

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF ADMINISTRATIVE LAW JUDGES**

In the Matter of:)	
)	
First Mortgage Group LLC,)	HUDALJ 10-E-109-MR-70
)	
Respondent.)	
)	

ORDER GRANTING GOVERNMENT’S MOTION TO DISMISS WITH PREJUDICE

On March 24, 2010, the Mortgagee Review Board of the United States Department of Housing and Urban Development (“the Government”) filed a Notice of Administrative Action initiating this matter, withdrawing Respondent’s HUD/FHA approval for one year. Respondent filed a response on April 16, 2010. The undersigned issued a Notice of Hearing and Prehearing Order, requiring the parties to submit Prehearing Exchanges on or before May 10, 2010, and scheduling the hearing for May 17, 2010. On May 7, 2010, the parties submitted a Joint Motion to Stay Proceedings for a period of 20 days, which the undersigned granted. On May 27, 2010, the parties submitted a Joint Motion to Further Stay Proceedings for a period of 8 days, which the undersigned granted. The parties submitted, and the undersigned granted, a Second Joint Motion to Further Stay Proceedings on June 3, 2010, asking for an additional 23 days to secure settlement authority from the Mortgagee Review Board. On June 25, 2010, the parties submitted their fourth and final Joint Motion to Extend the Stay of Proceedings for 23 days, which the undersigned granted.

On July 9, 2010, the Government’s Motion to Dismiss with Prejudice (“Motion”) was filed, in which the Government represents that the parties have executed a Settlement Agreement, “fully resolving” all issues raised by the Notice of Administrative Action. Attached to the Motion is a copy of the Settlement Agreement between the Mortgagee Review Board and Respondent First Mortgage Group LLC.. (FHA ID No. 11572-0000-9 (Title II)), as represented by its President, Robert L. Hester, dated July 9, 2010. The Settlement Agreement attests that Respondent “has now cured the deficiencies” cited in the Notice of Administrative Action, will pay a civil money penalty to the Government in the amount of \$3,500, and that the Government agrees to reinstate Respondent’s FHA approval within two business days of the Agreement’s Effective Date, *inter alia*.

Section 202 of the National Housing Act of 1934 provides that “[t]he Board may at any time enter into a settlement agreement with a mortgagee to resolve any outstanding grounds for an action.” 12 U.S.C. § 1708(c)(3)(E).

It is **ORDERED** that this matter involving Respondent First Mortgage Group, LLC., FHA ID No. 11572-0000-9 (Title II), is hereby **DISMISSED** due to the parties' execution of a Settlement Agreement dated July 9, 2010.



Susan L. Biro
Chief Administrative Law Judge¹

Dated: July 12, 2010
Washington, D.C.

Note: Section 202 of the National Housing Act of 1934 provides for the publication of settlement agreements: "In any case in which the notification of the Board does not result in a hearing (including any settlement by the Board and a mortgagee), any information regarding the nature of the violation and the resolution of the action shall be available to the public." 12 U.S.C. § 1708(c)(4)(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.