

UNITED STATES  
JUDICIAL PANEL ON  
MULTIDISTRICT LITIGATION

**UNITED STATES JUDICIAL PANEL  
on  
MULTIDISTRICT LITIGATION**

**Dec 19, 2007**

**FILED  
CLERK'S OFFICE**

**IN RE: AMERICAN HOME MORTGAGE  
SECURITIES LITIGATION**

MDL No. 1898

**TRANSFER ORDER**

**Before the entire Panel\***: Defendant Citigroup Capital Markets, Inc., has moved, pursuant to 28 U.S.C. § 1407, to centralize this litigation in the Eastern District of New York. This litigation currently consists of eighteen actions pending in that district and one action pending in the Southern District of Florida, as listed on Schedule A. Plaintiffs in the Southern District of Florida action oppose the motion, while this action's eight individual defendants<sup>1</sup> support it.

After considering the argument of counsel, we find that these nineteen actions involve common questions of fact, and that centralization under Section 1407 in the Eastern District of New York will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. All of these actions share issues regarding the financial condition of American Home Mortgage Investment Corp. (AHM) during the 2006-07 time period, and whether the defendants, who include AHM and its corporate officers and directors, misrepresented or failed to disclose material information concerning the company and its financial condition and prospects. Centralization under Section 1407 will eliminate duplicative discovery, prevent inconsistent pretrial rulings, and conserve the resources of the parties, their counsel and the judiciary.

Plaintiffs in the Southern District of Florida action urge the Panel not to order transfer before their motion for remand to state court is resolved by the Florida court. That court, however, has stayed all proceedings pending the Panel's decision on Section 1407 transfer, and the pending motion for remand can be presented to the transferee judge. *See, e.g., In re Ivy*, 901 F.2d 7 (2d Cir. 1990); *In re Prudential Insurance Company of America Sales Practices Litigation*, 170 F.Supp.2d 1346, 1347-48 (J.P.M.L. 2001).

We are persuaded that the Eastern District of New York is an appropriate transferee district for pretrial proceedings in this litigation. All but one of the nineteen actions before the Panel are

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\* Judges Heyburn and Scirica took no part in the disposition of this matter.

<sup>1</sup> Michael Strauss, Stephen Hozie, John Johnston, Michael McManus, Cathleen Rafaelli, Kristian Salovaara, Nicholas Marfino, and Irving Thau.

**PLEADING NO. 13**

already pending there. Moreover, because AHM has its headquarters in that district, relevant documents and witnesses may be found there.

IT IS THEREFORE ORDERED that, pursuant to 28 U.S.C. § 1407, the action listed on Schedule A and pending outside the Eastern District of New York is transferred to the Eastern District of New York and, with the consent of that court, assigned to the Honorable Thomas C. Platt, Jr., for coordinated or consolidated pretrial proceedings with the actions pending in that district and listed on Schedule A.

PANEL ON MULTIDISTRICT LITIGATION



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D. Lowell Jensen  
Acting Chairman

John G. Heyburn II, Chairman*	J. Frederick Motz
Robert L. Miller, Jr.	Kathryn H. Vratil
David R. Hansen	Anthony J. Scirica*

**IN RE: AMERICAN HOME MORTGAGE  
SECURITIES LITIGATION**

MDL No. 1898

**SCHEDULE A**

Southern District of Florida

Justin Tuttleman, et al. v. John A. Johnston, et al., C.A. No. 9:07-80793

Eastern District of New York

Elliot Greenberg v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3152

Joshua F. Hafron v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3184

Claude A. Reese v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3186

James Ramos v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3191

Gail Fialkov v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3193

Richard Nieland v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3194

Yuk Ying Lui v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3198

Randy Stark v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3227

George B. Blake v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3237

William J. Raniolo, et al. v. Michael Strauss, et al., C.A. No. 2:07-3243

Richard P. Abraham v. American Home Mortgage Investment Corp., et al.,  
C.A. No. 2:07-3248

Mark Hollingsworth v. Michael Strauss, et al., C.A. No. 2:07-3259

Kenneth Bruce v. Michael Strauss, et al., C.A. No. 2:07-3306

David R. Scheall v. Michael Strauss, C.A. No. 2:07-3315

Larry Massung v. American Home Mortgage Investment Corp., et al., C.A. No. 2:07-3350

KT Investments, LLC v. Michael Strauss, et al., C.A. No. 2:07-3388

Arthur S.K. Fong v. Michael Strauss, et al., C.A. No. 2:07-3540

Dana Marlin v. Citigroup Global Markets, Inc., et al., C.A. No. 2:07-3580