

STATE OF ILLINOIS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

DIVISION OF BANKING

IN THE MATTER OF:)
)
) No. 2008-MBR-01
ALBION FINANCIAL, INC.)
License No. MB.6759048)
Attention: Houston Peterson)
440 W. Centre Avenue, Suite 1)
Portage, MI 49024)

ORDER ASSESSING FINE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking, (the “Department”), having conducted an investigation related to the activities of Albion Financial, Inc. (the “Licensee”), and having found that the Licensee committed violations of the Residential Mortgage License Act of 1987 (the “Act”) [205 ILCS 635] and the rules promulgated thereunder (the “Rules”) [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5(h) (5) of the Act. The Department makes the following:

FINDINGS

1. That Albion Financial, Inc. is an Illinois residential mortgage licensee holding license No. MB.6759048 (the “License”) and located at 440 W. Centre Avenue, Portage, Michigan 49024, and without any licensed additional full service offices in Illinois;
2. That on September 27, 2007 Department investigators commenced an investigation of a complaint against Licensee for failure to maintain loan files at an office located at 1771 Diehl Road, Suite 190, Naperville, Illinois (the “Office”);
3. That on October 2, 2007 Department investigators conducted an on-site visit to the Office and observed the space to be vacated and an interview on that day of the regional property manager for the building confirmed that the occupants, operating under various company names, vacated the premises sometime in April 2007;
4. That Department investigators, nevertheless, were able during said on-site visit to retrieve sufficient documentation to corroborate that Licensee had operated the Office at one time as an unlicensed additional full service office, including collecting compact disks and advertisements listing Licensee and some referencing Mark Barone (“Barone”) as Licensee’s branch manager for the Office;

5. That Department investigators then conducted a phone interview on October 2, 2007 with Barone who admitted in the interview that Licensee had operated out of the Office until around July 2006 without the Office being licensed, and that Barone had transferred to another Illinois residential mortgage licensee who did obtain an additional full service office license for that location (License No. 6759829-005, closed June 11, 2007); and
6. That on October 12, 2007 Department investigators interviewed Houston Peterson (“Peterson”), contact person for Licensee and one of its owners, and received information from Peterson that Licensee had had a business relationship with an unlicensed marketing company operating at the Office called Tesera; further that Tesera had generated leads for Licensee’s loan originators to follow up on at its corporate office; however, Peterson admitted during the interview that Licensee’s loan originators Ronald Thomas, Sean Warner, and Barone had office space at the Office.

CONCLUSIONS

BASED UPON THE ABOVE FINDINGS, THE DEPARTMENT IS OF THE OPINION AND CONCLUDES:

The Department has sufficient documentation that Licensee operated an unlicensed additional full service office as cited herein without obtaining a license in violation of Section 2-8 of the Act and Section 1050.350 of the Rules, and in further violation of Section 4-5(i) (11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED:

1. That Albion Financial, Inc., License No. MB. 6759048, shall be and hereby is assessed a fine of \$10,000 for the enumerated violations herein;
2. The total fine in the amount of \$10,000 shall be due thirty (30) days after the effective date of this Order upon Albion Financial, Inc.; and
3. The fee in the amount of \$10,000 shall be paid by means of a certified check or money order made payable to the:

**Department of Financial and Professional Regulation
Division of Banking
ATTN: FISCAL DIVISION, 2ND FLOOR
320 W. Washington Street
Springfield, IL 62786**

ORDERED THIS 3rd DAY OF JANUARY, 2008

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DEAN MARTINEZ, SECRETARY

DIVISION OF BANKING
JORGE A. SOLIS, DIRECTOR

REYNOLD M. BENJAMIN
Assistant Director, Bureau of Residential Finance

You are hereby notified that this Order is an administrative decision. Pursuant to 205 ILCS 635/4-12 and 38 Ill. Adm. Code, 1050.1510 *et seq.* any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision and if, so requested, a hearing shall be held the Department of Financial and Professional Regulation, Division of Banking on the administrative decision. Absent a request for a hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*].