



# Federal Housing Finance Agency

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## FINAL SUSPENSION ORDER

The Federal Housing Finance Agency (“FHFA”), as safety and soundness regulator of the Federal National Mortgage Association (“Fannie Mae”), Federal Home Loan Mortgage Corporation (“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, as amended by the Housing and Economic Recovery Act of 2008, Pub. L. No. 110-289, 122 Stat. 2654 (codified as 12 U.S.C. § 4511 et seq.), (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).
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).
4. 12 CFR § 1227.6, which outlines the grounds for issuance of a final suspension order and the factors that may be considered by the suspending official.

Consistent with these authorities, FHFA has determined that any business relationship between Steven William Cook and any of the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Steven William Cook was the President of SouthernTrust Bank. SouthernTrust Bank had branches located in Marion, Vienna, and Goreville, Illinois, and its deposits were insured by the Federal Deposit Insurance Corporation ("FDIC"). In addition to running and supervising the day-to-day operations of the bank, Cook served as a member of SouthernTrust Bank's Board of Trustees, as well as a member of its Loan Committee.
2. Cook facilitated the 2022 sale by Results Home Buyers 2, LLC of its seven commercial rental properties to a real estate management firm (Buyer) by approving and obtaining SouthernTrust Bank's approval of the loan to Buyer.

3. Cook admitted his role in a scheme to falsify bank records and fraudulently facilitating real estate loans in 2022. Cook and others agreed:
  - a. The paperwork reflecting ownership of the seven properties would be falsely backdated and SouthernTrust Bank would fund an 80% sham "refinance" transaction at an inflated price; and
  - b. The sales amount of certain properties would be 80% of the total appraised value and that the real estate contract would falsely list the sales price.
4. Cook falsely stated the loan amounts on credit approval forms, and falsely indicated what amounts the borrower would supply in cash. The false credit approval forms were maintained in the books and records of SouthernTrust Bank. Further, real estate contracts were submitted to SouthernTrust Bank which falsely stated the total purchase prices, and those forms were maintained in the books and records of SouthernTrust Bank. The loans were presented to the SouthernTrust Bank loan committee and the loans were approved and funded by SouthernTrust Bank based on false information.
5. Based on this misconduct and pursuant to a guilty plea, on June 20, 2024, Cook was convicted by the United States District Court for the Southern District of Illinois of false entry in bank records and was sentenced to imprisonment for a term of time served and two (2) years of supervised release.
6. On March 19, 2025, Cook was prohibited for ten (10) years under Section 19 of the Federal Deposit Insurance Act by the FDIC from becoming or continuing as an institution-affiliated party with respect to any insured depository institution; owning or controlling, directly or indirectly, any insured depository institution; or otherwise participating, directly or indirectly, in the conduct of the affairs of any insured depository institution.
7. The conduct underlying the conviction described above occurred in connection with a mortgage business and real estate lending products, and involved making false statements or claims.
8. The above-referenced conviction constitutes covered misconduct, as that term is defined at 12 CFR 1227.2, that is of a type that would be likely to cause significant financial or reputational harm to a regulated entity or otherwise threaten the safe and sound operation of a regulated entity.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Steven William Cook indefinitely, beginning on February 3, 2026.

The Final Order's requirement for the regulated entities to indefinitely cease any business relationship with Steven William Cook 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 Steven William Cook 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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Clinton Jones,  
Suspending Official