



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 (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 Peter Jon Michno and the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Peter Jon Michno was a real estate broker approved to list Fannie Mae real estate owned (REO) properties for sale, and was entitled to receive a commission from the sale of REO properties for his services.
2. As a Fannie Mae-approved real estate broker, Peter Jon Michno was not authorized to purchase Fannie Mae REO properties for himself or for his friends, relatives, and associates, or permitted to pay referral fees, bribes, or kickbacks to Fannie Mae employees.
3. Peter Jon Michno paid bribes and kickbacks to Fannie Mae employees in exchange for listing opportunities and for approval of below-market offers on Fannie Mae REO properties to himself and his affiliates.
4. Peter Jon Michno transferred, through an affiliate he controlled, properties to his co-conspirators as kickbacks for the performance of their official duties.

5. Peter Jon Michno knew at the time he was engaged in the above conduct that it was improper and unlawful to pay bribes and kickbacks to Fannie Mae employees in exchange for listing opportunities and below-market sales, and engaged in the conduct, and in so doing acted with the intent to defraud Fannie Mae of its right to honest services.
6. Peter Jon Michno was sentenced by the United States District Court for the Central District of California to probation for a term of three (3) years.
7. The conduct underlying the conviction described above occurred in connection with real estate transactions.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Peter Jon Michno, for a term of five (5) years, beginning on October 10, 2022. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Peter Jon Michno.

The Final Order's requirement for regulated entities to cease any business relationship with Peter Jon Michno 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 Peter Jon Michno 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