



[Docket No. FR-6455-N-01]

Mortgagee Review Board: Administrative Actions

AGENCY: Office of the Assistant Secretary for Housing–Federal Housing Commissioner, Department of Housing and Urban Development, HUD.

ACTION: Notice.

SUMMARY: In compliance with the National Housing Act, this notice advises of the cause and description of administrative actions taken by HUD’s Mortgagee Review Board against FHA-approved mortgagees in fiscal year 2023.

FOR FURTHER INFORMATION CONTACT: Nancy A. Murray, Secretary to the Mortgagee Review Board, 451 Seventh Street SW, Room B-133, Washington, DC 20410-8000; telephone (202) 402-2701 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

SUPPLEMENTARY INFORMATION: Section 202(c)(5) of the National Housing Act (12 U.S.C. 1708(c)(5)) requires that HUD “publish in the Federal Register a description of and the cause for administrative action against a[n FHA-approved] mortgagee” by HUD’s Mortgagee Review Board (“Board”). In compliance with the requirements of section 202(c)(5), this Notice advises of actions that have been taken by the Board in its meetings from the beginning of fiscal year 2023, October 1, 2022, through September 30, 2023, where settlement agreements have been reached, civil money penalties were imposed, or FHA participation was terminated as of December 9, 2023. The notice also includes actions from prior fiscal years which have not previously been published.

I. Civil Money Penalties, Withdrawals of FHA Approval, Suspensions, Probations, and Reprimands.

1. Academy Mortgage Corporation, Draper, UT

Action: On November 21, 2022, the Board voted to accept a False Claims Act settlement agreement between the United States and Academy Mortgage Corporation (“Academy”). The settlement agreement required Academy to make an administrative payment of \$23,750,000. Pursuant to the settlement agreement, the Board provided a release of administrative liability under 24 CFR parts 25 and 30 for FHA loans covered by the settlement agreement. The settlement does not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Academy caused the submission of false claims to FHA’s Mutual Mortgage Insurance Fund through systemic violations of FHA underwriting guidelines and quality control requirements for loans underwritten between January 1, 2008 and April 27, 2017.

2. American Financing Corp, Aurora, CO [Docket No. 21-2233-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with American Financing Corp. (“American Financing”) that included a civil money penalty of \$166,072. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: American Financing (a) failed to implement a Quality Control (“QC”) plan; (b) failed to ensure that its QC staff performed accurate loan sample risk assessments; (c) failed to comply with FHA’s self-reporting requirements pertaining to two FHA-insured loans; and (d) failed to timely notify FHA of a sanction in its fiscal year 2022.

3. AmNet ESOP Corporation, Chula Vista, CA [Docket No. 23-3002-MR]

Action: On August 24, 2023, the Board voted to withdraw AmNet ESOP Corporation (“AmNet”) for a period of one year.

Cause: The Board took this action based on the following alleged violations of FHA requirements: AmNet (a) failed to maintain the minimum required adjusted net worth in its fiscal year 2021 and 2022; (b) failed to timely notify FHA its adjusted net worth deficiency in its fiscal

year 2021; and (c) failed to maintain the minimum required adjusted net worth in its fiscal year 2022.

4. AmRes Corporation, Trevoise, PA [Docket No. 23-3020-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with AmRes Corporation (“AmRes”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: AmRes failed to timely notify FHA of a sanction in its fiscal year 2022.

5. Bay Valley Mortgage Group, Garden Grove, CA [Docket No. 23-3023-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Bay-Valley Mortgage Group (“Bay-Valley”) that included a civil money penalty of \$11,011. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Bay-Valley failed to timely notify FHA of a sanction in its fiscal year 2022.

6. Beeline Loans, Inc., Providence, RI [Docket No. 23-3016-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Beeline Loans, Inc. (“Beeline”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Beeline failed to maintain the required minimum liquid assets in its fiscal year 2021.

7. Community Mortgage LLC, Independence, MO [Docket No. 23-3022-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Community Mortgage LLC (“Community Mortgage”) that included a civil money penalty of \$15,366. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA

requirements: Community Mortgage (a) failed to timely notify FHA of a sanction in its fiscal year 2021; and (b) submitted a false certification to FHA concerning its fiscal year 2021.

8. Crossfire Financial Network, Miami, FL [Docket No. 22-2052-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Crossfire Financial Network (“Crossfire Financial”) that included a civil money penalty of \$18,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Crossfire Financial (a) failed to maintain the minimum required adjusted net worth in its fiscal years 2021 and 2022; and (b) failed to timely notify FHA of its adjusted net worth deficiency in its fiscal year 2021.

9. Efinity Financial Inc., Bedford, TX [Docket No. 22-2017-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with Efinity Financial Inc. (“Efinity”) that included a civil money penalty of \$20,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Efinity (a) failed to timely notify FHA of an operating loss exceeding 20 percent of the lender’s net worth in its fiscal year 2021; (b) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2021; (c) failed to maintain the minimum required adjusted net worth in its fiscal year 2022; and (d) failed to timely notify FHA of a minimum adjusted net worth deficiency in its fiscal year 2022.

10. FFC Mortgage Corp., Irvine, CA [Docket No. 22-2064-MRT]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with FFC Mortgage Corp. (“FFC”) that included a civil money penalty of \$15,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: FFC (a) failed to comply with the annual recertification requirements following its

fiscal year 2021; (b) failed to timely notify FHA of an operating loss exceeding 20 percent of its net worth in its fiscal year 2021; and (c) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2021.

11. First Home Mortgage Corp., Baltimore, MD [Docket No. 22-2035-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with First Home Mortgage Corp. (“First Home”) that included a civil money penalty of \$15,245. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: First Home (a) failed to timely notify FHA of a state sanction in its fiscal year 2020; and (b) submitted a false certification to FHA concerning its fiscal year 2020.

12. Greystone Funding Company, Atlanta, GA [Docket No. 23-3037-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Greystone Funding Company (“Greystone”) that included a civil money penalty of \$1,000,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Between 2017 and 2019 Greystone submitted 21 applications for FHA-insured loans for skilled nursing facilities that included 65 false certifications made by Greystone and the borrower entities concerning borrower entity litigation.

13. Hometown Equity Mortgage LLC, Lake Forest, CA [Docket No. 22-2072-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Hometown Equity Mortgage LLC (“Hometown Equity”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Hometown Equity failed to timely notify FHA of a sanction in its fiscal year 2022.

14. Hudson Realty Finance LLC, New York, NY [Docket No. 23-3007-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with

Hudson Realty Finance LLC (“Hudson”) that included a civil money penalty of \$24,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Hudson Realty (a) failed to timely notify FHA of operating losses in excess of 20 percent of its net worth in its fiscal year 2021; and (b) failed to timely submit quarterly financial statements as required when operating losses exceeded 20% of net worth in fiscal year 2021.

15. InstaMortgage Inc. d/b/a Arcus VA Mortgage, San Jose, CA [Docket No. 23-3030-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with InstaMortgage Inc. d/b/a Arcus VA Mortgage (“InstaMortgage”) that included a civil money penalty of \$18,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: InstaMortgage (a) failed to timely notify FHA of a sanction in its fiscal year end July 31, 2022; (b) failed to timely notify FHA of an operating loss exceeding 20 percent of its net worth in its fiscal year end July 31, 2022; and (c) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year end July 31, 2022.

16. Intercontinental Capital Group, Inc., Melville, NY [Docket No. 22-2071-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with Intercontinental Capital Group, Inc., (“ICG”) that included a civil money penalty of \$15,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: ICG (a) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2021; and (b) failed to timely notify FHA that it incurred an operating loss exceeding 20 percent of its net worth in its fiscal year 2022.

17. International City Mortgage, Santa Ana, CA [Docket No. 23-3038-MR]

Action: On August 24, 2023, the Board voted to enter into a settlement agreement with International City Mortgage (“International City”) that included a civil money penalty of \$17,864. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: International City (a) failed to timely notify FHA of a state sanction in its fiscal year 2021; and (b) submitted a false certification to FHA concerning its fiscal year 2021.

18. James B. Nutter & Company, Kansas City, MO [Docket No. 19-1928-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with James B. Nutter & Company (“Nutter”) that included a civil money penalty of \$400,000 and reimbursement to FHA of mortgage insurance payments equal to \$175,000 related to eight FHA-insured loans. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Nutter (a) failed to timely remit periodic mortgage insurance premiums; and (b) made numerous servicing violations including improper applications of FHA’s loss mitigation waterfall.

19. K & B Capital Corporation, Boca Raton, FL [Docket No. 22-2075-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with K & B Capital Corporation (“K & B”) that included a civil money penalty of \$20,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: K & B (a) failed to maintain the minimum required adjusted net worth in its fiscal year 2021; (b) failed to timely notify FHA of its adjusted net worth deficiency in its fiscal year 2021; (c) failed to timely notify FHA of operating losses exceeding 20 percent of its net worth in its fiscal year 2022; and (d) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2022.

20. Lenox Financial Mortgage Corporation, Santa Ana, CA [Docket No. 23-3019-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Lenox Financial Mortgage Corporation (“Lenox”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Lenox failed to timely notify FHA of a sanction in its fiscal year 2022.

21. Loan Simple, Inc., Englewood, CO [Docket No. 22-2081-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Loan Simple, Inc. (“Loan Simple”) that included a civil money penalty of \$15,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Loan Simple (a) failed to timely notify FHA of operating losses exceeding 20 percent of its net worth in fiscal years 2021 and 2022; and (b) failed to file quarterly financial statements following its operating losses in excess of 20 percent of its net worth in fiscal years 2021 and 2022.

22. Meadowbrook Financial Mortgage Bankers Corp., Westbury, NY [Docket No. 23-3035-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Meadowbrook Financial Mortgage Bankers Corp. (“Meadowbrook”) that included a civil money penalty of \$6,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Meadowbrook failed to timely notify FHA of a sanction in its fiscal year 2022.

23. MidWest Mortgage Association Corporation, Colorado Springs, CO [Docket No 23-3004-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Midwest Mortgage Association Corporation (“Midwest”) that included a civil money penalty of \$18,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Midwest (a) failed to maintain the minimum required adjusted net worth during its fiscal years 2021 and 2022; and (b) failed to timely notify FHA of its failure to maintain the minimum required adjusted net worth during its fiscal year 2021.

24. Mortgage Network Inc., Danvers, MA [Docket No. 22-2080-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with Mortgage Network Inc. (“Mortgage Network”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Mortgage Network failed to timely notify FHA of a sanction in its fiscal year 2022.

25. Mortgage300 Corporation, Palm Beach Gardens, FL [Docket No. 23-3008-MR]

Action: On August 24, 2023, the Board voted to enter into a settlement agreement with Mortgage300 Corporation (“Mortgage300”) that included a civil money penalty of \$6,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Mortgage300 failed to timely notify FHA of a sanction in its fiscal year 2022.

26. Movement Mortgage, LLC, Indian Land, SC

Action: On November 21, 2022, the Board voted to accept a False Claims Act settlement agreement between the United States and Movement Mortgage, LLC (“Movement Mortgage”). The settlement required Movement Mortgage to pay FHA \$5,770,820 in restitution and to enter into life-of-loan indemnification agreements for 9 FHA-insured loans, resulting in an additional payment to FHA of \$464,000. Pursuant to the settlement agreement, the Board provided a release of administrative liability under 24 CFR parts 25 and 30 for FHA loans covered by the False Claims Act settlement.

Cause: The Board took this action based on the following alleged violations of FHA

requirements: Between July 2008 and July 2018, Movement Mortgage knowingly violated FHA requirements while underwriting FHA-insured loans, which resulted in false claims for mortgage insurance benefits.

27. Nationwide Home Loans, Inc., Englewood, CO [Docket No. 22-2073-MR]

Action: On February 2, 2023, the Board voted to withdraw the FHA-approval of Nationwide Home Loans, Inc. (“Nationwide”) for a period of one year.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Nationwide (a) failed to maintain the minimum required adjusted net worth in its fiscal year 2021; and (b) failed to timely notify FHA of an adjusted net worth deficiency in its fiscal year 2021.

28. Network Capital Funding Corporation, Irvine, CA [Docket No. 22-2065-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with Network Capital Funding Corporation (“Network Capital”) that included a civil money penalty of \$15,366. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Network Capital (a) failed to timely notify FHA of a state sanction in its fiscal year 2021; and (b) submitted a false certification to FHA concerning its fiscal year 2021.

29. NextMortgage, LLC, San Ramon, CA [Docket No. 22-2068-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with NextMortgage, LLC (“NextMortgage”) that included a civil money penalty of \$15,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: NextMortgage (a) failed to maintain the minimum required adjusted net worth in its fiscal years 2021 and 2022; and (b) failed to timely notify FHA of its adjusted net worth deficiencies in its fiscal years 2021 and 2022.

30. NMSI, Inc., Los Angeles, CA [Docket No. 22-2082-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with NMSI, Inc. (“NMSI”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: NMSI failed to timely notify FHA of a sanction in its fiscal year 2022.

31. On Q Financial, Inc., Tempe, AZ [Docket No. 23-3017-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with On Q Financial, Inc. (“On Q”) that included a civil money penalty of \$15,366. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: On Q (a) failed to timely notify FHA of a state sanction in its fiscal year 2021; and (b) submitted a false certification to FHA concerning its fiscal year 2021.

32. Point Mortgage Corporation, Chula Vista, CA [Docket No. 23-3034-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Point Mortgage Corporation (“Point Mortgage”) that included a civil money penalty of \$12,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Point Mortgage (a) failed to timely notify FHA of operating losses exceeding 20 percent of its net worth in its fiscal year 2022, and (b) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in fiscal year 2022.

33. PR Electric Power Authority Employees’ Retirement, Santurce, PR [Docket Nos. 22-2023-MRT and 22-2062-MR]

Action: On April 18, 2023, the Board voted to withdraw the FHA approval of PR Electric Power Authority Employees’ Retirement (“PR Electric”) for a period of one (1) year.

Cause: The Board took this action based on the following alleged violation of FHA requirements: PR Electric (a) failed to comply with the annual recertification requirements for

fiscal year end June 30, 2021; and (b) failed to timely notify FHA of a change of a corporate officer during the fiscal year end June 30, 2021.

34. Precision Mortgage, LLC, Rockville, MD [Docket No. 22-2076-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Precision Mortgage, LLC (“Precision Mortgage”) that included a civil money penalty of \$6,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Precision Mortgage failed to maintain the minimum required adjusted net worth in its fiscal year 2021.

35. Quick Mortgage Corp., Bloomingdale, IL [Docket No. 23-3006-MR]

Action: On April 18, 2023, the Board voted to withdraw the FHA approval of Quick Mortgage Corp. for a period of one year.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Quick Mortgage Corp. failed to maintain the minimum required adjusted net worth in its fiscal year end April 30, 2022

36. Reliant Mortgage, LLC, Baton Rouge, LA [Docket No. 22-2029-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Reliant Mortgage, LLC (“Reliant”) that included a civil money penalty of \$15,366. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Reliant (a) failed to timely notify FHA of a state sanction in its fiscal year end August 31, 2021; and (b) submitted a false certification to FHA concerning its fiscal year end August 31, 2021.

37. ReNew Lending Inc., Reno, NV [Docket No. 23-3026-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Renew Lending Inc. (“ReNew”) that included a civil money penalty of \$6,000. The settlement

did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: ReNew failed to maintain the minimum required adjusted net worth in its fiscal year 2022.

38. ResMac Inc., Delray Beach, FL [Docket No. 22-2020-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with ResMac, Inc. (“ResMac”) that included a civil money penalty of \$71,250 and a life-of-loan indemnification agreement for one FHA-insured loan. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: ResMac (a) failed to comply with requests made by FHA to produce information and documentation; (b) failed to obtain and retain the required documents to properly verify and reverify the borrower’s employment and income; and (c) failed to timely notify FHA of five state sanctions in its fiscal years 2019, 2021, and 2022.

39. Rocket Mortgage, LLC, Detroit, MI [Docket No. 23-3005-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Rocket Mortgage, LLC (“Rocket”) that included a civil money penalty of \$17,864. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Rocket (a) failed to timely notify FHA that it was sanctioned in its fiscal year 2021; and (b) submitted a false certification to FHA concerning its fiscal year 2021.

40. Ross Mortgage Company Inc., Westborough, MA [Docket No. 23-3039-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Ross Mortgage Company Inc. (“Ross”) that included a civil money penalty of \$6,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA

requirements: Ross failed to timely notify FHA of a sanction in its fiscal year end September 30, 2023.

41. Secure One Capital Corporation, Costa Mesa, CA [Docket No. 22-2070-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Secure One Capital Corporation (“Secure One”) that included a civil money penalty of \$10,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Secure One (a) failed to timely notify FHA of an operating loss that exceeded 20 percent of its net worth in its fiscal year 2021; and (b) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2021.

42. Siwell, Inc. d/b/a Capital Mortgage Services of Texas, Lubbock, TX [Docket No. 20-2020-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Siwell, Inc. d/b/a Capital Mortgage Services of Texas (“Siwell”) that included a civil money penalty of \$88,083 and probation. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Siwell (a) failed to timely notify FHA of five state sanctions in its fiscal years 2016, 2017, 2018, and 2020; (b) submitted a false certification to FHA concerning its fiscal years 2016, 2017, and 2018; (c) approved a Home Affordable Modification Program (HAMP) modification and partial claim for a loan that was ineligible for the loss mitigation it received; and (d) failed to possess and implement a compliant QC plan.

43. SN Servicing Corporation, Baton Rouge, LA [Docket No. 22-2040-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with SN Servicing Corporation (“SN Servicing”) that included a civil money penalty of \$20,732. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: SN Servicing (a) failed to maintain the minimum required adjusted net worth in its fiscal year 2021; and (b) failed to timely notify FHA of its adjusted net worth deficiency in its fiscal year 2021.

44. Southwest Funding, LP, Dallas, TX [Docket No. 22-2078-MR]

Action: On June 21, 2023, the Board voted to enter into a settlement agreement with Southwest Funding, LP (“Southwest Funding”) that included a civil money penalty of \$160,956. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Southwest Funding (a) failed to adopt and maintain a valid QC Plan in compliance with FHA requirements; (b) failed to implement a QC plan in compliance with FHA staffing requirements; (c) failed to comply with FHA’s self-reporting requirements to report material findings in FHA loans that were not mitigated; (d) failed to complete timely QC reviews of its Early Payment Default Loans in compliance with FHA requirements; and (e) failed to timely update its business information in Lender Electronic Assessment Portal (“LEAP”) in compliance with FHA requirements.

45. St. Fin Corp. d/b/a Star Financial, Laguna Hills, CA [Docket No. 23-2002-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with St. Fin Corp. d/b/a Star Financial (“Star Financial”) that included a civil money penalty of \$6,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Star Financial failed to timely notify FHA of a sanction in its fiscal year 2021.

46. TAM Lending Center Inc., Audubon, NJ [Docket No. 23-3001-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with TAM Lending Center Inc. (“TAM Lending”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: TAM Lending failed to timely notify FHA of a sanction in its fiscal year 2022.

47. Titan Mutual Lending Inc., Irvine, CA. [Docket No. 22-2079-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with Titan Mutual Lending Inc. (“Titan”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Titan failed to timely notify FHA of a sanction in its fiscal year 2022.

48. Tomo Mortgage, LLC, Austin, TX [Docket No. 23-3017-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Tomo Mortgage LLC (“Tomo”) that included a civil money penalty of \$15,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Tomo (a) failed to timely notify FHA of operating losses exceeding twenty percent of its net worth in its fiscal year 2022, and (b) failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2022.

49. Umpqua Bank, Tigard, OR [Docket No. 22-2067-MR]

Action: On April 18, 2023, the Board voted to enter into a settlement agreement with Umpqua Bank (“Umpqua”) that included a civil money penalty of \$5,000. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Umpqua failed to timely notify FHA of a sanction in its fiscal year 2021.

50. Van Dyk Mortgage Corporation, Grand Rapids, MI [Docket No. 22-2074-MR]

Action: On February 2, 2023, the Board voted to enter into a settlement agreement with Van Dyk Mortgage (“Van Dyk”) that included a civil money penalty of \$88,088. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Van Dyk (a) failed to timely notify FHA of a sanction in its fiscal year 2022; and (b) failed to check on a semiannual basis that its officers, directors, managers, and supervisors who participate in FHA programs were eligible to participate in its fiscal year 2022.

51. V.I.P. Mortgage, Inc., Scottsdale, AZ [Docket No. 22-2025-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with V.I.P. Mortgage, Inc. (“V.I.P.”) that included a civil money penalty of \$100,490, a five-year indemnification agreement for each of two FHA-insured loans, and a requirement to provide FHA with the lender’s quality control reports for a period of six months.

Cause: The Board took this action based on the following alleged violations of FHA requirements: V.I.P. (a) failed to ensure its senior management timely reviewed post-closing quality control findings reports and timely respond to each instance of fraud, material representation, or other material findings; (b) failed to report to FHA instances of fraud, material misrepresentation, and unmitigated material findings relating to FHA-insured loans; and (c) violated FHA’s branch registration requirements by conducting FHA business at four locations that V.I.P. did not properly register as FHA branches and for which V.I.P. did not pay the registration fee.

52. Wendover Financial Services Corporation, Greensboro, NC [Docket No. 22-2015-MR]

Action: On June 16, 2022, the Board voted to withdraw the FHA approval of Wendover Financial Services Corporation (“Wendover”) for a period of one year. Wendover appealed the withdrawal but, as part of a settlement, agreed to dismiss its appeal. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: Wendover (a) did not have as its principal activity the lending or investment of funds in real estate mortgages or a directly related field in its fiscal year end March 31, 2021; and

(b) failed to timely notify FHA of a change in its principal activity in its fiscal year end March 31, 2021.

53. WesBanco Bank, Inc., Wheeling, WV [Docket No 22-2027-MR]

Action: On November 21, 2022, the Board voted to enter into a settlement agreement with WesBanco Bank, Inc. (“WesBanco”) that included a civil money penalty of \$35,732 and a five-year indemnification agreement for one FHA-insured loan. The settlement did not constitute an admission of liability or fault.

Cause: The Board took this action based on the following alleged violations of FHA requirements: WesBanco (a) failed to verify a borrower’s liquid assets; (b) failed to verify the borrower’s effective income; (c) failed to downgrade and underwrite a loan manually with a case number assignment date within three years of the date of transfer of title through a Pre-Foreclosure Sale; and (d) failed to document properly the life-of-loan flood certification forms for two FHA-insured loans for properties in Special Flood Hazard Areas.

54. Western Express Lending d/b/a WeLending, Lake Forest, CA [Docket No. 22-2060-MR]

Action: On February 2, 2023, the Board voted to withdraw the FHA-approval of Western Express Lending d/b/a WeLending (“Western Express”) for a period of one year.

Cause: The Board took this action based on the following alleged violation of FHA requirements: Western Express failed to file quarterly financial statements following its operating loss in excess of 20 percent of its net worth in its fiscal year 2021.

II. Lenders That Failed to Timely Obtain the Required Unique Entity Identifier

Each lender in the following list violated FHA requirements by failing to timely submit an Information Update through the LEAP and establish that it had a Unique Entity Identifier (“UEI”) assigned to it through the System of Award Management website in accordance with the OMB Directive and applicable FHA handbook.

The Federal Funding Accountability and Transparency Act of 2006, as amended by the

Digital Accountability and Transparency Act of 2014, required federal agencies to report data about federal awards, which are tracked using the UEI. The definition of award types was expanded with the release of 2 CFR part 25 to include loans, insurance, and loan guarantees, which would include all FHA-approved institutions. All entities currently conducting or seeking to do business with the federal government must have a UEI registered in GSA's System of Award Management.

On August 23, 2022, FHA published Mortgagee Letter 2022-14 (ML 22-14) that provided information on a new eligibility requirement for all FHA approved lenders and stipulated the compliance deadline of December 31, 2022. On December 19, 2022, and January 15, 2023, instructive reminders were sent via email to those institutions that had not input a UEI in their institution profile in the Lender Electronic Assessment Portal.

On April 19, 2023, Notices of Deficiency were sent via email to the lenders that failed to respond to the reminders by entering the UEI in the LEAP institution profile.

Finally, beginning on May 16, 2023, lenders that had not provided their respective UEI were issued Notices of Violation for failure to comply with FHA's eligibility requirements.

The following five lenders are in this category and each paid a civil money penalty of \$3,000.00.

1. *Area Federal Credit Union, Aberdeen, SD [Docket No. 23-3213-MR];*
2. *ClearPath Lending, Irvine, CA [Docket No. 23-3133-MR];*
3. *Lending Hand Mortgage, LLC, Madison, TN [Docket No. 23-3237-MR];*
4. *Mortgage One Solutions Inc., Vienna, VA [Docket No. 23-3261-MR]; and*
5. *Trust Mortgage Lending Corp., Doral, FL [Docket No. 23-3263-MR]*

III. Lenders That Failed to Timely Meet Requirements for Annual Recertification of FHA Approval but Came into Compliance.

Action: The Board entered into settlement agreements with the following lenders, which required the lender to pay a civil money penalty without admitting fault or liability.

Cause: The Board took actions based upon allegations that the listed lenders failed to comply with FHA's annual recertification requirements in a timely manner.

The following lenders paid civil money penalties of \$11,864.00:

1. *A Plus Mortgage Services, Inc., Muskego, WI [Docket No. 23-3349-MRT];*
2. *City National Bank of Florida, Miami, FL [Docket No. 23-3010-MRT];*
3. *Eagle Mortgage & Funding Inc., Memphis, TN [Docket No. 23-3356-MRT];*
4. *Essential Mortgage Partners, LLC, Kenner, LA [Docket No. 23-3369-MRT];*
5. *GreenState Credit Union, North Liberty, IA [Docket No. 23-3374-MRT];*
6. *ResMac, Inc., Delray Beach, FL [Docket No. 23-3034-MRT]; and*
7. *Statewide Funding Inc., Ontario, CA [Docket No. 23-3370-MRT]*

The following lenders paid a civil money penalty of \$6,000.00:

1. *American Heritage Lending, LLC, Irvine, CA [Docket No. 23-3372-MRT];*
2. *Bank of Idaho, Pocatello, ID [Docket No. 23-3068-MRT];*
3. *Mid Valley Financial Services, Fresno, CA [Docket No. 23-3102-MRT]; and*
4. *Southwest Bank, Odessa, TX [Docket No. 23-3092-MR]*

The following lenders paid civil money penalties of \$5,000.00:

1. *Ameritrust Mortgage Corp, Tustin, CA [Docket No. 22-2045-MRT];*
2. *Community First Bank, Kennewick, WA [Docket No. 23-3063-MRT]; and*
3. *Statebridge Company LLC, Greenwood Village, CO [Docket No. 22-2050-MRT]*

IV. Lenders That Failed to Meet Requirements for Annual Recertification of HUD/FHA Approval.

Action: The Board voted to withdraw the FHA approval of each of the lenders listed below for a period of one (1) year.

Cause: The Board took this action based upon allegations that the lenders listed below were not in compliance with HUD's annual recertification requirements.

1. *Accelerate Mortgage, LLC, Newark, DE [Docket No. 23-3040 MRT];*

2. *American Bank of Missouri, Wright City, MO [Docket No. 23-3087-MR];*
3. *Graystone Funding Company Salt Lake City, UT*
4. *Interstate Bank, Perryton, TX*
5. *James B Nutter and Company, Kansas City, MO [Docket No. 23-3088-MR];*
6. *Loan Cabin, Inc., Lombard, IL [Docket No. 23-3012-MRT];*
7. *Mortgage Master Service Corporation, Kent, WA [Docket No. 23-3321-MR];*
8. *Republic First Bank d/b/a Republic Bank, Philadelphia, PA [Docket No. 23-3075-MR];*
9. *Rogue Credit Union, Medford, OR [Docket No. 22-2066-MRT];*
10. *Sprout Mortgage, LLC, Port Saint Lucie, FL [Docket No. 23-3083-MR];*
11. *The Home Loan Expert, LLC, Saint Louis, MO [Docket No. 23-3072-MR];*
12. *Tri-Emerald Financial Group Inc, Aliso Viejo, CA [Docket No. 22-2077-MRT];*
13. *US Employees OC Federal Credit Union, Oklahoma City, OK [Docket No. 22-2047-MRT];*
14. *Valley Exchange Bank of Lennox, Lennox, SD [Docket No. 23-3098-MR]; and*
15. *WestStar Credit Union, Las Vegas, NV [Docket No. 23-3071-MR]*

Julia R. Gordon,

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Chairperson.*

[BILLING CODE 4210-67]