



# Federal Housing Finance Agency

Constitution Center  
400 7<sup>th</sup> Street, S.W.  
Washington, D.C. 20219  
Telephone: (202) 649-3800  
Facsimile: (202) 649-1071  
[www.FHFA.gov](http://www.FHFA.gov)

## 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 (collectively the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), which authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of the regulated entities. *See* 12 U.S.C. 4513(a)(2);
2. Section 1313B of the Safety and Soundness Act, which 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); and
3. Section 1319G of the Safety and Soundness Act, which 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).

Consistent with these authorities, FHFA has determined that any business relationship between Frank Giacobbe and the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Frank Giacobbe owned and operated Aurora Capital Advisors, LLC ("Aurora") and brokered loans for borrowers seeking financing for multi-family properties such as apartment complexes.
2. Through Aurora, Frank Giacobbe worked as a mortgage broker on behalf of Morgan Management, LLC, a real estate management company that managed over 100 multifamily properties.
3. Frank Giacobbe, working with others, submitted, or caused to be submitted, documents and information to Evans Bank that overstated the contract purchase price of a multifamily property, falsely represented the obligations associated with the property, and misrepresented the actual purchase price of the property.
4. Frank Giacobbe, working with others, made misrepresentations and engaged in conduct designed to conceal from Evans Bank that Frank Giacobbe and others were purloining the loan proceeds – that is, that they were obtaining cash from the loan proceeds and not using it to purchase or maintain the property as required by the loan agreement.

5. Frank Giacobbe's actions caused Evans Bank to issue a loan to Morgan Ellicott Apartments, LLC, based on false and inflated information regarding the obligations associated with the property and the purchase price of the property, and ultimately, to provide funds to Morgan Ellicott Apartments, LLC that Evans Bank would not otherwise have provided.
6. Frank Giacobbe was sentenced by the United States District Court for the Western District of New York to one (1) year and one day probation.
7. The conduct underlying the conviction described above occurred in connection with real estate and financial transactions.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Frank Giacobbe, for a term of five (5) years, beginning on December 7, 2022. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Frank Giacobbe's.

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

---

Clinton Jones,  
Suspending Official