

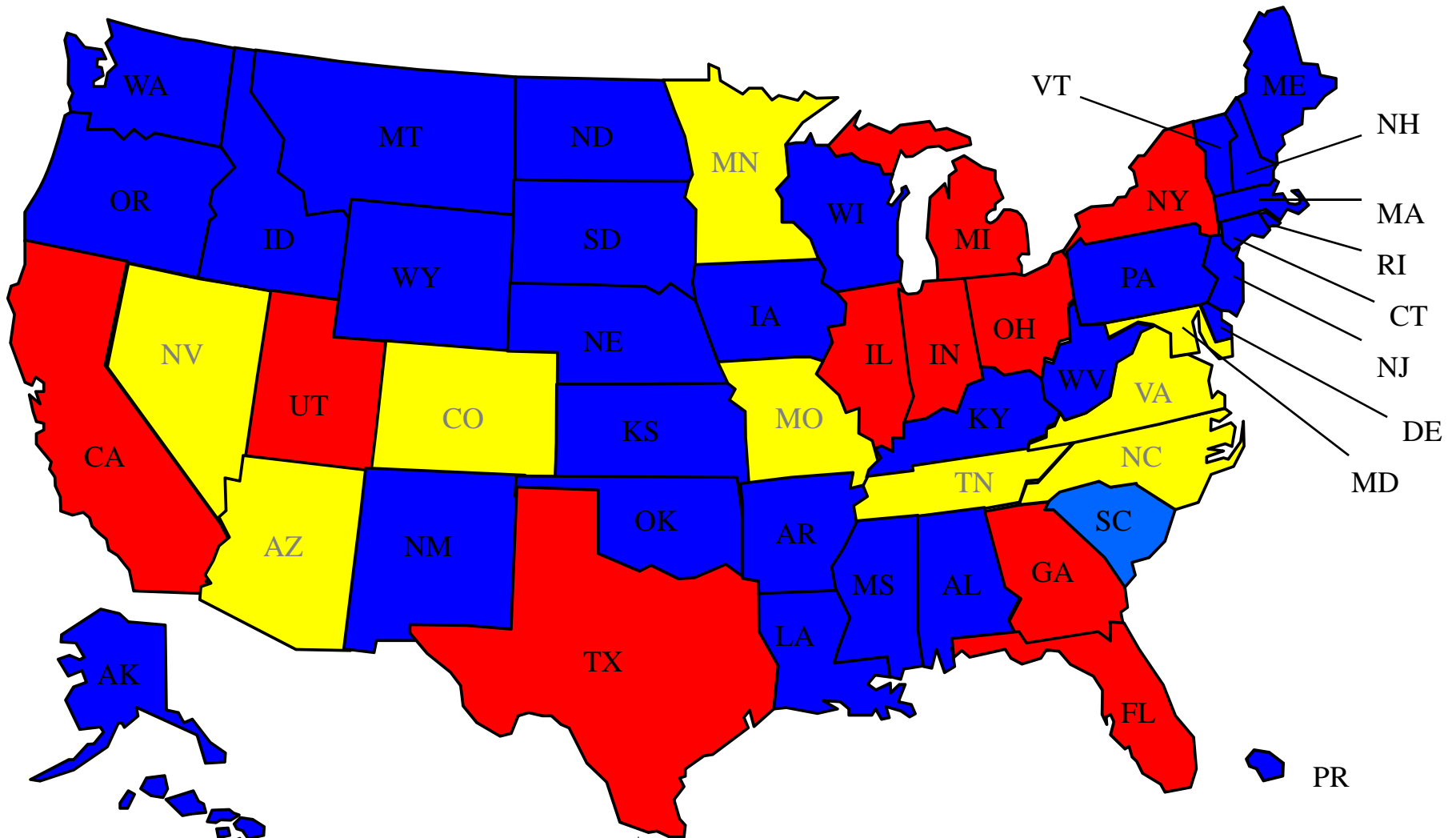


Federal Bureau of Investigation

Mortgage Fraud

ENVIRONMENT
SARS
MFTF
TRENDS

Top Mortgage Fraud Affected Areas - 2007



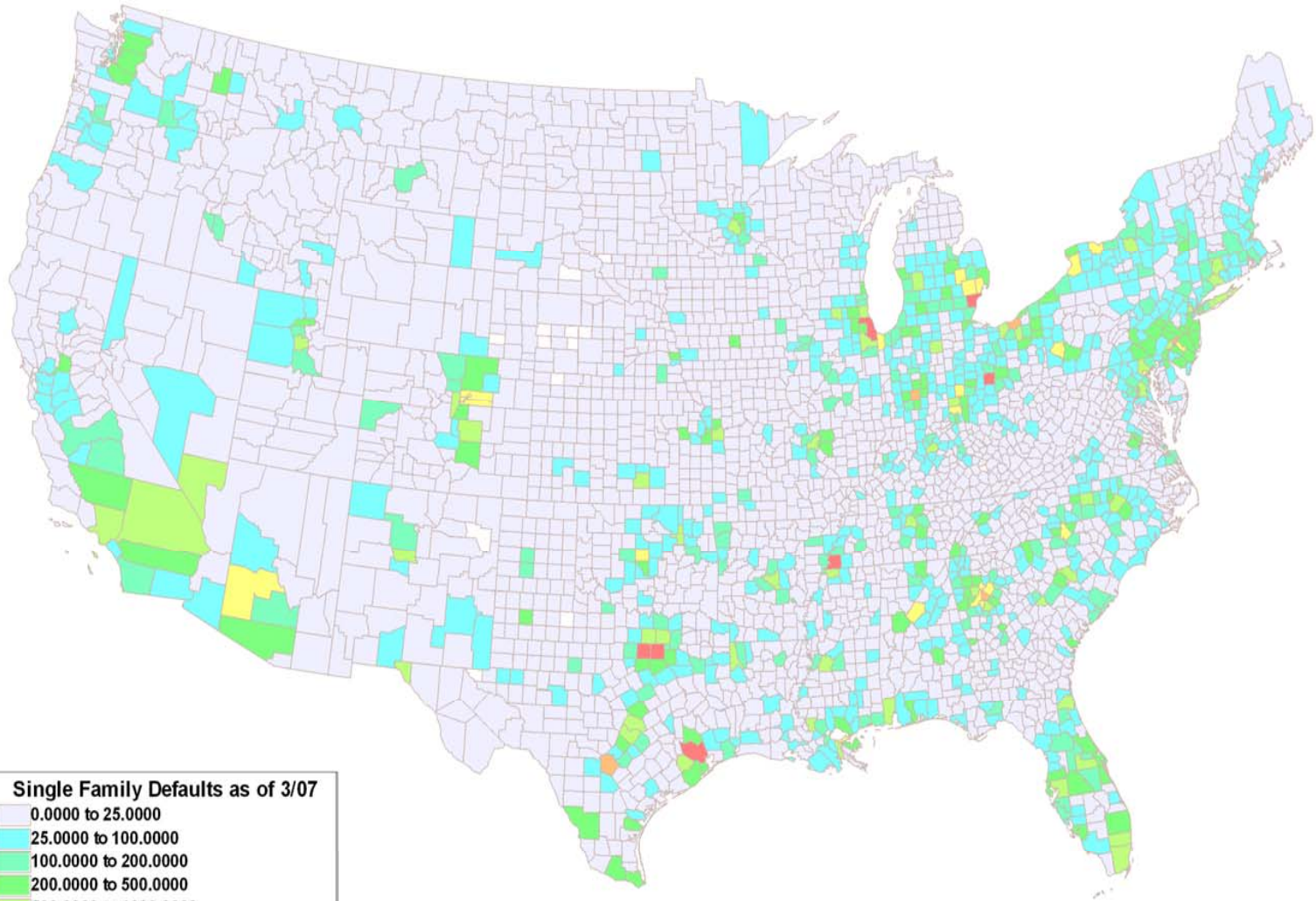
Top 10 Mortgage Fraud Hot Spots



Other Problematic Mortgage Fraud Areas



Single Family Defaults Nationwide



Single Family Defaults as of 3/07

0.0000 to 25.0000
25.0000 to 100.0000
100.0000 to 200.0000
200.0000 to 500.0000
500.0000 to 1000.0000
1000.0000 to 2000.0000
2000.0000 to 3000.0000
3000.0000 to 10000.0000



Participants

- FBI
- USSS
- HUD
- Illinois Attorney General's Office
- Cook County State Attorney's Office
- United States Attorney's Office
- Chicago Police Department
- Internal Revenue Service
- Department of Homeland Security – ICE
- Department of Veterans Affairs
- U S Bankruptcy Trustee



- Multidisciplinary
- Transparency
- De confliction
- Maximize Resources
- Information Sharing
- Develop Skills and Expertise
- Investigations
- Proactive



- The mission of the MFTF is to leverage the collective resources of participating agencies to detect, investigate and prosecute Mortgage fraud.



- Target systemic fraud
- Industry Professionals
 - Mortgage bankers/brokers
 - Attorneys
 - Appraisers
 - Developers
 - Realtors



- Identity Fraud
 - Common
 - Use of other's identities on the mortgage application
 - Accounts
 - Identifiers
 - False identity used in place of a straw buyer.



- Rescue Mortgage Fraud
 - Taking advantage of people in foreclosure
 - Basic scheme:
 - Subject states they can help a person stay in their home despite the possibility of foreclosure.
 - Victim sells the house to subject, usually through a straw buyer.
 - Victim then pays rent to the subject with the expectation that, in time, they can buy their house back.
 - Subject ends up keeping proceeds from the sale as well as money from payments by victim.
 - House ends up in foreclosure.
 - May include bankruptcy fraud.



- Gangs and Organized Crime
 - More and more turning to mortgage fraud as a source of funds and for money laundering.
 - Increasingly sophisticated in their operations.
 - Membership means no shortage of straw buyers.
 - Dirty down payment = clean mortgage proceeds.



Questions?

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