

STATE OF OHIO
DEPARTMENT OF COMMERCE
Division of Financial Institutions
Consumer Finance

In the matter of:)	Case No. 04-0420-LOD
)	
MICHAEL J. WOODIN)	<u>DIVISION ORDER</u>
3875 Lakeshore Boulevard, Apt. 101)	Denial of Loan Officer License Application
Willoughby, Ohio 44094)	&
)	Notice of Appellate Rights

DIVISION ORDER

On November 1, 2002, Michael J. Woodin ("Respondent") submitted a loan officer license application ("Application") to the Division of Financial Institutions ("Division"). On June 16, 2004, the Division issued Woodin notice of the Division's intent to deny his application because: (1) He had been convicted of two counts of aggravated robbery, one count of robbery, one count forgery, and he had not proven that he is honest, truthful, and of good reputation and that there is no basis for believing that he will not commit another offense involving theft or money; and (2) Because his character and general fitness did not command the confidence of the public and warrant the belief that his business will be operated honestly and fairly in compliance with the Ohio Mortgage Broker Act.

Woodin requested a hearing, and pursuant thereto, an administrative hearing was held in accordance with Ohio Revised Code Chapter 119 on July 26, 2004.

The hearing officer filed his written Report and Recommendation with the Division on September 17, 2004, recommending that the Division grant Woodin's application. Woodin was served with a copy of the Report and Recommendation and a letter explaining his right to submit written objections. No objections were filed.

In accordance with R.C. 119.09, the Division has considered the September 17, 2004 Report and Recommendation, all applicable laws, the transcript of testimony and the exhibits.

As a result, the Division modifies and/or disapproves the findings and/or conclusions listed below. Any finding and/or conclusion not specifically addressed below is approved, adopted, and incorporated herein. (The Hearing Examiner's Report and Recommendation is attached hereto.)

The Division disapproves paragraph 3 on pages 6 and 7 of the Report and Recommendation; paragraph 5 on page 7 of the Report and Recommendation; and the recommendation on page 7 of the Report and Recommendation for the reasons that follow.

The record reflects that in 1992, Woodin was convicted of two counts of aggravated robbery (both first degree felonies), one count of robbery (second degree felony), and one count of forgery (third degree felony). (Exhibits 1, 2, 4, Transcript p. 34.)

Because he had been convicted of theft offenses and forgery, it was Woodin's burden to prove, by a preponderance of the evidence, that his employment history and activities since the convictions, show that he is honest, truthful, and of good reputation, and that there is no basis in fact for believing that he will commit such an offense again. (R.C. 1322.031(A)(2) and 1322.041(A)(3).) Woodin was released from prison in August 2002. (Exhibit 2, Transcript p. 35.) As a result, Woodin's employment record, since his release from incarceration until the day of the hearing is approximately twenty-four months long. (Exhibit 2, Transcript p. 37.) As his employment record since his date of release is only twenty-four months long, Woodin has not had enough time to meaningfully demonstrate that he is honest, truthful, and of good reputation and that there is no basis in fact for believing he would commit such offenses again. (See *Ryan O'Reilly English v. State of Ohio, Dept. of Commerce* (Case No. 04CIV0163) Medina County Court of Common Pleas (affirming the Division's decision to deny an applicant's application on the basis that there was insufficient time to meaningfully demonstrate the burden of proof set

forth in R.C. 1322.041(A)(3); see also *In the matter of: Brian D. DeStefanis* (Division Case No. 04-0056-LOD, Division Order dated February 8, 2005) (Division found that 28 months was insufficient time for applicant to meet the burden of proof set forth in R.C. 1322.041(A)(3); and *In the matter of: Steven A. Perrigo* (Division Case No. 04-0279-LOD, Division Order dated February 11, 2005) (Division found that 33 months was insufficient time for applicant meet the burden of proof set forth in R.C. 1322.041(A)(3)).

Further, the Division has concerns with the evidence presented by Woodin. With respect to Deanna Hodge, although she testified favorably for Woodin, the first time that they had ever actually met outside of a work-related telephone conversation was the day of the hearing. (Transcript p. 52.) Ms. Hodge never met Woodin in person. (Id.) Woodin's brother, Christopher Woodin, while testifying favorably for his brother, admitted that he was "not exactly sure" what Woodin's work involved and did not explain how Woodin's activities since the conviction show honesty, truthfulness and good reputation. (Transcript pp. 56-60.) Stacey Rentz, the owner of Rentz & Associates Appraisal Services, has an established business relationship with Woodin and, therefore, an interest in seeing Woodin obtain a mortgage broker license. (Transcript p. 62.) Several letters of recommendation and customers surveys were submitted, but none of them were statements made under oath and only one of those persons who wrote a letter of recommendation, namely Ms. Rentz, was available for cross-examination. (Exhibits H and I.) Considering the evidence presented, independent of the fact that Woodin has not had enough time to meaningfully demonstrate that he could meet his burden, the Division finds that Woodin did not meet his burden under R.C. 1322.041(A)(3.)

The disturbing nature of the actions that led to respondent's convictions cannot be ignored. Woodin deceived his victims by asking them if he could use their telephone because his

truck broke down. Once inside his victims' homes, he proceeded to rob them. (Transcript pp. 31-32.) In one instance, Woodin, while in possession of a knife, restrained a husband and wife with towels while robbing them. (Transcript pp. 31-32.) In the other instance, Woodin kidnapped a woman from her house, taking her to a bank to cash a check. (Transcript 32-33.) The deceptive and predatory manner in which Woodin violated the trust of innocent people is deeply troublesome.

Based on Woodin's four criminal convictions and his inability to overcome the burden set forth in R.C. 1322.041(A)(3), the Division finds that Woodin's character and general fitness do not command the confidence of the public and warrant the belief that his business will be operated honestly and fairly in compliance with the Ohio Mortgage Broker Act. On a daily basis loan originators deal with consumers' personal financial information and advise consumers on what is most often their largest financial investment. Woodin does not hold the requisite character and general fitness to originate loans.

In accordance with the foregoing, the Division concludes that Woodin's loan officer license application should be denied.

It is so ordered.

NOTICE OF APPELLATE RIGHTS

Respondent is hereby notified that pursuant to R.C. 119.12, this Order may be appealed by filing a notice of appeal with the Ohio Division of Financial Institutions setting forth the order appealed from and the grounds for the appeal. A copy of such notice of appeal, pursuant to R.C. 119.12, must also be filed with the court of common pleas of the county in which the place of business of the Respondent is located, or the county in which the Respondent is a resident. A notice of appeal must be filed within fifteen (15) days after the date of mailing of this Order.

Signed and sealed this 3rd day of February 2006.

ROBERT M. GRIESER

Deputy Superintendent for Consumer Finance
Division of Financial Institutions
Ohio Department of Commerce