



Office of Appeals  
U.S. Department of Housing and Urban Development  
Washington, D.C. 20410-0001

In the Matter of:

**Steve Yeager,**

Petitioner

HUDOA No. 10-H-CH-LL117

Claim No. 7-80017751B

Steve Yeager  
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Greenville, TX 75401

*Pro se*

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For the Secretary

**ORDER OF DISMISSAL**

In 24 C.F.R. § 17.152(b) it provides that failure by the Petitioner to submit evidence within 65 calendar days from the date of the Department's Notice of Intent, will result in a dismissal of Petitioner's request for review by the HUD Office of Appeals.

In this case, Petitioner alleged: "THIS WAS IN BANKRUPTCY BACK IN 1994 SO HOW IS THIS POSSIBLE, I AM DIVORCED FROM MY WIFE AT THAT TIME THAT BOUGHT THIS SO HOW AM I LIABLE FOR ANY OF THIS, THAT WAS AN ASSUMED NOTE AND WE BORROWED NOTHING FROM HUD, I THINK YOU ARE MIXED UP ON THIS, I DO NOT OWE ANYTHING ON THIS." (Emphasis in original.) (Petitioner's Request for Hearing, filed March 9, 2010.) Beyond Petitioner's allegation that the subject debt was in bankruptcy, Petitioner neither provided documentary evidence in support of his bankruptcy claim nor did he provide evidence to support that he was released from his legal obligation to pay the subject debt. Without submitting the necessary evidence as proof of his position, Petitioner's bankruptcy claim cannot stand alone as a mere allegation.

As a result, Petitioner was ordered to submit documentary evidence to substantiate that the subject debt was, in fact, discharged by the U.S. Bankruptcy Court, or that

Petitioner was released from his legal obligation due to a divorce from his spouse. (Order, dated May 20, 2010; Order to Show Cause, dated June 18, 2010.) Petitioner was also ordered to submit documentary evidence that would otherwise render the alleged debt unenforceable, but again Petitioner failed to comply. (Id.) The Court has consistently held that “assertions without evidence are not sufficient to show that the debt claimed by the Secretary is not past-due or enforceable.” *Bonnie Walker*, HUDBCA No. 95-G-NY-T300 (July 3, 1996). Thus, I find that Petitioner remains legally obligated to pay the alleged debt because Petitioner has failed to prove that the alleged debt was subject to bankruptcy.

Furthermore, Petitioner’s claim that the divorce from his wife renders the debt unenforceable against him is also not prevailing. This Office has previously held that co-signers of a loan are jointly and severally liable to the obligation, and as a result, “a creditor may sue the parties to such obligation separately or together.” *Mary Jane Lyons Hardy*, HUDBCA No. 87-1982-G314, at 3 (July 15, 1987). As such, “the Secretary may proceed against any co-signer for the full amount of the debt” because each co-signer is jointly and severally liable for the obligation. *Hedieh Rezai*, HUDBCA No. 04-A-NY-EE016 (May 10, 2004). Additionally, the Secretary’s right to collect the alleged debt in this case emanates from the terms of the Note. *Bruce R. Smith*, HUDBCA No. 07-A-CH-AWG11 (June 22, 2007). For Petitioner not to be held liable for the subject debt, he must submit evidence of either (1) a written release from HUD showing that Petitioner is no longer liable for the debt; or (2) evidence of valid or valuable consideration paid to HUD to release him from his obligation. *Franklin Harper*, HUDBCA No. 01-D-CH-AWG41 (March 23, 2005) (citing *Jo Dean Wilson*, HUDBCA No. 03-A-CH-AWG09 (January 30, 2003)); *William Holland*, HUDBCA No. 00-A-NY-AA83 (October 12, 2000); *Ann Zamir (Schultz)*, HUDBCA No. 99-A-NY-Y155 (October 4, 1999); *Valerie L. Karpanai*, HUDBCA No. 87-2518-H51 (January 27, 1988); *Cecil F. and Lucille Overby*, HUDBCA No. 87-1917-G250 (December 22, 1986); and *Jesus E. and Rita de los Santos*, HUDBCA No. 86-1255-F262 (February 28, 1986).

In the instant case, Petitioner has failed to produce evidence of a written release from his obligation to pay the alleged debt or evidence of valuable consideration paid to HUD in satisfaction of the debt to otherwise prove that the alleged debt is unenforceable. While the Petitioner may be divorced from his ex-spouse, neither the Secretary nor the lender was a party to the divorce action. So as a recourse, Petitioner may seek to enforce, in the state or local court, the divorce decree that was granted against his ex-spouse so that Petitioner may recover from his ex-spouse monies paid to HUD by him in order to satisfy this legal obligation. See *Michael York*, HUDBCA No. 09-H-CH-AWG36, dated June 26, 2009, at 3. I find, therefore, without proof of a written release, Petitioner remains legally obligated to pay the subject debt as a co-signor on the Note.

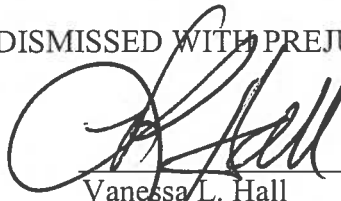
As a final point, Rule 26.3 of Title 24 of the Code of Federal Regulations provides:

If a party refuses or fails to comply with an Order of the hearing officer, the hearing officer may enter any appropriate order necessary to the disposition of the hearing including *a determination against a noncomplying party*. (emphasis added).

Accordingly, because Petitioner has also failed to comply with any of the Orders issued by this Office, I find that Petitioner's non-compliance to the Orders issued by this Office provides a basis for rendering a decision against Petitioner pursuant to Rule 26.3 of Title 24 of the Code of Federal Regulations.

Upon due consideration of Petitioner's failure to comply with 24 C.F.R. § 17.152(b) and Rule 26.3 of Title 24 of the Code of Federal Regulations, Petitioner's appeal is **DISMISSED** *sua sponte*.

**ORDERED** that this matter be DISMISSED WITH PREJUDICE.

  
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Vanessa L. Hall  
Administrative Judge

July 28, 2010