



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 Proposed 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 Andrew Constantinou 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. Andrew Constantinou was a loan originator licensed in the state of Connecticut.
2. Andrew Constantinou unlawfully acted as the loan officer for multiple fraudulent transactions, often for the same borrower.
3. Andrew Constantinou and co-conspirators made or caused to be made, materially false statements in the purchase and sale agreements, loan applications, HUD-1 forms, leases, verification forms and letters, and other documents to lenders in order to obtain financing to purchase properties.

4. Andrew Constantinou and co-conspirators received funds at or shortly after closings that were not disclosed to lenders.
5. On December 16, 2014, Andrew Constantinou was sentenced by the United States District Court, District of Connecticut for Conspiracy to Commit Bank, Mail, and Wire Fraud and sentenced to 60 months imprisonment and 5 years supervised release.
6. On July 2, 2015, the United States Department of housing and Urban Development (HUD) debarment of Andrew Constantinou from procurement and nonprocurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of Federal Government, was made final for an indefinite period from May 9, 2013.
7. The conduct above occurred in connection with real estate transactions.

With this Order, FHFA is directing each regulated entity to cease any business relationship with Andrew Constantinou indefinitely, beginning on March 18, 2019. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Andrew Constantinou.

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



Alfred M. Pollard, Suspending Official

1-30-2019
Date: