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Description of document:	List of Federal Housing Finance Agency (FHFA) Office of Inspector General Investigations Closed in CY 2020
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Source of document:	FOIA Request FHFA-OIG FOIA Requester Service Center ATTN: FOIA Officer 400 7th Street SW Washington, DC 20219 Fax: (202) 318-8602 Email: <a href="mailto:FOIA@fhfaoig.gov">FOIA@fhfaoig.gov</a>

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## OFFICE OF INSPECTOR GENERAL

Federal Housing Finance Agency

400 7th Street SW, Washington, DC 20219

January 13, 2021

By Electronic Mail

RE: Freedom of Information Act

This letter responds to your December 26, 2020 request pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. §552, which was received by the Federal Housing Finance Agency's Office of Inspector General (FHFA-OIG) on December 28, 2020. Your request has been assigned the tracking number 2021-FOIA-00006 and seeks the following information:

**A copy of the list of FHFA Office of Inspector General investigations CLOSED during Calendar Year 2020.**

FHFA-OIG has conducted a search and has determined that it possesses 8 pages of records responsive to your request. These are attached.


Certain information contained in these records have been exempt and withheld under the following FOIA Exemptions:

- (b)(5), Permits withholding information under the deliberative process privilege, including the pre-decisional documents, or information that could be withheld under civil discovery, attorney-client, or attorney-work product privileges.
- (b)(6), Permits withholding of records and information about individuals when disclosure would be a clearly unwarranted invasion of personal privacy.
- (b)(7)(C), Permits withholding of records when an unwarranted invasion of personal privacy could reasonably be expected.
- (b)(7)(E), Permits withholding of records when techniques and procedures for law enforcement investigations or process would be disclosed or provided such disclosure could reasonably be expected to risk circumvention of law.

This is the final decision on your request. You may contact me for any further assistance at [foia@fhfaoig.gov](mailto:foia@fhfaoig.gov). Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at [ogis@nara.gov](mailto:ogis@nara.gov); telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

If you are not satisfied with the response to this request and believe this decision denies your request in whole or in part, you may appeal it in writing within 90 days by writing directly to the FOIA Appeals Officer via electronic mail, mail, delivery service, or facsimile. Your appeal must cite the applicable tracking number(s) for the request(s) you contend to have been denied. Your appeal must include a copy of the request(s) you contend to have been denied, a copy of the decision letter, and a statement of circumstances, reasons, or arguments you believe support disclosure of the requested record(s). Your appeal must also be clearly marked "FOIA Appeal: FHFA-OIG." The electronic mail address is: [foia@fhfaoig.gov](mailto:foia@fhfaoig.gov). For mail or delivery service, the mailing address is: FOIA Appeals Officer, Federal Housing Finance Agency, 400 7<sup>th</sup> Street, SW, Washington, DC 20219. The facsimile number is: (202) 649-1073. Your appeal must be postmarked or electronically transmitted within 90 days of the date of the response to your request.

Sincerely,

A handwritten signature in black ink that reads "Sheila J. Peden". The signature is written in a cursive style with a large, stylized 'S' and 'P'.

Sheila J. Peden  
FOIA Officer

## 2021-FOIA-00006

01/01/2020 - 12/31/2020

Case Number	Date Opened	Date Closed
I-11-0028	05/02/2011	04/21/2020

**Allegation:** Allegations reported possible mortgage and bank fraud involving loans at a condominium conversion complex in Largo, Florida. Initial allegation involved approximately 31 GSE purchased loans.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-11-0048	08/16/2011	09/17/2020

**Allegation:** Investigation into activities related to alleged undisclosed incentives provided by the seller of condos in the Chicago area.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-12-0096	12/16/2011	04/09/2020

**Allegation:** It is alleged that GSE loans at a condominium complex in Florida contained misrepresentations of credit, occupancy, income, assets or appraisal value. The loans were originated between October 2005 and August 2010.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-12-0167	07/24/2012	04/20/2020

**Allegation:** Allegations are a loan modification company in Michigan was charging homeowners upfront fees to handle their loan modification negotiations without conducting the actual work in violation of state law for accepting money under false pretenses.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-13-0203	10/22/2012	06/18/2020

**Allegation:** Two affiliated companies were allegedly involved in the fabrication of background information on behalf of its contract employees being hired for employment with various large-scale clients, including Fannie Mae and Freddie Mac. These contract employees specialized in information technology work, and mainly arrive to the United States from India on work visas.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-13-0208	10/09/2012	04/08/2020

<b>Allegation:</b>	(b)(6); (b)(7)(C)	
(b)(6); (b)(7)(C)		

**Disposition:** Civil Action Taken Based on Investigation, Case Closed

Case Number	Date Opened	Date Closed
I-13-0264	03/27/2013	01/27/2020

**Allegation:** Case was initiated based on allegations of foreclosure rescue and loan modification fraud.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-13-0295	07/30/2013	02/24/2020

**Allegation:** Allegations were a developer attempted to unload inventory properties in Florida by misleading the lenders and allegedly flipping the properties through third parties to recruited buyers. Additionally, there were alleged

undisclosed debt, occupancy, misrepresentation, borrower closing funds and inflated appraisals in the loan documentation. GSE properties were included in these loans.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-14-0350	10/31/2013	02/14/2020
<b>Allegation:</b> Subjects purchased (b)(6); (b)(7)(C)		
(b)(6); (b)(7)(C)		
<b>Disposition:</b> (b)(5) Case Closed.		

Case Number	Date Opened	Date Closed
I-14-0351	12/19/2013	11/13/2020
<b>Allegation:</b> A title company was identified as misdirecting real estate closing funds, causing financial institutions to not receive payoffs of loans provided to a real estate developer. Investigation revealed misrepresentations in loan applications of some buyers of properties sold by the same developer. (b)(7)(E)		
(b)(7)(E)		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		

Case Number	Date Opened	Date Closed
I-14-0374	02/25/2014	02/12/2020
<b>Allegation:</b> Allegations that unlicensed contractors operating in south Florida who allegedly perform repairs/renovations on GSE REO and other conventional properties without the applicable contractors license or insurance required by state law.		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		

Case Number	Date Opened	Date Closed
I-14-0377	03/06/2014	12/15/2020
<b>Allegation:</b> It is alleged that the owner of a real estate company engages in the practice of bid rigging and skimming to manipulate the GSE's REO program, thereby causing financial harm to the GSE. It is also alleged that the defendant is part of a larger conspiracy with organized crime to defraud the GSE and other local, state and federal government entities.		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		

Case Number	Date Opened	Date Closed
I-14-0426	06/27/2014	01/24/2020
<b>Allegation:</b> A Miami loan officer and his employers mortgage group allegedly used fraudulent employment, income and asset information to qualify straw buyers to purchase real estate property in Miami and Orlando areas.		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		

Case Number	Date Opened	Date Closed
I-14-0466	11/12/2014	05/21/2020
<b>Allegation:</b> FHFA-OIG discovered a potential short sale fraud scheme with non-arm's length transactions based in Phoenix, AZ.		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		

Case Number	Date Opened	Date Closed
I-15-0472	11/17/2014	03/02/2020
<b>Allegation:</b> Developer of a project in Florida allegedly sold units with inflated values and used the residuals to make down payments for and provide incentives to the buyers that were not disclosed to the lender.		
<b>Disposition:</b> Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.		



Case Number	Date Opened	Date Closed
I-15-0543	09/22/2015	01/13/2020

**Allegation:** Allegation a non-profit has convinced distressed borrowers to stop making their mortgage payments and instead pay the subject to prevent foreclosure. The subject does not prevent the foreclosure and as a result FHA and the GSEs suffer losses.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-16-0559	12/04/2015	03/05/2020

**Allegation:** A borrower has flipped more than 350 properties in a short period of time using hard money lenders and cash transactions. The borrower has made a profit the majority of the time.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0582	03/14/2016	08/07/2020

**Allegation:** Allegation that two individuals are engaged in an equity skimming scheme.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0596	05/12/2016	01/23/2020

**Allegation:** Case initiated based on information that two consulting firms based in (b)(1) allegedly committed fraud in relation to (b)(6); (b)(7)(C)

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0601	05/23/2016	05/26/2020

**Allegation:** A qui tam relator alleges (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0610	05/25/2016	07/16/2020

**Allegation:** Investigative assistance requested by EDNY-USAO regarding FIRREA RMBS case.

**Disposition:** Civil Action Taken Based on Investigation, Case Closed

Case Number	Date Opened	Date Closed
I-16-0613	07/07/2016	04/17/2020

**Allegation:** Allegation a third-party company recruits investors to purchase properties from builders/sellers, forms agreements with builders/sellers for them to pay a fee for providing buyers. The third-party company forms an agreement with the subject, a title attorney, to keep this information from lenders and not report it on HUD-1 settlement statements.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0624	09/08/2016	04/08/2020

**Allegation:** Investigative assistance requested by EDNY-USAO regarding FIRREA RMBS case.

**Disposition:** Civil Action Taken Based on Investigation, Case Closed

Case Number	Date Opened	Date Closed
I-16-0625	09/13/2016	04/01/2020

**Allegation:** Lending institution officials contacted law enforcement alleging a series of social engineering and phone spoofing schemes wherein another institution wired the funds of their HELOC customers to individuals impersonating their clients.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-16-0629	09/21/2016	05/18/2020

**Allegation:** Referral received from the Michigan State Police regarding allegations of a property flopping scheme where the GSEs suffered financial loss.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-17-0641	01/12/2017	05/26/2020

**Allegation:** Investigative assistance requested by SDNY-USAO regarding the mortgage servicing practices of a GSE loan servicer.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-17-0647	01/30/2017	01/26/2020

**Allegation:** Bankruptcy fraud case in which allegedly fraudulent bankruptcies are used to delay foreclosures and unlawful detainers on numerous properties in southern California.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-17-0660	04/05/2017	02/04/2020

**Allegation:** FHFA-OIG received information alleging several individuals have been fraudulently soliciting substantial mortgage loan modification prepayments from Fannie Mae mortgagees.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-17-0665	05/04/2017	02/11/2020

**Allegation:** Allegation concerning a possible origination fraud involving investment properties in Baltimore, MD. All the loans were originated by a non-bank lender and the majority of homes involved are now owned by a GSE.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-17-0667	05/08/2017	03/11/2020

**Allegation:** FHFA-OIG Chicago Field Office received a referral regarding alleged fraudulent disbursements conducted at the closing of multiple short sale transactions. The disbursements were possible due to alleged misrepresentations to the lenders or GSEs prior to short sale approval. A property address search revealed exposure to the GSEs.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-17-0669	05/11/2017	03/09/2020

**Allegation:** This investigation was initiated from recent RMBS settlement. It is alleged that the defendants committed mail fraud, wire fraud and bank fraud in connection with the issuance of RMBS securities. Claims for relief will be asserted under the financial institutions reform, recovery, and enforcement act of 1989 ("FIRREA").

**Disposition:** Civil Action Taken Based on Investigation, Case Closed

Case Number	Date Opened	Date Closed
I-17-0670	05/18/2017	07/29/2020

**Allegation:** A commercial line of credit was obtained using false financial information and documentation. The bank increased the line of credit over the years based on additional false financial information that was provided to the bank by the business owner.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-17-0674	06/10/2017	04/22/2020

**Allegation:** Individuals submitted by mail and wire various fictitious documents to obtain loans from multiple financial institutions, mainly members of the FHLB system.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-17-0689	09/28/2017	05/26/2020

**Allegation:** This office received allegations that an individual/entity was stealing Fannie Mae real estate owned properties.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0695	10/19/2017	02/25/2020

**Allegation:** A mortgage loan officer allegedly falsified material loan application documentation, unbeknownst to the loan applicants. Several loans were sold to the GSEs.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-18-0696	10/26/2017	12/14/2020

**Allegation:** An allegation was received that that a principal officer of a company and a housing authority, misused funds received from a member bank as part of the Affordable Housing Program (AHP).

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0698	11/08/2017	10/23/2020

**Allegation:** This investigation involves a realtor who appears to have steered short sale transactions to her son and had her daughter, an attorney act as the closing agent.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0705	01/12/2018	01/28/2020

**Allegation:** Received allegations of a scheme involving counterfeit checks being drawn on bank customers' HELOC accounts. Many of the properties securing the HELOC's are also encumbered by loans owned by the GSEs, creating concerns over the stripping of equity from the GSEs collateral.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-18-0707	01/20/2018	02/06/2020

**Allegation:** This office received information about forged Federal Home Loan Bank checks.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0715	03/08/2018	04/08/2020

**Allegation:** Received allegations of a scheme involving counterfeit checks being drawn on FHLB member bank customers' HELOC accounts.



**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0716	03/15/2018	02/27/2020

**Allegation:** FHFA-OIG received information from (b)(6); (b)(7)(C) regarding a real estate investment company purchasing a large volume of single and multi-family homes (b)(6); (b)(7)(C). The complainants allege the subject investment company has purchased hundreds of properties at low prices from bank or GSE REO, while the properties also had a large number of property code violations. Per the allegation, soon after purchase, the investment company sold many of the properties to investors from other parts of the United States for much higher values with minimal rehab work completed. These sale prices may have been higher than the actual value of the property. In addition, the investment company provided further assistance to investors in obtaining Section 8 approval and funding for tenants and has itself received millions of dollars of Section 8 funding.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0722	04/27/2018	09/22/2020

**Allegation:** 37 bankruptcies were identified pertaining to 29 properties that are believed to be part of a bankruptcy fraud scheme to fraudulently prevent mortgage owners from foreclosing on properties.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0729	06/04/2018	01/23/2020

**Allegation:** FHFA-OIG received information alleging that a (b)(6); (b)(7)(C) may be involved in check fraud with local credit union.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-18-0735	06/29/2018	12/10/2020

**Allegation:** A senior bank official at a regional bank in Tennessee allegedly engaged in a scheme to embezzle funds from an FHLB member bank.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-19-0747	10/11/2018	05/11/2020

**Allegation:** 14 GSE loans were identified that contained loan level misrepresentations about the borrower's income. The names on valid divorce decrees were allegedly changed to the borrower's name and their applications then contained false alimony and child support income to support the origination of the loan.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-19-0753	01/22/2019	02/25/2020

**Allegation:** Subject was allegedly engaged in a scheme to defraud victim companies by soliciting and receiving kickbacks, and by submitting false and fraudulent bids and invoices to victim companies, all in connection with real estate owned (REO) properties owned or controlled by the victim companies.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-19-0756	02/19/2019	12/03/2020

**Allegation:** An individual was investigated under FHFA-OIG case number I-16-0569 for committing deed fraud for the purpose of financial gain. On January 11, 2018, he was sentenced to 10 years in prison. While in prison, that individual has fraudulently deeded some of the very properties he was previously convicted and sentenced for, in an

effort to financially gain.

(b)(5)

(b)(5)

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-19-0757	02/26/2019	03/23/2020

**Allegation:** On September 13, 2018, (b)(5)

(b)(5)

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-19-0760	03/11/2019	02/21/2020

**Allegation:** GSEs have confirmed at least one loan where documents submitted during the approval process contained the forged signature of the borrower. GSEs have identified 30+ loans believed to be involved with millions in exposure. All of the loans were processed by the same loan officer.

**Disposition:** Allegation(s) Proven, Subject(s) Prosecuted, Case Closed.

Case Number	Date Opened	Date Closed
I-19-0777	05/15/2019	12/15/2020

**Allegation:** Subject may be using alias business names and business employee name aliases in order to enter into multiple REO maintenance contracts with GSEs.

**Disposition:** (b)(5)

Case Number	Date Opened	Date Closed
I-19-0793	09/09/2019	01/13/2020

**Allegation:** Allegation of short sale fraud perpetrated by a public official.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-19-0795	09/16/2019	09/27/2020

**Allegation:** FHFA-OIG (b)(6); (b)(7)(C); (b)(7)(E) conducted an internal penetration test of the FHFA computer network. During the test, the (b)(6); located a file on the shared network drive with the last name of the employee. Within the folder were documents pertaining to (b)(6); (b)(7)(C). There are approximately 50-100 documents pertaining to (b)(6); (b)(7)(C) in this folder.

**Disposition:** Admin Action Taken Based on Investigation, Case Closed.

Case Number	Date Opened	Date Closed
I-20-0803	11/29/2019	12/01/2020

**Allegation:** FHFAOIG received information alleging that a mortgage loan broker and CPA/realtor, may be responsible for originating loans containing fraudulent documents. Thus, exposing the GSEs to a loss.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
I-20-0804	11/29/2019	10/29/2020

**Allegation:** This office received information that a mortgage broker was allegedly submitting false information to lenders during the loan origination process.

**Disposition:** (b)(5) Case Closed.

Case Number	Date Opened	Date Closed
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**Allegation:** A related investigation disclosed that a number of individuals are involved in a foreclosure rescue scheme where multiple bankruptcies are filed in the Central District of California to repeatedly delay foreclosure on homes where mortgage payments are no longer being remitted to the lenders. Many of which are GSE properties.

**Disposition:** (b)(5) Case Closed.