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ATTEST

By Bonita Bagley on Dec 19, 2007

FOR THE UNITED STATES
JUDICIAL PANEL ON
MULTIDISTRICT LITIGATION

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on
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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 defendants¹ 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

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

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

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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



D. Lowell Jensen
Acting Chairman

John G. Heyburn II, Chairman*
Robert L. Miller, Jr.
David R. Hansen

J. Frederick Motz
Kathryn H. Vratil
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