

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

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<b>In the Matter of:</b>	)	
	)	
<b>United California Systems,</b>	)	<b>HUDALJ 10-M-134-MR/91</b>
	)	
<b>Respondent.</b>	)	
	)	

**ORDER GRANTING GOVERNMENT’S MOTION TO DISMISS WITH PREJUDICE**

The Mortgagee Review Board of the United States Department of Housing and Urban Development (“the Government” and “HUD”) filed a Notice of Administrative Action initiating this matter and withdrawing Respondent’s HUD/FHA approval for one year. Respondent requested a hearing to contest the Government’s action on May 17, 2010. HUD Administrative Law Judge J. Jeremiah Mahoney issued a Notice of Hearing and Order on May 19, 2010, scheduling the hearing for June 15, 2010. On June 1, July 2, July 29, and September 2, 2010, the parties filed requests to stay the proceeding, which Judge Mahoney granted. Then, pursuant to a Notice of Disqualification dated October 14, 2010, the Government’s Response, and an Interagency Agreement between HUD and the U.S. Environmental Protection Agency (“EPA”), this case was reassigned to the EPA Office of Administrative Law Judges on October 19, 2010.<sup>1</sup>

On October 20, 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, “which resolves all of the pending issues before this Court.” Attached to the Motion is a copy of the Settlement Agreement between the Mortgagee Review Board and Respondent United California Systems (FHA ID No. 71487-0000-5 (Title II)), as represented by Sandra K. McBeth, and dated October 14, 2010. The Settlement Agreement attests that Respondent has now cured the deficiencies alleged and agrees to pay a \$7,500 civil money penalty to HUD, and that the Government will process Respondent’s reinstatement upon the Agreement’s execution, *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).

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<sup>1</sup> 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.

It is **ORDERED** that the Government's Motion is **GRANTED** and this matter involving Respondent United California Systems, FHA ID No. 71487-0000-5 (Title II), is hereby **DISMISSED** due to the parties' execution of a Settlement Agreement dated October 14, 2010.



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Susan L. Biro  
Chief Administrative Law Judge

Dated: October 22, 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).**