

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III(3) below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Bernstein, age 44, passed the CPA exam in New York but does not have a license to practice accounting in any state. He served as controller of American Home Mortgage Investment Corp. (“AHM” or the “Company”) from December 2002 until June 2008.

2. AHM is a Maryland corporation headquartered in Melville, New York. In 2006, AHM was one of the nation’s largest home mortgage lenders. AHM’s common and preferred stock was registered with the Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934 (“Exchange Act”). Through the first quarter of 2007, AHM filed periodic reports, including Forms 10-K and 10-Q, with the Commission pursuant to Section 13(a) of the Exchange Act and related rules thereunder. Since May 10, 2007, the Company has not filed any required periodic reports. On August 6, 2007, AHM and its direct and indirect subsidiaries filed for bankruptcy protection. On February 23, 2009, the Bankruptcy Court confirmed AHM’s plan of liquidation.

3. On April 28, 2009 the Commission filed a complaint against Bernstein and others in SEC v. Strauss, et al. (09 Civ. 4150) (S.D.N.Y.). On November 17, 2009, the court entered an order permanently enjoining Bernstein, by consent, from future violations of Section 13(b)(5) of the Exchange Act and Rules 13b2-1 and 13b2-2 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20 and 13a-13 thereunder. Bernstein was also ordered to pay a \$125,000 civil money penalty.

4. The Commission’s complaint alleged, among other things, that Bernstein, with others, analyzed the Company’s reserves for expected loan losses, which showed that a substantial increase was required to account for AHM’s increased loss rates on its portfolios. Bernstein did not provide this information to AHM’s auditor. Instead, based on an instruction from AHM’s chief financial officer, Bernstein provided to the auditor a misleading document that made the Company’s understated loan loss reserves appear adequate. Bernstein also took affirmative steps to conceal a significant aged receivable balance on AHM’s books for the periods ending December 31, 2006 and March 31, 2007 by directing a subordinate to make a series of

accounting entries designed to bury the balance in a liability account in order to mislead the Company's auditor with respect to the existence of these aged receivables. Bernstein circumvented AHM's internal controls and falsified the Company's books and records by, among other things, creating false accounting entries in connection with the aged receivables and entries which reflected the understated loan loss reserves.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Bernstein's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Bernstein is suspended from appearing or practicing before the Commission as an accountant.

B. After three years from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the Respondent's or the firm's quality control system that would indicate that the Respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all

requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his state CPA license is current and he has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Elizabeth M. Murphy
Secretary