



# 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 determined that any business relationship between Calvin Richard Ford III 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. Calvin Richard Ford III was a real estate investor who operated a business known as Steelman Homes. Mr. Ford and co-conspirators encouraged potential buyers to purchase homes as investment properties. Mr. Ford told potential investors that he would arrange to have the homes they purchased rented and would make all mortgage payments from the rental proceeds.
2. Mr. Ford and co-conspirators purchased the homes, then sold them to investors at an inflated price. However, in an effort to ensure that investors could qualify for the loans to purchase the homes from him, Mr. Ford provided money from the sales proceeds that investors could use as a down payment. This arrangement was not disclosed on the HUD-1 transaction forms or loan applications.

3. After selling the homes to the investors, Mr. Ford often failed to find renters and did not pay the mortgages. Consequently, the mortgages were unpaid and the homes went into foreclosure.
4. On January 20, 2015, Mr. Ford was sentenced by the United States District Court, Northern District of Texas, to thirty-seven (37) months of imprisonment and three (3) years of supervised release for Conspiracy to Commit Wire Fraud.
5. As described in the Statement of Information filed in the United States District Court for the Northern District of Texas, Fort Worth Division, on May, 6, 2014, the conduct underlying the conviction listed above occurred in connection with a financial transaction.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Calvin Richard Ford III for ten (10) years, beginning on May 8, 2018. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Mr. Ford.

The Final Order's requirement for regulated entities to cease any business relationship with Mr. Ford 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 Mr. Ford 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.

  
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Suspending Official

3-8-18  
Date