

**STATE OF ALABAMA
STATE BANKING DEPARTMENT**

IN THE MATTER OF:

**MIDTOWN MORTGAGE, INC.
4366 MIDMOST DRIVE, SUITE D
MOBILE, ALABAMA 36609**

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Case No. MB-2012-01

CONSENT ORDER

On February 10, 2012, the State Banking Department ("Department") requested forty-five (45) loan files from Midtown Mortgage, Inc. located at 4366 Midmost Drive, Suite D, Mobile, Alabama 36609. The Department sought these records pursuant to its authority under the Alabama Mortgage Brokers Licensing Act ("Act"). The Department received the requested loan files from the licensee, Midtown Mortgage, Inc. in a timely manner.

The Department conducted an on-site examination of the records of the licensee at the office of Midtown Mortgage, Inc. on June 5, 2012.

The Department initially conducted this review based upon information received from the United States Department of Housing and Urban Development ("HUD"). The information indicated that HUD had paid claims on residential mortgage loans that were seriously delinquent, early payment defaults, or foreclosed and that the loans, insured by the Federal Housing Administration ("FHA") were originated at Midtown Mortgage, Inc.

After a review of the records provided by Midtown Mortgage, Inc., and those obtained during the on-site examination, the Department issued a Notice of Intent to Revoke to Midtown Mortgage, Inc. on August 7, 2012.

After reviewing the records, and subsequent meetings with counsel for Midtown Mortgage, Inc., the Department determined to resolve and settle the issues concerning the loan files in question. Therefore, the Department and Midtown Mortgage, Inc. have mutually agreed to withdraw the Notice of Intent to Revoke under the following conditions:

- Midtown Mortgage, Inc. shall provide the Department a copy of the quality control procedures regarding loans that are in the origination process and after the loan closes.
- Midtown Mortgage, Inc. shall provide the Department a copy of the procedures that are in place for compliance with all applicable federal and state laws and regulations.
- Midtown Mortgage, Inc. shall provide the Department a copy of the procedures in place for hiring mortgage loan originators and mortgage loan processors.
- Midtown Mortgage, Inc. shall inform the Department of any future terminations of employees for cause within 10 days of the termination.

- Midtown Mortgage, Inc. shall pay to the Department an administrative fine of \$10,000.00. The administrative fine shall be paid as follows:

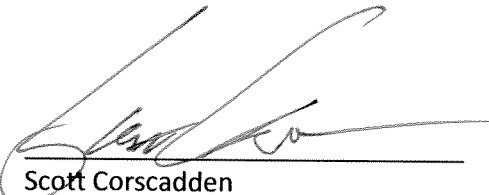
\$1,000.00 upon agreeing and submission of executed copy of this Consent Order

\$4,000.00 on or before January 31, 2013

\$5,000.00 on or before January 1, 2014

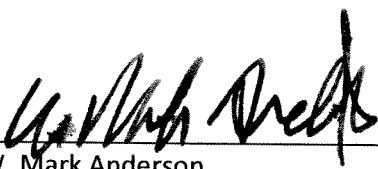
This Consent Order is not and should not be construed as an admission of violations on the part of Midtown Mortgage, Inc. or a finding of violations by the Department. It shall operate as a full and final resolution of all issues related to the files in question, provided that all assertions made to the Department are accurate and complete and further that Midtown Mortgage, Inc. complies with the above requirements. The Department shall withdraw the previously issued Notice of Intent to Revoke after this Consent Order is signed by the Department.

Issued at Montgomery, Alabama, this 5th day of December, 2012.



Scott Corcadden
Supervisor, Bureau of Loans

This ORDER contains the Agreement of the parties.



W. Mark Anderson
Assistant Attorney General
Attorney for Bureau of Loans



Sidney Leon Olander
Owner
Midtown Mortgage, Inc.