

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

IN THE MATTER OF:)
)
) No. 2009-MBR-26
CAPITAL BANC MORTGAGE, INC.)
License No. MB.0006932)
Attention: Alexander Ludena)
1100 Jorie Blvd, Suite 115-117)
Oak Brook, IL 60523)

ORDER REVOKING LICENSE

The DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION, Division of Banking (the "Department"), having examined Capital Banc Mortgage, Inc., (the "Licensee") and documented violations of the Residential Mortgage License Act of 1987 (the "Act") [205 ILCS 635] and the rules promulgated under the Act (the "Rules") [38 Ill. Adm. Code 1050], hereby issues this ORDER pursuant to the authority provided under Section 4-5(h) (1) of the Act. The Department makes the following:

FINDINGS

1. That Capital Banc Mortgage, Inc. is an Illinois residential mortgage licensee holding license number MB.0006932 (the "License") and located at 1100 Jorie Blvd, Suite 115-117, Oak Brook, IL, 60523;
2. On or around November 5, 2008, the Department received a complaint that Licensee was no longer operating its business from the Oak Brook office location;
3. That the Department investigated the complaint and filed a Report of Investigation (the "ROI") containing the following:
 - a. That on November 10, 2008 the Department investigators went to Licensee's corporate office at 1100 Jorie Blvd., Suite 115-117, Oak Brook, IL 60523 (the "Corporate Office") to ascertain if Licensee was still conducting mortgage brokering activities. Investigator observed painters in suite 115, and the painters informed the investigators that the office was unoccupied;
 - b. That on November 12, 2008, the Department investigators contacted the building manager in regards to the Licensee's occupancy of the Corporate Office, and the building manager stated that Licensee moved out on July 11, 2008 owing the building management company 2 ½ months back rent;

- c. That the Department investigator attempted to contact Alexander Ludena (“Ludena”), owner of Licensee, at the Corporate Office, but the number was no longer in service. The investigator tried to contact the active branch offices, but those numbers were also not in service. The investigator left a message on Ludena’s cell phone;
 - d. That a short time later, Ludena contacted the investigator and informed the investigator that he was currently looking into surrendering his license. Ludena also stated that he closed his corporate office four months ago and placed seven years worth of loan files in a storage facility;
 - e. That the Department investigator informed Ludena that the Department showed that Licensee had two active branch licenses, one in Elgin, Illinois and the other at the Corporate Office building. Ludena stated that he had closed the Elgin branch approximately eight months ago and closed the other branch office a year prior to that. Ludena stated that he notified the Department of these branch office closings;
 - f. That Ludena stated that he hadn’t closed a loan in seven months and was awaiting instructions from his attorney in regards to surrendering his license. The Department investigator asked if Ludena if he was aware of the Department’s requirement for notification of the closing of offices. Ludena stated that he was unaware of the notification requirement;
4. That the Investigator referred the ROI to the Legal Section for recommended enforcement for Licensee’s failure to comply with proper license renewal or surrender, averments and change in business activities.
 5. That on December 31, 2008, the Legal Section mailed a Potential Discipline Letter (the “PDL”) to Licensee by U.S. certified and first-class mail and never received a response to the PDL.

CONCLUSIONS

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

That notwithstanding notices and other efforts by the Department, Licensee is in violation of Sections 2-4(a), (d), (s), & (t) and 2-6 the Act and Section 1050.475 of the Rules; and is in further violation of Sections 4-5(i) (11) and (17) of the Act.

ORDER

NOW THEREFORE IT IS HEREBY ORDERED that the license of CAPITAL BANC MORTGAGE, INC., License No. MB.0006932 is revoked by Order of the Department pursuant to Section 4-5(h) (1) of the Act for failure to comply with the provisions cited herein of the Act and Rules, effective ten days after receipt of this Order, unless you request a hearing pursuant to the Act and Subpart N of the Rules, including remitting the hearing fee required by Section 1050.210 of the Rules.

ORDERED THIS 18TH DAY OF FEBRUARY, 2009

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

DIVISION OF BANKING

JORGE A. SOLIS, DIRECTOR

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 on the administrative decision, by the Department of Financial and Professional Regulation, Division of Banking. 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.*].