

# THE BUSINESS JOURNAL

MINNEAPOLIS • ST. PAUL

August 19, 2005 Vol. 23, No. 10

## Marquette Financial buys real estate finance business

BY NICOLE GARRISON-SPRENGER  
STAFF WRITER

Marquette Financial Cos., the \$1.2 billion financial-services company owned by the Pohlad family, just bulked up its real estate finance business.



**Wilcox**

Using its Phoenix-based subsidiary, Meridian Bank, Marquette acquired Contractors Financial Services (CFS) in Redland, Calif. CFS is a real estate finance company that focuses on financing for affordable-home construction. Terms of the deal, which closed on Aug. 1, were not disclosed.

"Southern California is an extremely attractive market," said Jann Ozzello

Wilcox, chief financial officer of Marquette. Marquette operates in 32 states, including California. "The geography of south California is exploding in the housing area."

CFS is the second company Minneapolis-based Marquette has acquired in the residential real estate development and construction finance market, but the first to focus on affordable housing. In 1998, Marquette bought Burnsville-based Builders Mortgage Co., a lender to single- and multiple-family residential contractors and developers. Additionally, Meridian Bank has a real estate construction and development lending division.

The acquisition is part of a larger strategy set into motion after the February 2002 sale of Marquette Banks to Wells Fargo & Co.: to diversify the MFC business beyond banking.

"We were left with a large amount of cash from the sale," Ozzello Wilcox said. "The plan had always been to redeploy that cash into a diversified financial-services company and really become larger than we were when we sold the banks."

With capital resources in excess of \$370 million, the firm is poised to make a number of additional acquisitions in the near future.

"This is just one step toward where we are going," Ozzello Wilcox said, adding that MFC is presently working on about a half-dozen more acquisition or expansion opportunities. "We will have many more."

ngarrison@bizjournals.com (612) 288-2112

Reprinted for web use with permission from *The Business Journal*. ©2005, all rights reserved.  
Reprinted by Scoop ReprintSource 1-800-767-3263