

IN THE MATTER OF:

|                                              |   |               |
|----------------------------------------------|---|---------------|
| _____                                        | ) |               |
| Proceedings by the Commissioner of Banking   | ) |               |
| and Insurance, State of New Jersey, to fine, | ) |               |
| suspend and/or revoke the mortgage loan      | ) | CONSENT ORDER |
| origination license of John Palladino,       | ) |               |
| NMLS ID: 359934.                             | ) |               |
| _____                                        | ) |               |

TO: John Palladino  
1001 Whispering Way, Unit 164  
Aberdeen, New Jersey 07747

THIS MATTER having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“Commissioner”), upon information that John Palladino (“Respondent”), may have violated various provisions of the Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 to -89 (“Act”); and

WHEREAS, Respondent was licensed as a mortgage loan originator (“MLO”) in New Jersey, under NMLS ID: 359934, from May 2011 and until December 31, 2025, when his license expired; and

WHEREAS, Respondent is subject to the provisions of the Act; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(a), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee has violated any of the provisions of the Act or any regulations made pursuant to the Act; and

WHEREAS, N.J.S.A. 17:11C-70(a)(3)(f), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee has shown itself untrustworthy or incompetent to act as a mortgage loan originator; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(a)(3)(g), the Commissioner may revoke or suspend the license of any mortgage loan originator when the Commissioner finds that the licensee

has engaged in any other conduct which would be deemed by the Commissioner to be the cause for denial, revocation, suspension, or refusal of the license or license renewal; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(4), the Commissioner may impose a civil penalty not exceeding \$25,000.00 on any person for a violation of this Act, and each violation of this Act shall constitute a separate offense; and

WHEREAS, pursuant to N.J.S.A. 17:11C-70(b)(5), the Commissioner may order that any person who has been found to have knowingly violated any provision of the Act, or of the rules and regulations issued pursuant hereto, and has thereby caused financial harm to consumers, be barred from acting as a residential mortgage lender, residential mortgage broker, or mortgage loan originator, or a stockholder, an officer, director, partner or other owner, or any employee of a licensee, or acting in any other capacity pursuant to the Act; and

WHEREAS, on February 17, 2026, the Commissioner issued Order to Show Cause OCF26-06, alleging the following:

IT APPEARING that Respondent was first licensed as an MLO on May 19, 2011; and

IT FURTHER APPEARING that, on May 30, 2024, Respondent was indicted in Richmond County, New York for: (1) Conspiracy in the fourth degree, in violation of N.Y. Penal Law §105.10(1); (2) Residential Mortgage Fraud in the second degree, in violation of N.Y. Penal Law §187.20; (3) Residential Mortgage Fraud in the third degree, in violation of N.Y. Penal Law §187.15; and (4) Falsifying Business Records in the first degree, in violation of N.Y. Penal Law §175.10(1); and

IT FURTHER APPEARING that, according to the indictment, Respondent provided insight, guidance, and financial assistance to three other individuals and facilitated the fraudulent mortgage application of one of the individuals for the purchase of a home in Union Beach, New Jersey; and

IT FURTHER APPEARING that Respondent failed to notify the Department of the indictment; and

IT FURTHER APPEARING that, on January 29, 2026, Respondent pled guilty to Residential Mortgage Fraud in the Fifth Degree, pursuant to N.Y. Penal Law § 187.05; and

IT FURTHER APPEARING that the Criminal Term of the Richmond County Supreme Court of the State of New York sentenced Respondent to a one-year conditional discharge, one hundred hours of community service, permanent revocation of Respondent's MLO license in New Jersey, and a permanent bar from acting as a residential mortgage lender, residential mortgage broker, mortgage loan originator and as an independent loan processor or underwriter; and

### **COUNT 1**

IT FURTHER APPEARING that by engaging in residential mortgage fraud, Respondent violated N.J.S.A. 17:11C-70(a)(3)(a), (a)(3)(f), and (a)(3)(g); and

### **COUNT 2**

IT FURTHER APPEARING that by failing to notify the Department of his indictment as required pursuant to N.J.A.C. 3:15-2.18(a)(1), Respondent violated N.J.S.A. 17:11C-70(a)(3)(a); and

WHEREAS, Respondent was given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS Respondent admits and agrees to take responsibility for the aforementioned violations of the Act; and

WHEREAS Respondent has waived his right to a hearing on this matter and consents to payment of a penalty in the amount of \$10,000.00; and

WHEREAS this matter should be resolved upon the consent of all parties without resort to a formal hearing; and

WHEREAS good cause exists to impose a civil penalty in this matter; and

NOW, THEREFORE, IT IS on this 22nd day of May 2026,

IT IS ORDERED that, pursuant to N.J.S.A. 17:11C-70(a)(3), Respondent's expired New

Jersey mortgage loan originator license, under NMLS ID: 359934, is hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:11C-70(b)(5), Respondent is hereby permanently barred from acting as a residential mortgage lender, residential mortgage broker, or mortgage loan originator, or a stockholder, an officer, director, partner or other owner, or any employee of a licensee, or acting in any other capacity pursuant to the Act; and

IT IS FURTHER ORDERED AND AGREED that Respondent shall pay a civil penalty in the amount of \$10,000.00 for the violations admitted to herein upon the following terms and conditions:

a. Immediately upon execution of this Consent Order by Respondent, Respondent shall remit to the attorney for the Commissioner payment in the amount of \$5,000.00 by certified check, official bank check, or money order made payable to the “Commissioner, New Jersey Department of Banking and Insurance” and sent to:

Reciton Pahumi, Deputy Attorney General  
Banking and Insurance Section  
R.J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625

b. Defendant shall remit the remaining balance of \$5,000.00 in five (5) monthly installment payments of \$1,000.00 each, to be paid on or by the first day of each month, beginning July 1, 2024, until the full penalty amount has been paid, by certified check, official bank check, or money order made payable to the “Commissioner, New Jersey Department of Banking and Insurance” and sent to:

New Jersey Department of Banking and Insurance  
Collections Department  
20 West State Street, 10th Floor  
P.O. Box 325  
Trenton, New Jersey 08625

IT IS FURTHER ORDERED, that in the event payment of the penalty is not made in accordance with the schedule above, the entire balance shall be immediately due and payable upon written notice by the Commissioner. Such notice shall be given by: (a) in-person delivery; (b) next-day courier service; or (c) first class regular or certified mail. Notice so given shall be effective upon: (a) receipt; or (b) on the fifth (5th) day following mailing, whichever occurs first. Respondent shall have an opportunity to pay the unpaid balance within ten (10) calendar days from the date of notice. If Respondent fails to pay the overdue unpaid balance within ten (10) calendar days from the date of notice, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the civil penalty in this Final Order is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, shall be docketed as a statewide lien until paid in full, and is not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED AND AGREED that Respondent shall cease and desist from engaging in the conduct that gave rise to this Consent Order, and from any other violations of the Act; and

IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the violations contained herein.

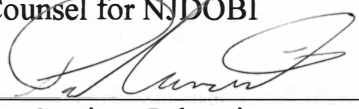
  
\_\_\_\_\_  
Susan Ochs  
Acting Commissioner

CONSENTED TO AS TO FORM, CONTENT AND ENTRY:

  
\_\_\_\_\_  
John Palladino  
(Respondent)

Date: 5/8/26

JENNIFER DAVENPORT  
ATTORNEY GENERAL OF NEW JERSEY  
Counsel for NJDOBI

  
\_\_\_\_\_  
By: Reciton Pahumi  
Deputy Attorney General

Date: 05/14/2026