



Federal Housing Finance Agency

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FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. *See* 12 U.S.C. 4513b(b)(2)(B)(iii).
2. Section 1319G of the Safety and Soundness Act authorizes FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. *See* 12 U.S.C. 4526(a).
3. Section 1313 of the Safety and Soundness Act authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of each regulated entity. *See* 12 U.S.C. 4513(a)(2).

Consistent with these authorities, FHFA has determined that any business relationship between Dexter T. Jones and a regulated entity would present excessive risk to the safety and soundness of the regulated entity.

This determination is based on the following findings:

1. Dexter T. Jones and co-conspirators executed a scheme to unlawfully profit from the sale of properties purchased or developed by various individuals and entities in the Eastern District of North Carolina.
2. Dexter T. Jones and co-conspirators orchestrated the sale of properties to individuals who did not have the financial means to purchase the properties (“straw buyers”) and took certain actions to make it appear to banks and other lenders that the straw buyers had the financial means to repay the mortgage loans, and to make the necessary down payments on sales at the time of closings.

3. On October 27, 2014, Dexter T. Jones was sentenced in the United States District Court, Eastern District of North Carolina to thirty (30) months imprisonment and five (5) years supervised release for Conspiracy to Commit Mail Fraud, Wire Fraud, and Bank Fraud.
4. On June 12, 2015, the United States Department of Housing and Urban Development (HUD) issued a Notice of Final Determination which the debarment of Dexter T. Jones from procurement and nonprocurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of Federal Government, was made effective indefinitely.
5. The conduct above occurred in connection with real estate transactions.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Dexter T. Jones indefinitely, beginning on March 18, 2019. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Dexter T. Jones.

The Final Order's requirement for regulated entities to cease any business relationship with Dexter T. Jones does not apply to the existing or future purchase, sale, modification, foreclosure alternative transaction, or other foreclosure-related transaction of a residential mortgage loan owned by a regulated entity, if Dexter T. Jones is the borrower of such residential mortgage loan and the transaction is for the borrower's own personal or household residence.

This Final Order is a final action of the Federal Housing Finance Agency.


Alfred M. Pollard, Suspending Official

1-30-2019
Date: