

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

)	
In the Matter of:)	
)	
Diamond Funding Corporation,)	HUDALJ 10-E-156-MR/103
)	
Respondent.)	
)	

ORDER GRANTING JOINT MOTION TO DISMISS WITH PREJUDICE

The Mortgagee Review Board of the United States Department of Housing and Urban Development (“the Government”) filed a Notice of Administrative Action dated June 18, 2010, withdrawing Respondent’s HUD/FHA approval for one year. Respondent filed a response on June 23, 2010, requesting a hearing to appeal the Government’s action. The undersigned issued a Notice of Hearing and Prehearing Order, scheduling the hearing for July 23, 2010. On July 7, August 16, August 27, September 27, and October 13, 2010, the parties requested the matter be stayed pending settlement negotiations, each of which the undersigned granted. The Government timely filed its Prehearing Exchange on November 9, 2010, before the last stay expired on November 12, 2010. Respondent did not file a Prehearing Exchange.

On November 15, 2010, counsel for Respondent and for the Government executed and filed a Joint Motion to Dismiss with Prejudice, wherein they state that “Respondent does not desire a hearing” and “intends to comply with the one year withdrawal imposed upon it.”

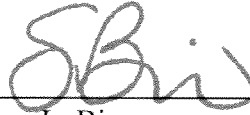
The applicable regulations at 24 C.F.R. Part 26 provide as follows:

If a party fails to prosecute or defend an action brought under subpart B of this part, *the ALJ may dismiss the action* or may issue a decision against the non-prosecuting or defending party. Such decision of the ALJ shall constitute final agency action and shall not be appealable to the Secretary under § 26.52 of this part.

24 C.F.R. § 26.34(d) (emphasis added).

Consistent with Section 26.34(d) and with the general authorities of the presiding Administrative Law Judge in 24 C.F.R. § 26.32, the Joint Motion to Dismiss with Prejudice is hereby **GRANTED**. Accordingly, it is **ORDERED** that the Mortgagee Review Board’s withdrawal of Diamond Funding Corporation’s HUD/FHA approval (FHA ID: 79551-0000-8 (Title 2)) for one year as set forth in the Notice of Administrative Action is hereby **AFFIRMED**

without further proceedings.



Susan L. Biro
Chief Administrative Law Judge¹

Dated: November 15, 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.