

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

)	
In the Matter of:)	
)	
Quickdraw Real Estate Services, Inc.,)	HUDALJ 10-E-152-MR/99
)	
Respondent.)	
)	

ORDER GRANTING JOINT MOTION TO DISMISS WITH PREJUDICE

This action was initiated on May 21, 2010, by the Mortgagee Review Board of the United States Department of Housing and Urban Development (“the Government”) filing a Notice of Administrative Action (“Notice”) against Respondent Quickdraw Real Estate Services, Inc., under Section 202 of the National Housing Act of 1934, 12 U.S.C. § 1708(c). Respondent responded to the Notice on June 22, 2010. On June 23, 2010, the undersigned issued a Notice of Hearing and Prehearing Order setting the hearing in this matter to commence on July 22, 2010.

On July 8, 2010, the parties filed a Joint Motion to Dismiss with Prejudice (“Motion”), on the basis that Respondent’s President, Richard B. Henke, informed counsel for the Government that Respondent no longer desires a hearing to contest the Government’s withdrawal action. The parties state in the Motion that Respondent will comply with the one year withdrawal imposed upon it by the Mortgagee Review Board as set forth in the May 21, 2010, Notice of Administrative Action, and request that this matter be dismissed with prejudice.

As to dismissal of a proceeding, the applicable regulations provide that “[w]hen a motion to dismiss the proceeding is granted, the ALJ shall make and file a determination and order in accordance with the provisions of § 26.50.” 24 C.F.R. § 26.40(g). In turn, 24 C.F.R. § 26.50(a) provides in pertinent part as follows:

The ALJ shall issue an initial decision based only on the record, which shall contain findings of fact, conclusions of law, and the relief granted. The ALJ’s initial decision shall not become effective unless it becomes or is incorporated into final agency action in accordance with §§ 26.50(c) or 26.52(l).

24 C.F.R. § 26.50(a).

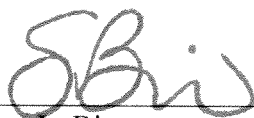
In accordance with Section 26.50(a), I make the following findings of fact and conclusions of law based upon the documents of record:

1. Respondent (FHA ID: 79450-0000-9 (Title 2)) 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 its annual recertification fee. *See* 24 C.F.R. § 202.5(i), HUD Handbook 4700.2 REV-2, Chapter 7, and HUD Handbook 4060.1 REV-2, Chapter 4.
3. Pursuant to 24 C.F.R. Part 202, Respondent was required to submit in a timely and appropriate manner an executed Title II Yearly Verification report. *See* 24 C.F.R. § 202.5(m), HUD Handbook 4700.2 REV-2, Chapter 7, and HUD Handbook 4060.1 REV-2, Chapter 4.
4. Pursuant to 24 C.F.R. Part 202, Respondent was required to submit in a timely and appropriate manner acceptable audited financial statement(s) and supplementary reports entered and submitted through HUD'S Lender Assessment Sub-system (LASS). *See* 24 C.F.R. §§ 202.5(g) and (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 dated December 31, 2001.
5. Respondent failed to submit, in a timely and appropriate manner, its annual recertification fee through Pay.Gov within 30 days after the close of its fiscal year, as alleged in the Notice. *See* Notice of Administrative Action.
6. Respondent failed to submit, in a timely and appropriate manner, an executed Title II Yearly Verification report within 30 days after the close of its fiscal year, as alleged in the Notice. *See* Notice of Administrative Action.
7. Respondent failed to submit, in a timely and appropriate manner, acceptable audited financial statement(s) and supplemental reports within 90 days after the close of its fiscal year, as alleged in the Notice. *See* Notice of Administrative Action.
8. In response, on January 21, 2009, the Mortgagee Review Board issued a Notice of Violation to Respondent. *See* Notice of Administrative Action.
9. On May 21, 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 Mortgagee Review Board issued Respondent a Notice of Administrative Action imposing an immediate one year withdrawal of Respondent's HUD/FHA approval based upon its "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.

10. On July 8, 2010, Respondent withdrew its appeal of the Mortgagee Review Board's one year withdrawal of Respondent's HUD/FHA approval. *See* Motion.
11. Respondent's failure to submit in a timely and appropriate manner its annual recertification fee constitutes a violation of 24 C.F.R. § 202.5(i), HUD Handbook 4700.2 REV-2, Chapter 7, and HUD Handbook 4060.1 REV-2, Chapter 4.
12. Respondent's failure to submit in a timely and appropriate manner an executed Title II Yearly Verification report within 30 days after the close of its fiscal year constitutes a violation of 24 C.F.R. § 202.5(m), HUD Handbook 4700.2 REV-2, Chapter 7, and HUD Handbook 4060.1 REV-2, Chapter 4.
13. Respondent's failure to submit in a timely and appropriate manner acceptable audited financial statement(s) and supplemental reports within 90 days after the close of its fiscal year constitutes a violation of 24 C.F.R. §§ 202.5(g) and (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 dated December 31, 2001.

ORDER

Based upon the foregoing, the parties' Joint Motion to Dismiss with Prejudice is hereby **GRANTED**, and further, it is concluded that the Mortgagee Review Board's withdrawal of the HUD/FHA approval of Quickdraw Real Estate Service, Inc., under Title II of the National Housing Act (FHA ID: 79450-0000-9 (Title 2)) continues in effect for one year from the date of Respondent's receipt of the Notice of Administrative Action dated May 21, 2010.



Susan L. Biro
Chief Administrative Law Judge¹

Dated: July 8, 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.