



COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY CASE NO. 2025-AH-0091

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

v.

ENCORE MORTGAGE, LLC

RESPONDENT

AGREED ORDER

STATEMENT OF FACTS

1. The Department of Financial Institutions ("DFI") is responsible for regulating and licensing entities and certain individuals engaged in the business of mortgage brokering, origination, and processing in accordance with the provisions set forth in Kentucky Revised Statutes (KRS) Chapter 286.8.

2. Encore Mortgage, LLC ("Respondent") is a mortgage loan company whose principal office is located at 108 Daventry Ln., Ste.103, Louisville, KY 40223, with License Number MB711146.

3. Respondent was initially licensed as a mortgage loan company by DFI on January 4, 2022.

4. Respondent is a mortgage loan company that employs or utilizes the direct services of a mortgage loan originator subject to the registration and regulatory requirements of KRS 286.8-255.

5. Respondent failed to timely file the 2025 Quarter One Mortgage Call Report by the due date of May 15, 2025, in violation of state and federal law.

STATUTORY AUTHORITY

6. KRS 286.8-020 (14) states, “Notwithstanding any provisions to the contrary set forth in this subtitle, every mortgage loan company and mortgage loan broker that employs or utilizes the direct services of a mortgage loan originator subject to the registration and regulatory requirements of KRS 286.8-255 shall complete and timely submit to the Nationwide Mortgage Licensing System and Registry an annual report of condition, which shall be in such form and contain such information as the Nationwide Mortgage Licensing System and Registry may require, along with any other information which may be required by the commissioner.”

7. KRS 286.8-220 (2) states, in part, “It shall be unlawful for any person, in connection with a transaction involving the mortgage lending process, or in connection with the operation of a mortgage loan business or the management or servicing of mortgage loans, directly or indirectly: ... (h) Fail to make disclosures as required by this subtitle or any other applicable state or federal law, including regulations thereunder; or (i) Fail to comply with state or federal laws, including the rules and regulations thereunder, that are applicable to transacting business in Kentucky.”

8. The S.A.F.E. Mortgage Licensing Act, as implemented in part by 12 USC §1008.111(f), states, “The supervisory authority must require a loan originator to ensure that all residential mortgage loans that close as a result of the loan originator engaging in activities described in §1008.103(b)(1) are included in reports

of condition submitted to the NMLSR. Such reports of condition shall be in such form, shall contain such information, and shall be submitted with such frequency and by such dates as the NMLSR may reasonably require.”

9. KRS 286.8-255(1)(a) states, “No natural person shall transact business in Kentucky, either directly or indirectly, as a mortgage loan originator unless such mortgage loan originator: 1. Is registered with the department; 2. Complies with all applicable requirements of this subtitle; and 3. Maintains a valid unique identifier issued by the Nationwide Multistate Licensing System and Registry.”

VIOLATION

10. Respondent violated KRS 286.8-020 (14), KRS 286.8-220 (2), and 12 USC §1008.111(f) by failing to timely file the 2025 Quarter One Mortgage Call Report by the due date of May 15, 2025.

AGREEMENT AND ORDER

11. Respondent neither admits nor denies violating any provision of KRS 286.8 or any regulations promulgated thereunder.

12. To resolve this matter without litigation or other adversarial proceedings, DFI and Respondent agree to compromise and settle all claims arising from the above-referenced factual background in accordance with the terms set forth herein.

13. In the interest of economically and efficiently resolving the violations described herein, DFI and Respondent agree as follows:

a. Respondent agrees to pay a civil penalty assessment in the amount of One Thousand Dollars (\$1,000) for the violation described herein, which shall be payable upon entry of this order;

b. All payments shall be made electronically through the NMLS system;

c. Respondent shall complete the filing of any and all outstanding and/or delinquent Mortgage Call Reports;

d. Respondent shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in KRS Chapter 286.8 and related regulations;

e. Respondent shall cease and desist from any future violations of the Kentucky Financial Services Code;

f. Respondent waives their right to demand a hearing at which they would be entitled to legal representation, to confront and cross-examine witnesses, and to present evidence on their own behalf, or to otherwise appeal or set aside this Order;

g. Respondent consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such;

h. In consideration of execution of this Agreed Order, Respondent hereby releases and forever discharges the Commonwealth of Kentucky, The Department of Financial Institutions, Office of Legal Services, and each of

their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Respondent ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration;

i. By signing below, Respondent acknowledges they have read the foregoing Agreed Order and is aware of and fully understands all contents of this Order; and

j. This Agreed Order shall constitute the Final Order in this matter.

SO ORDERED on this, the 31st day of July, 2025.


MARNI ROCK GIBSON
COMMISSIONER

Consented to:

This 17 day of JULY, 2025.

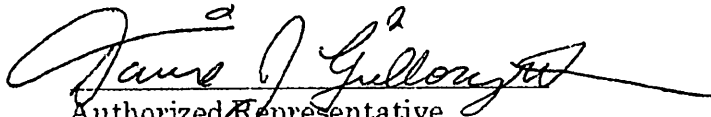


Hannah Carlin, Director
Division of Non-Depository Institutions
Department of Financial Institutions

AND

On behalf of *Encore Mortgage, Inc.*

This 25th day of JUNE, 2025.



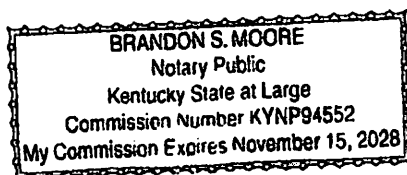
Authorized Representative
Encore Mortgage .Inc.

ACKNOWLEDGEMENT

STATE OF Kentucky)
)
COUNTY OF Jefferson)

On this, the 25 day of June, 2025, the undersigned did personally appear before me and acknowledged in my presence that, being authorized to do so, they did enter into and execute the foregoing instrument on behalf of Encore Mortgage, Inc. for the purposes therein contained.

My Commission Expires: 11/15/2028




Notary Public

KYNP94552

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 4 day of August, 2025, by certified mail, return receipt requested, to:

Encore Mortgage, Inc.
108 Daventry Ln., Ste. 103
Louisville, KY 40223

Via hand-delivery to:

Elizabeth Borders
Staff Attorney
Department of Financial Institutions
500 Mero Street 2SW19
Frankfort, Kentucky 40601

Kentucky Department of Financial Institutions

Name: Allison Reed by Victoria Ward-Bishop

Title: Executive Staff Advisor