

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

In the Matter of:)
)
)

Victor Agama,)
Rachele Ledesma, and)
Anchor Mortgage Corporation,)
)
Respondents.)
)

HUDALJ 07-024-PF
OGC Case No. 07-3403-PF

Ana Fabregas, Esq.
For the Government

Before: Arthur A. Liberty
Chief Administrative Law Judge

DEFAULT JUDGMENT AND ORDER

The Department of Housing and Urban Development (“HUD” or “Government”) filed a Complaint dated October 12, 2006, seeking a civil penalty of \$5,500.00 and an assessment of \$147,469.17 against Victor Agama, Andy Quiroz, Rachele Ledesma, and Anchor Mortgage Corporation (“Respondents”), pursuant to the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801 – 3812 and the applicable regulations at 24 C.F.R. Part 28. The Complaint against Andy Quiroz was dismissed by my Order dated March 28, 2007.

The Complaint charges that Respondents caused materially false documentation to be submitted to HUD to be used to obtain an FHA-insured mortgage loan for a non-qualifying borrower.

The Complaint notified Respondents of their rights to request a hearing to contest the imposition of the civil penalty and the assessment by filing an Answer within 30 days of receipt of the Complaint, and that failure to file an answer could result in a Motion for Default Judgment by HUD. 24 C.F.R. § 28.30. As set forth in the Declaration of Service submitted by the Government, Respondent Anchor Mortgage Corporation (“Anchor”) was served a copy of the Complaint on November 20, 2006. According to the Government’s unopposed Motion, Anchor received multiple extensions of time to file its Answer, yet has never filed an Answer.

The Government filed a Motion for Default Judgment against Anchor on March 7, 2007. The regulations provide that if a Respondent fails to file an Answer within 30 days of receiving the Complaint, the Administrative Law Judge may issue a Default Judgment. 24 C.F.R. § 26.39(b). The default shall constitute an admission of all facts alleged in the Government's Complaint and a waiver of Respondent's right to a hearing in the matter. 24 C.F.R. § 26.39(c). The default judgment shall constitute the final agency action. *Id.*

FINDINGS OF FACT

All facts alleged in the Government's Complaint dated October 12, 2006, are hereby found to be admitted by Respondent Anchor Mortgage Corporation.

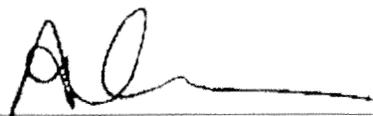
CONSLUSION OF LAW AND DECISION

The Complaint demonstrates a knowing and material violation of HUD rules and regulations and it provides a cause of action under the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801 – 3812 and the applicable regulations and 24 C.F.R. Part 28. Respondent Anchor Mortgage Corporation has failed to file any Answer to the Complaint in the more than four months since it was served on Anchor. A default judgment against Anchor is therefore clearly warranted.

Accordingly, Respondent Anchor Mortgage Corporation shall pay to the Secretary of the U.S. Department of Housing and Urban Development a Civil Penalty and Assessment totaling \$152,969.17.

This Decision is the final agency action.

So **ORDERED**, this 10th day of April, 2007.



ARTHUR A. LIBERTY
Chief Administrative Law Judge