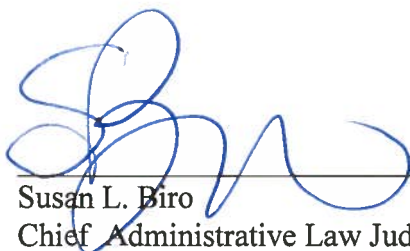


conclusions of law based upon the documents of record:

1. Respondent (FHA ID: 28312-0000-7 (Title II)) held HUD/FHA approval to participate in the HUD/FHA insured mortgage programs under Title II of the National Housing Act of 1934, 12 U.S.C. § 1709. *See* Notice of Administrative Action; 24 C.F.R. Part 202.
2. Pursuant to 24 C.F.R. Part 202, Respondent was required to submit in a timely and appropriate manner acceptable audited financial statements and supplementary reports through HUD's Lender Assessment Sub-system ("LASS") within ninety days after the close of its fiscal year. *See* 24 C.F.R. §§ 202.5(g), (i); HUD Handbook 4700.2 REV-2, Chapter 7; HUD Handbook 4060.1 REV-2, Chapter 4; and HUD Handbook IG 2000.4 REV-2, Chg-1, Consolidated Audit Guide for Audit of HUD Programs, December, 2001.
3. Respondent failed to submit, in a timely and appropriate manner, acceptable audited financial statements through LASS, as alleged in the Notice of Administrative Action. *See* Notice of Administrative Action.
4. In response thereto, on October 23, 2009, the Mortgage Review Board ("Board") of the Department of Housing and Urban Development issued a Notice of Violation to Respondent. *See* Notice of Administrative Action.
5. On March 24, 2010, more than 30 days after the issuance of the Notice of Violation, as required by 12 U.S.C. § 1708(c)(4)(A), the Board issued Respondent a Notice of Administrative Action imposing an immediate one year withdrawal of Respondent's HUD/FHA approval based upon Respondent's "serious violation of HUD/FHA's regulations and requirements," as authorized by 12 U.S.C. § 1708(c)(3)(D) and 24 C.F.R. § 25.6. *See* Notice of Administrative Action.
6. Respondent intends to comply with the one year withdrawal of its HUD/FHA approval. *See* Joint Motion to Dismiss with Prejudice.
7. Respondent's failure to submit in a timely and appropriate manner acceptable audited financial statements constitutes a violation of 24 C.F.R. Part 202, HUD Handbook 4700.2 REV-2, Chapter 7, HUD Handbook 4060.1 REV-2, Chapter 4, and HUD Handbook IG 2000.4 REV-2, Chg-1, for which its HUD/FHA approval may be withdrawn by the Board pursuant to Section 202 of the National Housing Act of 1934, 12 U.S.C. § 1708(c)(3)(D).

ORDER

Based upon the foregoing, for good cause shown, the parties' Joint Motion to Dismiss with Prejudice is hereby **GRANTED**, and further, it is concluded that the Mortgage Review Board's withdrawal of Respondent's HUD/FHA approval under Title II of the National Housing Act (FHA ID: 28312-0000-7) continues in effect for one year from the date of Respondent's receipt of the Notice of Administrative Action dated March 24, 2010.



Susan L. Biro
Chief Administrative Law Judge¹

Date: May 24, 2010
Washington, D.C.

¹ The Administrative Law Judges of the United States Environmental Protection Agency are authorized to hear cases pending before the United States Department of Housing and Urban Development pursuant to an Interagency Agreement in effect beginning March 4, 2010.