or Respondent, as defined below) acts and practices for generating Traditional Retail mortgage business and has identified violations of Section 8(a) of the Real Estate Settlement Procedures Act’s prohibition on giving things of value for referrals of business incident to or part of a settlement service involving federally related mortgage loans. 12 U.S.C. § 2607(a) (RESPA), and its implementing regulation, Regulation X, 12 C.F.R. part 1024.

I. Jurisdiction

1. The Bureau has jurisdiction over this matter under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, without admitting or denying any of the findings of fact or conclusions of law, except that Respondent admits the facts necessary to establish the Bureau’s jurisdiction over Respondent and the subject matter of this action.

2. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated August 15, 2023 (Stipulation), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondent has consented to the issuance of this Consent Order by the Bureau under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, and RESPA Section 8, 12 U.S.C. § 2607(d)(4), without admitting or denying any of the findings of fact or conclusions of law. Respondent has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated August 15, 2023 (Stipulation), which is incorporated by reference and is accepted by the Bureau. By this Stipulation, Respondent has consented to the issuance of this Consent Order by the Bureau under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, and RESPA Section 8, 12 U.S.C. § 2607(d)(4).

II. Stipulation

1. The Bureau has jurisdiction over this matter under §§ 1053 and 1055 of the CFPA, 12 U.S.C. §§ 5563, 5565, and RESPA Section 8, 12 U.S.C. § 2607(d)(4), without admitting or denying any of the findings of fact or conclusions of law.

III. Jurisdiction

Definitions

III.

The following definitions apply to this Consent Order:

e. "Relevant Period" includes from January 1, 2017 to the Effective Date.

f. "Related Consumer Action" means a private action by or on behalf of one or more consumers or an enforcement action by another governmental agency brought against Respondent based on substantially the same facts as described in Section IV of this Consent Order.

d. "Supervision Director" means the Assistant Director of the Office of Supervision Policy for the Consumer Financial Protection Bureau, or their delegate.

c. "President" means Respondent's sole owner and operator or, any current or future owner or operator of Respondent who serves in a similar or equivalent capacity.

b. "Effective Date" means the date on which the Consent Order is entered on the administrative docket.

a. "Board" means the President as of the Effective Date of this Order, any future President, and any other current or future members of Respondent's Board of Directors.
The Bureau finds the following:

**Bureau Findings and Conclusions**

**IV.**

**4.** Respondent is a privately held residential mortgage loan originator and servicer headquartered in Boca Raton, Florida.

**5.** Mortgage origination is a consumer financial product or service under the CFPB. 12 U.S.C. § 5481(15)(A)(i). Respondent is therefore a “covered servicer” as that term is defined by 12 U.S.C. § 5481(6).

**6.** “Respondent” means Freedom Mortgage Corporation and its successors and assigns.

**7.** “Traditional Retail” means the mortgage origination market segment where loan officers attempt to obtain mortgage origination business directly from real estate brokers and agents.

**8.** “Traditional Retail Unit” means Freedom’s business unit focused on the Traditional Retail mortgage market, which was part of Freedom Mortgage Corporation from the beginning of the Relevant Period until on or about August 2021, and conducted through Freedom’s former subsidiary RoundPoint Mortgage Servicing, Inc. (RoundPoint) from on or about August 2021 until on or about August 2022.
The origination of a federally related mortgage loan is a "settlement service" as that term is defined by RESPA. 12 U.S.C. § 2602(3) & 12 C.F.R. § 1024.2(b).

The majority of mortgages originated by Freedom’s Traditional Retail Unit are "federally related mortgage loans" as that term is defined by RESPA. 12 U.S.C. § 2602(1) & 12 C.F.R. § 1024.2(b).

Respondent maintained a Traditional Retail Unit from the beginning of the Relevant Period until August 2022, and Respondent no longer has a Traditional Retail Unit. Respondent’s RoundPoint subsidiary ceased operations in the Traditional Retail Unit from Freedom to its RoundPoint subsidiary, when Respondent transferred the Traditional Retail Unit from Freedom to RoundPoint Retail Unit from the beginning of the Relevant Period until August 2021, when Respondent transferred the

Findings and Conclusions as to Respondent

Giving subscription services in exchange for mortgage referrals

6. The origination of a federally related mortgage loan is a "settlement service" as that term is defined by RESPA. 12 U.S.C. § 2602(3) & 12 C.F.R. § 1024.2(b).

7. Freedom paid for several subscription services and then gave free access to real estate agents and brokers. Many of the real estate agents and brokers who accepted free access to these subscription services made mortgage referrals to Freedom’s Traditional Retail loan officers. The subscription services were a thing of value that Freedom gave to the real estate agents who referred to Freedom’s Traditional Retail loan officers. Freedom paid for several subscription services and then gave free access to real estate agents and brokers, for example, Freedom paid thousands of dollars per month for one of the subscription services—which provided information concerning real estate properties.

8. U.S.C. § 2602(1) & 12 C.F.R. § 1024.2(b), as that term is defined by RESPA.

9. The origination of a federally related mortgage loan is a "settlement service" as that term is defined by RESPA. 12 U.S.C. § 2602(3) & 12 C.F.R. § 1024.2(b).

10. Freedom’s Traditional Retail Unit in August 2022, and Respondent no longer has a Traditional Retail Unit. Respondent’s RoundPoint subsidiary ceased operations in the Traditional Retail Unit from Freedom to its RoundPoint subsidiary.
property reports, sales comparables, and foreclosure data—and over 2,000 real estate agents accepted subscriptions through Freedom's account.

11. Freedom sometimes required real estate agents and brokers to agree to be paired with a Freedom's Traditional Retail Unit loan officer before Freedom would give them access to its subscription services. The real estate agents who received free access to these subscription services (including agents at both Realty Connect and other brokerages) made more than 1,000 mortgage referrals to Freedom's Traditional Retail Unit, as part of a pattern, practice, or course of conduct of giving free access to these subscription services to create, maintain, and strengthen mortgage referral relationships in violation of RESPA Section 8(a).

Findings and Conclusions as to Respondent

12. From at least July 1, 2017 to 2022, Freedom's Traditional Retail Unit also hosted and subsidized events for certain real estate brokers and agents. For many of these events, Freedom would pay for the real estate brokers and agents' food, beverages, and alcohol. Some of the events also included entertainment paid for by Freedom. From at least July 1, 2017 to 2022, Freedom's Traditional Retail Unit also hosted and subsidized events in exchange for mortgage referrals.
and brokers would have otherwise needed to pay for their own admission, food, and alcohol.

14. These events were a thing of value that Freedom gave to the real estate agents and brokers who attended the events. The events frequently cost Freedom several thousand dollars or more.

15. Freedom targeted these events at new or existing mortgage referral sources. Freedom also denied requests for event sponsorship from real estate brokerages that didn’t refer mortgage business to Freedom’s loan officers.

16. Freedom hosted or subsidized the events for real estate brokerages and mortgage brokers that didn’t refer mortgage business to Freedom’s loan officers. Freedom also denied requests for event sponsorship from real estate brokerages that didn’t refer mortgage business to Freedom’s loan officers.

17. Freedom’s Traditional Retail Unit also had marketing services agreements (MSAs) in place with more than 40 real estate brokerages. Under the MSAs, Freedom made a monthly payment to each respective brokerage. The total amount Freedom paid under its MSAs during the Relevant Period was approximately $90,000 per month.

Findings and Conclusions as to Respondent

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Findings and Conclusions as to Respondent

15. Freedom targeted these events at new or existing mortgage referral sources.

14. These events were a thing of value that Freedom gave to the real estate agents and brokers who attended the events. The events frequently cost food, and alcohol.

20. Freedom’s Traditional Retail Unit also had marketing services agreements (MSAs) in place with more than 40 real estate brokerages. Under the MSAs, Freedom made a monthly payment to each respective brokerage. The total amount Freedom paid under its MSAs during the Relevant Period was approximately $90,000 per month.
In return for the monthly payment, the agreements called for the real estate brokerage counterparties to perform certain marketing services for Freedom. Freedom’s Traditional Retail Unit structured and implemented the MSAs as another mechanism to pay for mortgage referrals, rather than compensate real estate brokerages for marketing to consumers.

While some of the marketing services that the real estate brokers were supposed to perform under the MSAs were directed to consumers, some of the MSAs also required the real estate brokers to promote Freedom to the broker’s own agents. For example, certain agreements required the real estate brokers to use a third-party smartphone app, which Freedom’s Traditional Retail Unit loan officers would share with the app’s users. Freedom also encouraged its MSA partners to use a third-party smartphone app whose users could contact the Freedom loan officer for assistance via email marketing campaigns directed at the broker’s agents, in addition to the broker’s own agents. And, conduct direct mail marketing campaigns directed at the broker’s agents, in addition to the broker’s own agents. For example, certain agreements required the MSAs to require the real estate brokers to promote Freedom to the home buying public.

In return for the monthly payment, the agreements called for the real estate brokerages to perform marketing services for Freedom as well.
22. Many of the real estate agents who received free subscriptions and attended events that were hosted or subsidized by Freedom also worked at real estate brokerages that received monthly payments through an MSA.

23. Although Freedom did some joint marketing with real estate brokers, they actually performed Freedom's payments that it gave to the brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom gave the MSA payments to real estate brokers as part of a pattern, practice, or course of conduct to create, perform, or provide. Freedom's payments bore no reasonable relationship to the net market value of any marketing services the brokerages may have actually performed or provided. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed. Freedom's payments made to the real estate brokerages through MSAs were both structured and implemented to generate mortgage referrals, rather than compensate the brokerages for any marketing services they actually performed.
Findings and Conclusions as to Respondent's Violations of CFPA Section 1036

25. Respondent, as explained above in ¶¶ 10-24, gave numerous things of value to real estate brokers and agents—including monthly MSA payments, subscription services, meals, beverages, and entertainment—under an agreement or understanding to receive referrals of mortgage origination business for federally related mortgage loans, in violation of RESPA Section 8(a) and Regulation X, 12 C.F.R. § 1024.14(b), (c).


Prohibited Conduct

V.

CONDUCT PROVISIONS

Respondent violated Section 1036 of the CFPA, 12 U.S.C. § 5536(a)(14), Therefore, a violation of a Federal consumer financial law is a violation of Section 1036 of the CFPA, 12 U.S.C. § 5536(a).

Respondent, as explained above in ¶ 10-24, gave numerous things of value to real estate brokers and agents—including monthly MSA payments, meals, beverages, and entertainment—under an agreement or understanding to receive referrals of mortgage origination business for federally related mortgage loans, in violation of Section 8(a) and Regulation X, 12 C.F.R. § 1024.14(b), (c).

IT IS ORDERED,

27. Respondent and its officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who receive actual notice of this Consent Order, whether acting directly or indirectly, in connection with any Traditional Retail business, must not violate Section 8(a) or Regulation X, 12 C.F.R. § 1024.14(b), (c), or cause or consent to any such violations.

28. In addition, Respondent and its officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with them who receive actual notice of this Consent Order, whether acting directly or indirectly, in connection with any Traditional Retail business, must not violate Section 8(a) or Regulation X, 12 C.F.R. § 1024.14(b), (c), or cause or consent to any such violations.

29. IT IS ORDERED, under §§ 1053 and 1055 of the CFPA, that:

Findings and Conclusions as to Respondent’s Violations of CFPA Section 1036

25. Respondent, as explained above in ¶¶ 10-24, gave numerous things of value to real estate brokers and agents—including monthly MSA payments, subscription services, meals, beverages, and entertainment—under an agreement or understanding to receive referrals of mortgage origination business for federally related mortgage loans, in violation of RESPA Section 8(a) and Regulation X, 12 C.F.R. § 1024.14(b), (c).
Retail operations, Respondent must, at least 30 days before resuming

28. In the event Respondent intends to resume, create, or acquire Traditional

IT IS FURTHER ORDERED that:

Compliance Plan

VI.

federally related mortgage loan shall be referred to any person.

a. giving or accepting any fee, kickback, or thing of value pursuant to

b. giving or accepting any fee, kickback, or thing of value pursuant to

Respondent for real estate settlement services-related

facilities, or services actually provided under an MSA that involves

not bear a reasonable relationship to the market value of the goods,

acquiring, making, or agreeing to accept or make payments that do

Respondent for real estate settlement services-related

other thing of value, in exchange for referring any person to

providing or paying for, or agreeing to provide or pay for

12 C.F.R. § 1024.14, and are prohibited from:

12 U.S.C. § 2607, or its implementing regulation, Regulation X,
and any submissions to the Bureau. Prior to such submission, the Board must review all plans and reports required by this Consent Order. Respondent’s Board has the ultimate responsibility for ensuring that Respondent complies with this Consent Order.

II.

VII. The Board’s Role

It is further ordered that:

29. Respondent’s Board has the ultimate responsibility for ensuring that Respondent complies with this Consent Order.

30. The Board must review all plans and reports required by this Consent Order.

Compliance Plan must include, at a minimum:

a. detailed steps for addressing each action required by this Consent Order;

b. a mechanism to ensure that the Board is kept apprised of the status of the implementation of the steps:

c. specific timetables and deadlines for implementation of the steps of compliance actions;

and

Manual laws, and the terms of this Consent Order (Compliance Plan). The

applicable laws that the Bureau enforces, including Federal consumer

Respondent’s Traditional Retail policies and procedures comply with all

and non-obligation, a comprehensive compliance plan designed to ensure that

Traditional Retail operations, submitted to the Supervision Director, for review
One year after the Effective Date, Respondent must submit to the Supervision Director an accurate written compliance progress report (Compliance Report) that has been approved by the Board, the accuracy of which is sworn to under penalty of perjury by Respondent's Board and which, at a minimum:

32. Respondent's Board must:

a. Authorize whatever actions are necessary for Respondent to assess whether Respondent is complying with each applicable paragraph and subparagraph and

b. Describe in detail whether and how Respondent has complied with each applicable paragraph and subparagraph, if applicable, including the manner of verification of such compliance and any corrective actions taken to remedy potential non-compliance.

c. Attach a copy of each Order Acknowledgment obtained under Section X, unless previously submitted to the Bureau.

33. Respondent's Board must:

a. Authorize whatever actions are necessary for Respondent to assess whether Respondent is complying with each applicable paragraph and subparagraph and

b. Describe in detail whether and how Respondent has complied with each applicable paragraph and subparagraph, if applicable, including the manner of verification of such compliance and any corrective actions taken to remedy potential non-compliance.

c. Attach a copy of each Order Acknowledgment obtained under Section X, unless previously submitted to the Bureau.
must pay a civil money penalty of $1.75 million to the Bureau.

Violations of law described in Section IV of this Consent Order, Respondent

Under § 1055(c) of the CFPA, 12 U.S.C. § 5565(c), by reason of the

IT IS FURTHER ORDERED that:

Order to Pay Civil Money Penalty

VIII.

MONETARY PROVISIONS

material non-compliance with the directives related to this Section,

material non-compliance with the directives related to this Section,

require timely and appropriate corrective action to remedy any

require timely and appropriate corrective action to remedy any

require timely reporting by management to the Board on the status of

require timely reporting by management to the Board on the status of

paraphraph and subparagraph of the Order and the Compliance Plan, if

paraphraph and subparagraph of the Order and the Compliance Plan, if

necessary for Respondent to fully comply with each applicable

necessary for Respondent to fully comply with each applicable

authorize whatever actions, including corrective actions, are

authorize whatever actions, including corrective actions, are

subparagraph of the Consent Order and with the Compliance Plan, if

subparagraph of the Consent Order and with the Compliance Plan, if
Within 10 days of the Effective Date, Respondent must pay the civil money penalty by wire transfer to the Bureau or to the Bureau’s agent in compliance with the Bureau’s wiring instructions.

The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFPA, 12 U.S.C. § 5497(d).

Respondent, for all purposes, must treat the civil money penalty paid under this Consent Order as a penalty paid to the government. Regardless of how the Bureau ultimately uses those funds, Respondent may not:

a. Claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Consent Order;
b. Seek or accept, directly or indirectly, reimbursement of any civil money penalty paid under this Consent Order as a penalty paid under this Consent Order.

To preserve the deterrent effect of the civil money penalty in any Related Consumer Action, Respondent may not argue that Respondent is entitled to, nor may Respondent benefit by, any offset or reduction of any compensatory monetary remedies imposed in the Related Consumer Action because of the civil money penalty paid in this action or because of any payment that the Bureau’s agent in penalty by wire transfer to the Bureau or to the Bureau’s agent in compliance with the Bureau’s wiring instructions.

Within 10 days of the Effective Date, Respondent must pay the civil money penalty.

37. To preserve the deterrent effect of the civil money penalty paid under this Consent Order, made under any insurance policy, with regard to any civil money indemnification from any source, including but not limited to payment or reimbursement of: a. Claim, assert, or apply for a tax deduction, tax credit, or any other tax benefit for any civil money penalty paid under this Consent Order;
b. Seek or accept, directly or indirectly, reimbursement of any civil money penalty paid under this Consent Order as a penalty paid under this Consent Order.


The civil money penalty paid under this Consent Order will be deposited in the Civil Penalty Fund of the Bureau as required by § 1017(d) of the CFPA.

Compliance with the Bureau’s wiring instructions.

35. The civil money penalty paid under this Consent Order is subject to a penalty by wire transfer to the Bureau or to the Bureau’s agent in compliance with the Bureau’s wiring instructions.
Bureau makes from the Civil Penalty Fund. If the court in any Related Consumer Action offsets or otherwise reduces the amount of compensatory monetary remedies imposed against Respondent based on the civil money penalty paid in this action or based on any payment that the Bureau makes from the Civil Penalty Fund, Respondent must, within 30 days after entry of a final order granting such offset or reduction, notify the Bureau, and pay the amount of the offset or reduction to the U.S. Treasury. Such a payment will not be considered an additional civil money penalty and will not change the amount of the civil money penalty imposed in this action.

38. In the event of any default on Respondent’s obligations to make payment under this Consent Order, interest, computed under 28 U.S.C. § 1961, as amended, will accrue on any outstanding amounts not paid from the date of default. In the event of any default on Respondent’s obligations to make payment under this Consent Order, interest, computed under 28 U.S.C. § 1961, as amended, will accrue on any outstanding amounts not paid from the date of default.

39. Respondent must relinquish all dominion, control, and title to the funds paid to the Bureau to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

40. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

41. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

42. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

43. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

44. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

45. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

46. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

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59. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.

60. Under 31 U.S.C. § 7701, Respondent, unless it already has done so, must return to Respondent to the fullest extent permitted by law and no part of the funds may be returned to Respondent.
proceeding by or against Respondent; or a change in Respondent’s name or
subject to this Consent Order; the filing of any bankruptcy or insolvency
of a subsidiary, parent, or affiliate that engages in any acts or practices
result in the emergence of a successor company; the creation or dissolution
limited to a dissolution, assignment, sale, merger, or other action that would
compliance obligations arising under this Consent Order, including but not

42. IT IS FURTHER ORDERED that:

Reporting Requirements

IX.

COMPLIANCE PROVISIONS

Consumers to whom that redress has been or will be paid;
or is required to pay to consumers and describe the consumers or classes of
notification must indicate the amount of redress, if any, that Respondent paid
Director of the Final Judgment, consent order, or settlement in writing. That
in a Related Consumer Action, Respondent must notify the Regional

41. Within 30 days of the entry of a Final Judgment, consent order, or settlement
agreeing out of this Consent Order,

used for purposes of collecting and reporting on any delinquent amount
Order Distribution and Acknowledgment

X.

Respondent must provide this notice, if practicable, at least 30 days before the development, but in any case no later than 14 days after the development.

43. Within 7 days of the Effective Date, Respondent must:
   a. Designate at least one telephone number and postal number and email. and Internet addresses.
   b. Identify all businesses for which Respondent is the majority owner, or communicate with Respondent.
   c. Identify all businesses for which Respondent indirectly or indirectly controls, by all of their names,

44. Respondent must report any change in the information required to be submitted under Paragraph 43 at least 30 days before the change or as soon as practicable after learning about the change, whichever is sooner.

Order Distribution and Acknowledgment

2023-CFPB-0008     Document 1     Filed 08/17/2023     Page 18 of 27
IT IS FURTHER ORDERED that:

45. Within 7 days of the Effective Date, Respondent must submit to the Regional Director an acknowledgment of receipt of this Consent Order, sworn under penalty of perjury.

46. Within 30 days of the Effective Date, Respondent must deliver a copy of this Consent Order to each of its executive officers and each member of the Board, as well as to any vice presidents, managers, loan officers, employees, service providers, or other agents and representatives who will have responsibilities related to the subject matter of the Consent Order before they assume their responsibilities.

47. For 5 years from the Effective Date, Respondent must deliver a copy of this Consent Order to any business entity resulting from any change in structure referred to in Section IX, any future executive officers and members of the Board, as well as to any vice presidents, managers, loan officers, employees, service providers, or other agents and representatives who have responsibilities related to the subject matter of the Consent Order.

48. Respondent must secure a signed and dated statement acknowledging receipt of a copy of this Consent Order, ensuring that any electronic signatures comply with the requirements of the E-Sign Act, 15 U.S.C. § 7001 et seq.

49. Sworn under penalty of perjury, Regional Director an acknowledgment of receipt of this Consent Order.

50. Within 7 days of the Effective Date, Respondent must submit to the
within 30 days of delivery, from all persons receiving a copy of this Consent Order under this Section.

49. Ninety days from the Effective Date, Respondent must submit to the Bureau a list of all persons and their titles to whom this Consent Order has been delivered under the Section of this Order titled "Order Distribution and Acknowledgment" and a copy of all signed and dated statements acknowledging receipt of this Consent Order under Paragraph 48.

XI.

IT IS FURTHER ORDERED that:

50. Respondent must create and retain the following business records associated with Traditional Retail mortgage origination:

a. all documents and records necessary to demonstrate full compliance with each provision of this Consent Order and, if applicable, the Compliance Plan, including all submissions to the Bureau;

b. general ledger accounting records in the format used in the ordinary course of business, for expenses and revenues directly associated with Traditional Retail mortgage origination recorded in the format used in the ordinary course of business, for expenses and revenues directly associated with Traditional Retail mortgage origination;

c. all emails, instructions, and other documents related to any

Recordkeeping

XI.

Acknowledging receipt of this Consent Order under Paragraph 48, a list of all persons and their titles to whom this Consent Order has been delivered under the Section of this Order titled "Order Distribution and Acknowledgment" and delivered under the Section of this Order titled "Order Distribution and Acknowledgment" and Ninety days from the Effective Date, Respondent must submit to the Bureau within 30 days of delivery, from all persons receiving a copy of this Consent Order.
subscription service paid for or subsidized in whole or in part by Respondent and given to a real estate settlement service provider;

d. all emails, instructions, and other documents related to any event hosted or paid in part by Respondent and involving things responded to a real estate settlement service provider; and

e. all consumer complaints and refund requests associated with Traditional Retail (whether received directly or indirectly, such as through a third party), and any responses to those complaints or requests;

f. records showing, for each employee providing Traditional Retail mortgage origination services, that person’s name, telephone number, email, physical, and postal address, job title or position, dates of service, and, if applicable, the reason for termination; and

g. records showing, for each service provider providing Traditional Retail mortgage origination services (excluding independent mortgage brokers that partner with Respondent’s wholesale channel), the name of a point of contact as well as that person’s telephone number, email, physical, and postal address, job title or position, dates of service, and, if applicable, the reason for termination.
All documents and records must be maintained in their original electronic format. Data should be centralized, and maintained in such a way that access, retrieval, and production are not hindered.

Respondent must make the documents identified in Paragraph 50 available to the Bureau upon the Bureau’s request.

Notices

It is further ordered that:

Compliance Monitoring

XII.

Office of Supervision Policy
Consumer Financial Protection Bureau
ATTN: Supervision Director,

Follows:

the following email: Enforcement Compliance@cfpb.gov, addressed as Freedom Mortgage Corp., File No. 2023-CFPB-0008.

Unless otherwise directed in writing by the Bureau, Respondent must provide all submissions, requests, communications, or other documents relating to this Consent Order in writing, with the subject line, “In re Freedom Mortgage Corp., File No. 2023-CFPB-0008.” and send them to Enforcement Compliance@cfpb.gov, addressed as Freedom Mortgage Corp., File No. 2023-CFPB-0008.

It is further ordered that:

Compliance Monitoring

XII.

To the Bureau upon the Bureau’s request, Respondent must make the documents identified in Paragraph 50 available in a format, data, should be centralized, and maintained in such a way that access, retrieval, and production are not hindered.

All documents and records must be maintained in their original electronic format.
Within 14 days of receipt of a written request from the Bureau, Respondent must submit additional Compliance Reports or other requested information, which must be made under penalty of perjury; provide sworn testimony; or produce documents.

Respondent must permit Bureau representatives to interview any employee or other person affiliated with Respondent who has agreed to such an interview regarding: (a) this matter; (b) anything related to or associated with the conduct described in Section IV; or (c) compliance with the Consent Order. The person interviewed may have counsel present.

Nothing in this Consent Order will limit the Bureau’s lawful use of civil investigative demands under 12 C.F.R. § 1080.6 or other compulsory process.

XIV.

IT IS FURTHER ORDERED that:

Modifications to Non-Material Requirements

57. Respondent may seek a modification to non-material requirements of this Consent Order under 12 C.F.R. § 1080.6 or other compulsory process. Respondent may seek a modification to non-material requirements of this Consent Order by submitting a written request to the Supervision Director.

58. The Supervision Director may, in their discretion, modify any non-material requirements of this Consent Order (e.g., reasonable extensions of time and changes to reporting requirements).
changes to reporting requirements) if they determine good cause justifies the
modification. Any such modification by the Supervision Director must be in
writing.

ADMINISTRATIVE PROVISIONS

XV.

IT IS FURTHER ORDERED that:

59. The provisions of this Consent Order do not bar, estop, or otherwise prevent
other persons or governmental agencies from taking any action against
Respondent or its affiliates, including, without limitation, to establish a pattern or practice of
violations or the continuation of a pattern or practice of violations or
affiliates. The Bureau may use the practices described in
this Consent Order in future enforcement actions against Respondent and its
affiliates. The Bureau may use the practices described in Section 17 of this Consent Order to the extent such
practices occurred before the Effective Date and the Bureau knows about
them as of the Effective Date. The Bureau releases and discharges
Respondent from all potential liability for law violations that the Bureau has or might have asserted based on the
practices described in Section 17 of this Consent Order, to the extent such
practices occurred before the Effective Date and the Bureau knows about
them as of the Effective Date.

60. The Bureau releases and discharges Respondent from all potential liability for law violations that the Bureau has or might have asserted based on the
practices described in Section 17 of this Consent Order, to the extent such
practices occurred before the Effective Date and the Bureau knows about
them as of the Effective Date. The Bureau may use the practices described in
this Consent Order in future enforcement actions against Respondent and its
affiliates, including, without limitation, to establish a pattern or practice of
violations or the continuation of a pattern or practice of
violations or the
affiliates. Including, without limitation, to establish a pattern or practice of
violations or the continuation of a pattern or practice of
violations or
on calendar days, unless otherwise noted.

63. Calculation of time limitations will run from the Effective Date and be based

61. This Consent Order is intended to be, and will be construed as, a final

62. This Consent Order will terminate on the later of 5 years from the Effective

60. This Consent Order is intended to be, and will be construed as, a Final

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2. This Consent Order is intended to be, and will be construed as, a Final

1. This Consent Order is intended to be, and will be construed as, a Final
employees to violate any law, rule, or regulation.

continued as allowing Respondent, its Board, executives, officers, or
Nothing in this Consent Order or the accompanying Stipulation may be

communications, discussions, or understandings.

accompanied by the Bureau, the Bureau may serve
U.S.C. § 556(c), in connection with any attempt by the Bureau to enforce
amount of civil money penalties allowed under §1055(c) of the CFPA, 12
any violation of this Consent Order, the Bureau may impose the maximum

The provisions of this Consent Order will be enforceable by the Bureau. For
applicable provisions of this Consent Order.

obtain the written agreement of the transferee or assignee to comply with all
are subject to this Consent Order, Respondent must, as a condition of sale,
Should Respondent seek to transfer or assign all or part of its operations that

64.
65.
66.
67.
IT IS SO ORDERED, this 17th day of August, 2023.

____________________________
Rohit Chopra
Director
Consumer Financial Protection Bureau