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) authorizing 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 of 1992 authorizing 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 authorizing 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 Ronald J. McCord and the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Ronald J. McCord was the Chairman and founder of First Mortgage Company, LLC (FMC), a mortgage lending and loan servicing company with offices in Oklahoma City, Oklahoma; Omaha, Nebraska; and elsewhere.

2. In 2017, FMC serviced approximately 12,000 loans worth a total of approximately $1.8B for Fannie Mae.

3. Ronald J. McCord defrauded Fannie Mae by diverting escrow monies intended to pay homeowners’ taxes and insurance premiums to cover FMC’s operating expenses.

4. Ronald J. McCord laundered the proceeds by causing a wire transfer from FMC’s operating account to a custom home builder, as payment towards construction of Ronald J. McCord’s vacation home in Colorado.
5. Ronald J. McCord was sentenced to 104 months of imprisonment and three (3) years of supervised release by the U.S. District Court for the Western District of Oklahoma.

6. The conduct underlying the conviction described above occurred in connection with mortgage businesses.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Ronald J. McCord, indefinitely, beginning on March 30, 2022. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Ronald J. McCord.

The Final Order’s requirement for regulated entities to cease any business relationship with Ronald J. McCord 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 Ronald J. McCord 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