



# 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 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 Osvaldo Menendez 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:

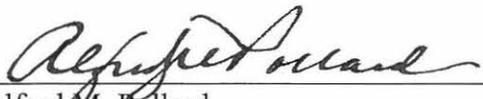
1. Osvaldo Menendez was a loan officer for Great Country Mortgage Bankers (GCMB) and assisted in the sale and financing of condominium units.
2. GCMB was a direct endorsement Federal Housing Administration (FHA) lender, which meant that the Department of Housing and Urban Development (HUD) allowed GCMB to use GCMB personnel to approve loans that HUD would then insure, protecting GCMB in the event of default. After a loan closed, the loan file was sent to HUD to ensure that all the appropriate documents were submitted and then HUD endorsed the loan, at which time the loan was insured.

3. Osvaldo Menendez did willfully and knowingly combine, conspire, confederate and agree with others, to knowingly, and with intent to defraud, devise and intend to devise, a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and transmitting and causing to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, signals, pictures and sounds, for the purpose of executing the scheme and artifice.
4. On October 31, 2013, Osvaldo Menendez was sentenced in the United States District Court, Southern District of Florida to 24 months of imprisonment, followed by three (3) years of supervised release for Conspiracy to Commit Wire Fraud.
5. On May 5, 2014, the U.S. Department of Housing and Urban Development (HUD) debarred Osvaldo Menendez from procurement and non-procurement transactions, as either a principal or participant, with HUD and throughout the Executive Branch of the Federal Government for an indefinite period beginning May 5, 2014.
6. As described in the Indictment filed in the United States District Court, Southern District of Florida on June 17, 2013 and the HUD Notice of Proposed Debarment dated February 27, 2014, the conduct underlying the conviction and debarment listed above occurred in connection with a financial transaction.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Osvaldo Menendez indefinitely, beginning on April 9, 2017. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Osvaldo Menendez.

The Final Order's requirement for regulated entities to cease any business relationship with Osvaldo Menendez 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 Osvaldo Menendez 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

2-7-2017  
Date: