



# Federal Housing Finance Agency

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[www.fhfa.gov](http://www.fhfa.gov)

## **CORRECTED FINAL SUSPENSION ORDER**

\* This Order was updated on February 26, 2019 to correct one typographical error on page two by replacing the word Proposed with the word Final.

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 John Lee Norris 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. John Lee Norris and a co-conspirator did business as Reaper Investment Partners, LLC (RIP), Hydra International, and Death Productions LP.
2. John Lee Norris and a co-conspirator did knowingly make and cause to be made materially false and fraudulent representations, promises, and omissions of material facts, to its homeowner clients, including among other things that RIP would draft, serve, file and record legal forms, pleadings, and other documents; and would conduct necessary

legal processes, contact the relevant parties, and implement administrative services to stop its clients from losing their homes.

3. John Lee Norris and co-conspirators used the United States Mail to send documents to victims and lenders; caused victims to use the United States Mail to send monthly payments, correspondence, and documents to the defendants and RIP; and sent e-mails to victims, all in furtherance of the conspiracy.
4. On September 11, 2015, the United States District Court for the Western District of Missouri Western Division, issued an Amended Judgment In A Criminal Case to correct the sentence regarding John Lee Norris. In this Amended Judgement, John Lee Norris was sentenced to 108 months imprisonment and 5 years supervised release for Conspiracy to Commit Bank Fraud.
4. On June 16, 2016, the indefinite debarment of John Lee Norris from procurement and non-procurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of the Federal Government was effective.
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 John Lee Norris indefinitely, beginning on February 25, 2019. This suspension extends to any individual, company, partnership, or other group that FHFA determines to be an affiliate of John Lee Norris.

The Final Order's requirement for regulated entities to cease any business relationship with John Lee Norris 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 John Lee Norris 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

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Date:



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