



Illinois Department of Financial and  
Professional Regulation  
Bryan A. Schneider, Secretary

# NEWS

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**For Immediate Release**  
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Contact: Terry Horstman  
Phone: 217-558-2953  
E-mail: [Terry.Horstman@Illinois.gov](mailto:Terry.Horstman@Illinois.gov)

## **Illinois Enters into Consent Agreement with Ocwen Loan Servicing, LLC.**

CHICAGO – The Illinois Department of Financial and Professional Regulation, Division of Banking (“IDFPR”), filed a Cease and Desist Order (“Order”) against Ocwen Loan Servicing, LLC and two other Ocwen-owned licensees in April 2017 alleging unsafe, unsound, and unlawful conduct related to residential mortgage loan servicing activities with Illinois consumers. Specifically, the Order identified a common connecting theme tied to errors in Ocwen’s servicing records maintained on its REALServicing platform, resulting in negative impacts, such as: incorrect or delayed updating of servicing information and payments by consumers; late payment or forced-placement of consumer’s property hazard insurance from escrow accounts; and improper handling of loan transfers in and out of REALServicing.

The IDFPR Order was issued in conjunction with the IDFPR’s extensive participation with other multi-state residential mortgage regulators in examining Ocwen and applying licensing standards, as well as a review of complaints filed by Illinois consumers with the State of Illinois. IDFPR and Ocwen (along with some other state regulators) subsequently entered into a Consent Agreement establishing a framework for Ocwen to ensure improved levels of service to Illinois consumers. The key requirements of the agreement (officially the “Consent Order”) are as follows:

- Restricts Ocwen from acquiring any Illinois residential mortgage servicing rights (MSRs) until April 30, 2018;
- Restricts Ocwen from boarding any new Illinois residential mortgage loans onto the REALServicing platform at any time (loans existing on the platform may only be modified and/or refinanced);
- Permits Ocwen to originate new Illinois residential mortgage loans if boarded to servicing platforms other than REALServicing;
- Commits Ocwen to developing a detailed Plan of Action and Milestones (POAM) for the transfer of all Illinois residential mortgage loans currently on REALServicing to other servicing platform(s) to enable Ocwen to comply with applicable mortgage servicing standards;
- Commits Ocwen to employing an independent third-party auditor to review a representative sample of escrowed loans on REALServicing serviced by Ocwen between January 1, 2013, and June 30, 2017.
- Commits Ocwen to providing IDFPR a quarterly report through third-quarter 2019 identifying all Illinois consumer complaints made to Ocwen and the resolutions thereof.

More information regarding the Cease and Desist Order may be found at IDFPR’s website: <http://idfpr.com/Banks/RESFIN/Discipline/2017/2017-MBR-CD-01.pdf>. A copy of the Consent Order may be found at: <http://idfpr.com/Banks/RESFIN/Discipline/2017/2017-MBR-CD-01-b.pdf>.