

STATE OF ILLINOIS
DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF BANKING

IN THE MATTER OF:)	
)	No. 2008-MBR-87-b
HARBOR LIGHT FINANCIAL, INC.)	
License No. MB.0006090)	
101 W. Grand Ave., Ste. 200)	
Chicago, IL 60610)	

CONSENT ORDER

The Department of Financial and Professional Regulation, Division of Banking, of the State of Illinois (the “Department”) and Harbor Light Financial, Inc. (“Harbor Light”) hereby enter into this Consent Order (the “Consent Order”) and stipulate, admit and agree to the following:

STIPULATIONS AND ADMISSIONS

On August 19, 2008, the Department attempted a special examination of Harbor Light at 101 W. Grand Avenue, Suite 200, Chicago, Illinois 60610 (the “Office”) resulting in the Department issuing Order No. 2008-MBR-87 against Harbor Light’s Illinois residential mortgage license number MB.0006090 (the “License”). The Department and Harbor Light stipulate that the denial of access to books and records at the Office on August 19, 2008 was not intended, but rather arose in connection with Harbor Light’s structuring of its office arrangement. The Department and Harbor Light further stipulate that Harbor Light did thereafter open its books and records to the Department for the special examination, and that the Department did not find any violations of the SB 1167 amendments to the Residential Mortgage License Act of 1987 (the “Act”) [205 ILCS 635] for those loan files reviewed.

TERMS AND CONDITIONS

WHEREFORE, the Department and Harbor Light agree as follows:

- I. Harbor Light will come into compliance with the full service office requirements of the Act and the rules promulgated under the Act (the “Rules”) [38 Ill. Adm. Code 1050] no later than January 1, 2009 as follows:
 - A. Harbor Light will lease a specific office (hereinafter the “Approved Office”) in a suite of offices with a receptionist available to direct consumers if they come to the Approved Office during normal business hours (e.g., 9 a.m. – 5 p.m. Monday through Friday); the name Harbor Light will appear on the door and on external signage for the building or on the directory for building occupants; the License of Harbor Light issued by the Department will be displayed in the Approved Office; this may be an office different from the present License location and a change of address form would then be filed with the Department per Department procedure;
 - B. Barbara Barnhouse, the principal and sole employee, of Harbor Light (“Ms. Barnhouse”) will give to the Approved Office receptionist a schedule of the times each work week when Ms. Barnhouse will be at the Approved Office and a cellular or other telephone number where she can be reached when not at the Approved Office; Ms. Barnhouse, or the receptionist as so directed by Ms. Barnhouse, will provide a person identifying himself or herself as a Department examiner or investigator, upon request, with a copy of Harbor Light’s loan log as well as access to the Harbor Light’s office space and all loan files or other books and records subject to the Act during normal business hours; and
 - C. Loan files (open and closed) will be located at the Approved Office; however, Ms. Barnhouse may take copies of open files from the Approved Office for processing purposes. Ms. Barnhouse will not take loan applications from consumers at her residence. All files at the Approved Office will be secured in locked office or other secure arrangement.
- II. The Department hereby reduces the fine assessed by Order No. 2008-MBR-87 to \$500 based upon Financial Light’s corrective actions taken and per the Stipulations and Admissions above, and the Department will retain the \$500 hearing fee submitted by Harbor Financial for costs associated with this Consent Order.
- III. Harbor Light agrees to dismiss its petition for hearing and administrative review of Order No. 2008-MBR-87 and waives any right to re-file its petition, or file any petition or other appeal of said orders or of this Consent Order. Harbor Light acknowledges that it has been represented by legal counsel, and willingly enters into this Consent Order after full

review, evaluation, and consideration and with full knowledge of its rights under the Act and Rules and Illinois Administrative Procedure Act.

- IV. The Department enters into the Consent Order for the purpose of imposing measures that are fair and equitable in the circumstances and that are consistent with the best interests of the people of the State of Illinois.
- V. The Consent Order shall become effective upon all the parties hereinafter designated signing and dating the Consent Order and on the date that the Department as the last of those designated signs and dates the Consent Order.

The foregoing Consent Order is approved in full.

_____ date: _____
Barbara Barnhouse, Owner
Harbor Light Financial, Inc.

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
MICHAEL T. MCRAITH, ACTING SECRETARY

DIVISION OF BANKING

_____ date: December 22, 2008
JORGE A. SOLIS, DIRECTOR