



# 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 Shawn L. Portmann 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. Shawn L. Portmann was employed as a Senior Vice President and loan officer at Pierce Commercial Bank.
2. Shawn L. Portmann and others did knowingly and willfully conspire, combine, confederate and agree among themselves, and with other persons, to commit offenses in violation of the laws of the United States, including (1) knowingly making false statements and reports and willfully overvaluing property for the purpose of influencing the action of Pierce Commercial Bank, in connection with applications for mortgage loans, in violation of Title 18 U.S.C. §1014; and (2) knowingly making false statements on mortgage loan application documents for the purpose of obtaining loans from Pierce Commercial Bank, with the intent that such loans would be offered to and accepted by the

U.S. Department of Housing and Urban Development (HUD) for insurance, and for the purposes of influencing the action of HUD, in violation of Title 18 U.S.C. §1010.

3. On January 28, 2013, Shawn L. Portmann was sentenced by the United States District Court, Western District of Washington for a total of 120 months of imprisonment, followed by five (5) years of supervised release for (i) Conspiracy to Submit False Statements in Loan Applications and to Make False Statements to the Department of Housing and Urban Development (HUD) and (ii) Submitting False Statements in Loan Applications.
4. On November 12, 2013, the U.S. Department of Housing and Urban Development debarred Shawn L. Portmann from procurement and non-procurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of the Federal Government for an indefinite period beginning November 12, 2013.
5. As described in the Indictment filed in the United States District Court, Western District of Washington at Tacoma on August 4, 2011 and the HUD Notice of Proposed Debarment dated July 29, 2013, the conduct underlying the conviction and debarment 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 Shawn L. Portmann indefinitely, beginning on May 9, 2017. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Shawn L. Portmann.

The Final Order's requirement for regulated entities to cease any business relationship with Shawn L. Portmann 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 Shawn Portmann 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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Alfred M. Pollard  
Suspending Official

3-9-2017  
Date: