

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

In The Matter of:

WALDO E. ALICEA,  
  
Respondent.

HUDALJ 04-013-CSF  
Decided: December 17, 2003

Michael Tanner, Esq.  
For the Government

Waldo E. Alicea, *pro se*

Before: Thomas C. Heinz  
Administrative Law Judge

**DEFAULT DECISION AND ORDER**

On September 22, 2003, the Secretary of the United States Department of Housing and Urban Development (“the Secretary” or “HUD”) issued a Complaint seeking civil money penalties of \$55,000 against Waldo E. Alicea (“Respondent”) pursuant to Section 537(c) of the National Housing Act, (12 U.S.C. §1735f-15(c)) and 24 C.F.R. Part 30. The Complaint charges that Respondent knowingly submitted 10 Uniform Residential Appraisal Reports to HUD that contained false statements and false certifications. The Complaint notified Respondent of his right to appeal the imposition of the civil money penalty by filing an Answer within 15 days of receipt of the Complaint, and that failure to file an Answer could result in a default judgment and imposition of the penalty sought. *See* 24 C.F.R. §§26.39 and 30.90(b). Respondent received the Complaint on September 23, 2003, but he failed to file an Answer.

On November 17, 2003, HUD issued a Motion for Default Judgment which Respondent received on December 3, 2003. Respondent had seven days from receipt of the motion in which to file a response. *See* 24 C.F.R. §26.39(a). He has not done so. By failing to respond to the motion, Respondent has admitted the allegations of the Complaint and waived his right to a hearing. *See* 24 C.F.R. §26.39(c). Accordingly, HUD’s Motion for Default Judgment will be granted.

## Findings of Fact

1. Respondent is an individual residing in [REDACTED], who has conducted residential real estate appraisals for properties purchased with loans insured against default by the Federal Housing Administration of HUD ("FHA"). (Complaint, ¶2)

2. Mortgagees must use only an appraiser listed on HUD's roster of approved appraisers to determine the value of a property serving as security for a HUD/FHA-insured mortgage. (Complaint, ¶ 9)

3. To be eligible for HUD's roster of approved appraisers, a person must be a state-licensed or state-certified property appraiser and pass a HUD-administered test. (Complaint, ¶11)

4. Respondent formerly was listed on HUD's approved appraiser roster but was removed from the roster in January 2000 because he failed to pass a HUD test. (Complaint, ¶17)

5. During the year 2001, Respondent submitted 10 Uniform Residential Appraisal Reports ("URAR") to Fidelity Home Mortgage Corporation in connection with 10 FHA loan applications, as listed below:

Date of URAR	Loan number	Mortgagor	Complaint paragraphs
February 16, 2001	[REDACTED]	[REDACTED]	69-73
February 17, 2001	[REDACTED]	[REDACTED]	44-48
March 12, 2001	[REDACTED]	[REDACTED]	84-88
April 12, 2001	[REDACTED]	[REDACTED]	74-78
May 4, 2001	[REDACTED]	[REDACTED]	64-68
June 9, 2001	[REDACTED]	[REDACTED]	79-83
July 8, 2001	[REDACTED]	[REDACTED]	54-58
October 16, 2001	[REDACTED]	[REDACTED]	39-43
October 20, 2001	[REDACTED]	[REDACTED]	59-63
November 4, 2001	[REDACTED]	[REDACTED]	49-53

6. For each transaction listed above, Respondent appraised the real estate that secured the loan, completed the applicable URAR using the name of ██████████ Glasgow (an appraiser approved by HUD/FHA and licensed by the State of Maryland) rather than his own name, entered Mr. Glasgow's Maryland license number and HUD/FHA appraiser number on the URAR, falsely certified the qualifications of the appraiser on the URAR, and forged Mr. Glasgow's signature on the URAR, all without Mr. Glasgow's knowledge or consent. (Complaint, ¶¶ 21-88)

7. On the strength of Respondent's false representation that Mr. Glasgow was an employee of Respondent, Fidelity Home Mortgage Corporation paid Respondent approximately \$400 for each appraisal performed in connection with the transactions listed above. (Complaint, ¶36(e))

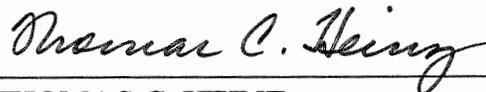
### Conclusions

By virtue of the above findings of fact, Respondent has committed 10 knowing and material violations of 12 U.S.C. §§1735f-14(b)(2)(A) and (B), and 24 C.F.R. §§30.36(b)(1) and (2), for which civil penalties may be imposed.

### ORDER

Pursuant to 24 C.F.R. §§26.37, 26.39, and 30.90, It is hereby **ORDERED** that:

1. The Motion for Default Judgment is granted;
2. Respondent shall pay to the Secretary of HUD a civil money penalty of \$55,000, which penalty is due and payable immediately without further proceedings; and
3. This Order shall constitute the final agency action.



THOMAS C. HEINZ  
Administrative Law Judge