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Description of document:	List of Closed Department of Housing and Urban Development (HUD) Inspector General (OIG) Investigations CY 2018-2019
Requested date:	23-February-2020
Release date:	13-April-2021
Posted date:	27-March-2022
Source of document:	FOIA Request The Office of Inspector General Department of Housing and Urban Development 451 Seventh Street SW, Suite 8260 Washington, DC 20410 <a href="#">HUD OIG FOIA Request form</a>

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U.S. DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT  
OFFICE OF INSPECTOR GENERAL

March 3, 2020

Re: Your Freedom of Information Act Request: 20-IGF-OIG-0002x

Via email

This letter acknowledges that your Freedom of Information request was received by the Office of Inspector General (OIG), U.S. Department of Housing and Urban Development (HUD) and is being processed in accordance with the Freedom of Information Act and/or other applicable statutes. You requested records of investigations closed in calendar years 2018 and 2019.

Your request received the following tracking number: FOIA Control No.: 20-IGF-OIG-0002x. Please refer to this number in any subsequent communications concerning your request.

Please note that the information you seek for Fiscal Year 2018 is available in our FOIA Reading Room. You may find these records at

- [https://www.hudoig.gov/sites/default/files/2019-07/2018\\_closed\\_cases\\_summary.pdf](https://www.hudoig.gov/sites/default/files/2019-07/2018_closed_cases_summary.pdf) and
- [https://www.hudoig.gov/sites/default/files/2019-06/fy\\_18\\_grassley\\_closed\\_cases\\_0.pdf](https://www.hudoig.gov/sites/default/files/2019-06/fy_18_grassley_closed_cases_0.pdf).

The 2019 records you seek require searches in HUD OIG component offices. Retrieving documents from our component offices and reviewing them qualifies as an unusual circumstance under 5 U.S.C. §552(a)(6)(B) and can take substantially longer than 20 workdays to complete. Additionally, our FOIA office is currently short-staffed and responses are taking longer than usual. Accordingly, you should not expect the documents in 20 working days.

You will receive a further written response to your request. At that time, if records are located, they will be reviewed and certain information from the records may be exempt from disclosure under FOIA statutes. Additionally, we will provide you with appeal rights if you are not satisfied with our action on your request.

Should you have any questions concerning your FOIA request, please contact this office on (202) 708-1613 or [FOIARequests@hudoig.gov](mailto:FOIARequests@hudoig.gov). We ask that you allow 15 business days from your receipt of this letter before contacting us.

Sincerely,  
FOIA Specialist



**OFFICE OF INSPECTOR GENERAL**  
U.S. Department of Housing and Urban Development

April 13, 2021

Re: Your Freedom of Information Act (FOIA) Request 20-IGF-OIG-00026

This letter responds to your Freedom of Information Act (FOIA) request dated February 23, 2020, to the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG). You requested a listing of all HUD OIG investigations for calendar years 2018 & 2019.

The 2018 list of investigations is available in HUD OIG's FOIA Reading Room. This report may be found online at:

[https://www.hudoig.gov/sites/default/files/2019-07/2018\\_closed\\_cases\\_summary.pdf](https://www.hudoig.gov/sites/default/files/2019-07/2018_closed_cases_summary.pdf)

The 2019 list of investigations is enclosed. This list will be published in the Reading Room imminently.

Certain information has been withheld from the enclosed records pursuant to 5 U.S.C. §552 (b)(7)(C), which protects information about individuals when the disclosure of such information would constitute a clearly unwarranted invasion of personal privacy. The information withheld consists of the names of individuals and other personally identifiable information. Other certain information has been withheld from the enclosed records pursuant to 5 U.S.C. §552 (b)(7)(A), which protects information about ongoing law enforcement proceedings. Finally, certain information has been withheld from the enclosed records pursuant to 5 U.S.C. §552 (b)(5), which protects information under the deliberative process privilege, including pre-decisional documents, or information that could be withheld under civil discovery, attorney-client, or attorney-work product privilege.

Please be advised that Thomas Kelly, Assistant Inspector General for Investigations, is the official responsible for this response.

If you are not satisfied with the response to this request, you may administratively submit an appeal pursuant to the Office of Inspector General's Freedom of Information Regulation, 24 CFR

§ 2002.23. This regulation provides for administrative review by the Deputy Inspector General or his designee of any denial of information.

Your appeal must be electronically transmitted to [FOIARequests@hudoig.gov](mailto:FOIARequests@hudoig.gov)<sup>1</sup> within 90 days of the date of the response to your request and addressed to the FOIA Appeal Specialist, Office of Legal Counsel to Inspector General. The appeal should be accompanied by a copy of your initial request, a copy of this letter, and your statement of circumstances, reasons and arguments supporting disclosure of the requested information.

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: [ogis@nara.gov](mailto:ogis@nara.gov)  
Telephone: (202) 741-5770  
Toll free: (877)684-6448  
Facsimile: (202) 741-5769

I trust that this information satisfies your request. If you need any further assistance or would like to discuss any aspect of your request please contact me at [newmand@hudoig.gov](mailto:newmand@hudoig.gov).

Alternatively, you may contact our OIG FOIA Liaison, Venetia Bell, via [FOIARequests@hudoig.gov](mailto:FOIARequests@hudoig.gov). Please reference the above FOIA number when making inquiries about this matter.

Sincerely,

Douglas Newman

Government Information Specialist

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<sup>1</sup> Due to the situation concerning the coronavirus (COVID-19) crisis, the HUD-OIG mail operations are currently suspended, and we ask that you file all inquiries and/or complaints electronically to the FOIARequests email address.



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/30/2018	<p>HUD OIG received a referral from HUD alleging that a Section 8 landlord was debarred from participating in both procurement and non-procurement transactions either as a principal or as a participant, with HUD and throughout the Executive Branch of the Federal Government. The investigation determined that during the debarment period, the landlord executed or caused to be executed numerous Housing Assistance Payment (HAP) contracts through his various affiliates. Although allegations were proven to justify administrative sanctions, HUD declined to take action. As a result, this matter was closed.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/30/2018	<p>HUD OIG received a referral from a prosecutor's office alleging that an appraisal company and other defendants, deliberately manipulated the values of properties under consideration for Federal Housing Administration (FHA) insurance and that subsequent defaults cost the FHA millions of dollars due to loan under-collateralization. After assessment of the allegations the prosecutor declined prosecution. No additional actions were taken.</p>	Prosecution Declined
9/30/2018	<p>HUD OIG received a referral from a prosecutor's office pertaining to alleged violations within HUD's Home Affordable Modification Program (HAMP). A more comprehensive investigation into this lender is being conducted under a different case. The initial allegations of this investigation were unconfirmed. The prosecutor declined prosecution. No additional actions will be recorded under this case.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/30/2018	<p>HUD OIG received a referral from a prosecutor's office alleging that a construction company had employed undocumented aliens to work on government construction projects. The investigation determined HUD OIG lacked a nexus since no HUD funds were being utilized. A referral was made to another law enforcement agency to assume primary responsibility for this investigation. No further actions were warranted by HUD OIG.</p>	Allegation Unsubstantiated
9/30/2018	<p>HUD OIG received a referral from a prosecutor's office alleging violations within HUD's Home Affordable Modification Program (HAMP). The allegations could not be substantiated. Additionally, individuals recommended by an anonymous source to corroborate the allegations could not be properly identified or contacted. This case was closed.</p>	Allegation Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/28/2018	<p>HUD OIG initiated an investigation based on a fugitive felon data matching with the National Crime Information Center (NCIC) and HUD's Public and Indian's Housing system (PIH). The investigation identified 22 fugitive felons that might be residing in public or assisted housing. Out of the 22 fugitive felons, 12 were no longer wanted, 4 were not extraditable, 4 no longer received HUD assistance, 1 was referred to another region, and 1 fugitive was captured. The matter was then referred to the PHA for any action that was deemed necessary.</p>	Successful Prosecution
9/28/2018	<p>HUD OIG initiated an investigation into the activities of a Public Housing Authority (PHA) employee alleged to have been engaging in the unauthorized resale of a PHA property on eBay. The investigation uncovered documentary evidence and the employee confessed. The employee admitted to wrongfully selling the PHA property on eBay that was wrongfully taken, without the PHA's consent. The employee pleaded guilty to one count of 18 U.S.C. § 666, Federal Program Theft and was subsequently sentence to 12 months of probation and ordered to pay \$9,112 in restitution to the PHA.</p>	All judicial actions completed and subject referred to DEC.
9/28/2018	<p>HUD OIG received an anonymous complaint alleging that a HUD Housing Choice Voucher (HVC) recipient had been receiving HUD benefits while fleeing arrest. The investigation determined the recipient had an active warrant and was receiving Section 8 assistance. The matter was then referred to the PHA for any action that was deemed necessary. The HVC recipient was given notice by the PHA of termination of benefits and the HVC recipient was later evicted.</p>	Aministreatively Closed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/28/2018	<p>HUD OIG received a request for assistance from the Department of Homeland Security (DHS), U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), for assistance in an investigation of a tenant in Multi-family Project-based Section 8. The tenant was suspected to be part of an international theft ring and the importation of illegal controlled substances since 2007. It is suspected that the activity was being coordinated and conducted in the subsidized residential unit. The findings of this investigation were referred to the U.S. Attorney's Office but was declined for prosecution.</p>	Prosecution Declined
9/28/2018	<p>HUD OIG received a referral alleging that a former tenant failed to report their actual income during a Public Housing Authority's (PHA) annual certifications. The investigation confirmed the undisclosed income. The tenant was charged with and pled to Forgery, attempt to influence a public official, and ordered to pay restitution in the amount of \$10,299.</p>	Successful Prosecution
9/28/2018	<p>HUD OIG received a referral alleging that a loan originator falsely certified that a Federal Housing Administration (FHA) loan met HUD requirements and the seller of the property, a real estate professional, knowingly caused false documents to be included in the loan file. The investigation determined that the loan failed to meet underwriting standards. No evidence could be found to firmly establish if the seller was involved. A referral was made to HUD for consideration of administrative sanctions. HUD declined to take action. The case was closed without further action.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/28/2018	<p>HUD OIG initiated an investigation based upon reviewing a HUD OIG audit report of HUD's recovery of Federal Housing Administration (FHA) partial claims. The audit identified FHA loans with partial claims serviced by two direct endorsement lenders where the first mortgages were paid off (terminated) in fiscal year 2015, without repayment of partial claims. HUD's regulations require the servicer to notify HUD about the upcoming first mortgage payoff by requesting the partial claim payoff amount. The investigation determined that despite the lenders failure to notify HUD as required, the debts were transferred to HUD for collection. HUD was able to subsequently collect the partial claim amount due from either the borrower or lender for some of the partial claims. Due to HUD collecting some of the partial claims and pursuing collection for the others, no further investigation is warranted and this case is closed.</p>	Administratively Closed
9/27/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a contractor defrauded homeowners that were awarded Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant funds following Hurricane Sandy. The contractor was hired by RREM grant recipients to make repairs and elevate their homes in storm-impacted communities throughout NJ, but failed to complete the work. The investigation determined that the referring law enforcement agency declined to provide HUD OIG pertinent victim interviews and reports, limiting HUD OIG's ability to investigate the allegations. The case was administratively closed.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/27/2018	<p>HUD OIG received a Whistleblower's Protection Act (WPA) complaint alleging that a former employee of an organization was terminated for having knowledge and/or disclosing information regarding her former supervisor's behavior involving clients. The investigation did not reveal evidence that the complainant would have been terminated by her employer regardless of the protected disclosures she made. The matter was furnished to Office of Legal Counsel for final review.</p>	<p>Whistleblower case that OLC stated it failed to make a disclosure under Section 4712. Criminal Case is being worked out of 2016SE001464I</p>
9/27/2018	<p>HUD OIG received a referral from a Homeownership Center (HOC) a bank alleged that a borrower on a FHA insured loan might have been a straw buyer. There were a number of misrepresentations in the loan file. The property was purchased in May 2009 for \$37,000. The borrower purchased the property for \$355,000 in November 2010. The property was located in an area that has been plagued with several instances of mortgage fraud. The case was declined for prosecution by the state's Attorney General's Office.</p>	<p>Prosecution Declined</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/27/2018	<p>HUD OIG was contacted by the U.S. Department of Agriculture (USDA) OIG for assistance regarding a section 8 tenant and her husband. Although the tenant and her husband lived together in a project-based Section 8, the husband's income related to his ownership of two grocery stores was not divulged to management. Further, it appeared that the tenant was aiding her husband in the trafficking of food stamps and other illegal substances. The Section 8 tenant pleaded guilty and was sentenced to 5 years of probation and ordered to pay \$38,226 in restitution. One additional defendant pleaded guilty to wire fraud on USDA charges and sentenced to 8 months incarceration, 3 years of probation, and ordered to pay \$189,567 in restitution.</p>	Successful Prosecution
9/26/2018	<p>HUD OIG received a referral from HUD alleging that a borrower who received a Home Equity Conversion Mortgage, to repair their residence, was over charged by the contractor for the repairs that were completed. The contractor was supplied by the loan originator. The Investigation was unable to substantiate allegations.</p>	Allegation Unsubstantiated
9/26/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that one of its employees may have embezzled rental proceeds for personal use. The investigation determined that the PHA employee had stolen and converted \$985 in rental proceeds to personal use. The PHA employee was subsequently charged and convicted on two counts of larceny and ordered to repay \$985.</p>	Successful prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/25/2018	HUD OIG received information that a FHA lender submitted fraudulent documents in order to meet HUD requirements. The OIG proved that the lender submitted false financial statements between 2013 and 2016 in order to meet the \$1 million net worth requirement. The subject pled guilty to 4 counts of False Statements to HUD in US District Court and was sentenced to 1 year probation with 6 months home detention.	Successful Prosecution
9/25/2018	HUD OIG received information which involved loans that were insured by the Federal Housing Administration (FHA) for over several years. The loans have material defects because the lender is falsifying the Closing Disclosure to hide the fact they are actually making cash loans to the borrowers. This investigation was declined for prosecution.	Prosecution Declined
9/25/2018	HUD OIG initiated an investigation based on fugitive felon data matching with NCIC and HUD's Public and Indian's Housing system (PIH). The investigation identified PIH tenant violators. Referral letters were sent to Public Housing Authorities (PHA) for the relevant tenants.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/24/2018	<p>HUD OIG received information from a States Attorney's Office alleging that a borrower, who is also a real estate broker, filed numerous false "Satisfaction of Mortgage" documents directly associated to her own residence. The borrower then applied for, and received additional mortgages that were "cash-out" refinance loans on her primary home that included a Federal Housing Administration (FHA) insured mortgage. In an effort to facilitate the FHA-insured refinance, the borrower instructed the owner of a moving company to fill out a Verification of Employment (VOE) form that showed the borrower had been gainfully employed with the company and earned \$6,000 per month when in reality she was never employed by the moving company. The borrower was charged and pled guilty to Forgery. The borrower was sentenced to 24 months probation and 120 hours of community service.</p>	Successful Prosecution
9/24/2018	<p>This investigation was initiated based on information from HUD's Office of Public and Indian Housing that alleged a non-profit group affiliated with a Public Housing Authority (PHA) started by the former Executive Director (ED), obtained loans for mortgages from a local bank in order to purchase four properties that were to be leased to Section 8 tenants. The non-profit group was started by the PHA's former ED and the non-profit group purchased the properties using PHA funds as collateral to the bank. A new ED was hired and realized that the properties were causing financial distress upon the PHA and contacted HUD. The four properties ultimately ended up in foreclosure and were eventually resold. The non-profit was dissolved. The findings were presented to the State's Attorney's Office and the case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/21/2018	<p>HUD OIG received a referral alleging that a senior HUD official engaged in retaliatory actions as a result of an employee submitting a resignation. The investigation corroborated the allegations and determined that the violations were not of a criminal nature. Disciplinary action was taken against the HUD official.</p>	Employee Action
9/18/2018	<p>HUD OIG received a referral from a HUD OIG regional office that alleged the subject mailed a false loan payoff to a lender on behalf of a borrower for a property. The investigation revealed the subject attempted to pay off the mortgage using an International Bill of Exchange (IBOE) in the amount of \$150,000, and that the loan in question was insured by the Federal Housing Administration (FHA). According to HUD systems, the subject property has been foreclosed upon, but no claim has yet been filed with HUD. Unpaid principal balance on the FHA loan was approximately \$111,951. It is unknown at this time if other borrowers/properties are involved in this scheme. Three additional properties were identified in the same scheme. The subject was not prosecuted due to lack of losses attributable to HUD.</p>	<p>Administratively closed due to declination and subject is a borrower so know DEC (administrative action) referral needed.</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/17/2018	<p>HUD OIG received a referral from HUD alleging that a certified HUD housing counselor and vice president of a HUD approved housing counseling agency defrauded numerous homeowners under the guise that he was assisting them with foreclosure and mortgage assistance. The investigation determined that the counselor falsified paperwork, stole homeowners' mortgage payments, and extracted large payments from homeowners in a falsely claimed effort to unsuccessfully save their homes from foreclosure. As a result of this fraud, these homeowners were defrauded out of tens of thousands of dollars and many lost their homes. The housing counselor was sentenced to 60 months in prison and ordered to pay \$611,740 in restitution for his earlier guilty plea to Mail Fraud.</p>	Successful Prosecution
9/17/2018	<p>HUD OIG received a referral alleging that a Public Housing Authority (PHA) board changed a Request for Proposal after the board had already scored the potential contracts for their legal services. There were also allegations that the Executive Director (ED) changed his time and attendance records to reflect that he was present at work, when he was not. The investigation determined that the ED may have given himself more money for a payout of annual leave than was warranted. The other allegations could not be substantiated.</p>	Prosecution Declined
9/17/2018	<p>HUD OIG received a referral from a community action corporation alleging possible bankruptcy fraud on the part of a tenant /owner. The investigation determined that the matter had been financially settled internally by the complaining community action corporation. The allegation and findings were presented for prosecution and were declined for prosecution.</p>	Prosecution Declined



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/12/2018	<p>HUD OIG received a complaint alleging that recipients of the Emergency Solutions Grant and Continuum of Care Grant were violating HUD programs and funding regulations. The complainant stated that a municipality's program and a State agency program were sending addicts to unlicensed drug rehabilitation clinics from one jurisdiction to other cities with HUD funds. The investigation did not reveal any evidence to support these allegations, however, approximately \$46,000 in ESG funds for ineligible employee travel was identified and resolved by HUD OIG Office of Audit.</p>	<p>Allegations not substantiated. Ineligible expenses for employee travel resolved by HUD OIG Office of Audit. No additional criminal, civil, or administrative action required.</p>
9/12/2018	<p>HUD OIG received a referral from an employee at a Housing Commission alleging that the former Executive Director (ED) used his position to obtain the deed for a house owned by an applicant for HUD subsidy in exchange for a subsidized apartment. It was further alleged the ED mishandled the waitlist in favor of the applicant. The investigation determined the home was transferred to a defunct non-profit controlled by the ED but that no preferential treatment was given to the applicant. This investigation was closed.</p>	<p>Prosecution Declined</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/10/2018	<p>HUD OIG conducted a proactive investigation after a review of Federal Housing Administration (FHA)-insured loans originated by a lender revealed numerous loans went into default shortly after origination and resulted in claims to FHA. The review also revealed that the same builder, seller, and title company were consistent in the defaulted loans. The investigation revealed that the lender and the title company are subsidiary companies of the builder. An initial sample of loans was identified based on early default criteria. A review of the sampled loans and third party employment/income verification did not reveal any information to indicate fraud. Criminal prosecution was declined by the U.S. Attorney's Office (USAO) and civil/administrative remedies were not feasible.</p>	<p>Investigation complete. Criminal prosecution declined by the USAO and civil/admin actions not warranted.</p>
9/10/2018	<p>HUD OIG initiated an investigation as a spin-off from another investigation. The complainant filed a Qui Tam lawsuit for violations to the False Claims Act. The complaint alleged that two banks promoted the inflation of appraisal values and lied to HUD, Freddie and Fannie Mae as to the seller concessions made and actual value of REO properties. The investigation determined that one of the banks had not submitted any claims to HUD in the past two years and as a result this investigation was closed.</p>	<p>No new information identified to justify opening investigation.</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/10/2018	<p>HUD OIG received information from a Public Housing Authority (PHA) that alleged a Housing Choice Voucher (HCV) recipient had been fraudulently receiving HCV benefits since 2002. Specifically, the PHA alleged the tenant became a joint owner of the subsidized property with her mother approximately two years after moving into the HCV unit. The tenant advised the PHA that her mother was actually her aunt and not her mother. The tenant never disclosed ownership interest in the property. The investigation showed that the landlord of the property was the tenant's mother and that the tenant has failed to disclose the true ownership of the property. The tenant was terminated from the program but the States Attorney's Office declined prosecution.</p>	Prosecution Declined
9/5/2018	<p>HUD OIG received a referral from HUD alleging that false documents were found in some loans originated by a lender. The investigation revealed that from approximately June 2007, through late 2008, multiple loan officers from the lender, submitted fraudulent documentation to lenders in order to qualify borrowers who were actually unqualified. A former Loan Officer and straw buyer recruiter pled guilty to wire fraud in connection with the fraudulent origination of over \$2.1 million in mortgages which resulted in over \$1.1 million in insurance claims to the Federal Housing Administration (FHA) and \$623,000 in losses to financial institutions.</p>	All judicial actions complete. Case closed.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
9/5/2018	<p>HUD OIG received a referral from the U.S. Attorney's Office requesting investigative assistance relating to the findings of a HUD OIG Audit. Specifically, there was interest to further review the Housing Quality Standards (HQS) inspections of Section 8 subsidized units completed by a local Public Housing Authority (PHA). This investigation did not support pursuing criminal or civil charges and the U.S. Attorney's Office declined prosecution.</p>	Prosecution declined
9/4/2018	<p>HUD OIG received a referral alleging a HUD employee was viewing pornography on a government computer. The investigation determined that the HUD employee's computer contained sexually explicit material. The HUD employee was given a 3 day suspension.</p>	Employee Action
8/30/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a contractor defrauded homeowners that were awarded Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant funds following Hurricane Sandy. The contractor was hired by RREM grant recipients to make repairs and elevate their homes in storm-impacted communities throughout NJ, but failed to complete the work. The investigation determined that the referring law enforcement agency declined to provide HUD OIG pertinent victim interviews and reports, limiting HUD OIG's ability to investigate the allegations. The case was administratively closed.</p>	Administratively Closed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/30/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a homeowner misrepresented their primary residency and was awarded \$10,000 in Housing Resettlement Program (RSP) and \$150,000 in Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM) funding. The findings of the investigation were declined for prosecution by the NJ Attorney General's Office after investigators determined the targets did not intentionally commit a crime.</p>	Prosecution Declined
8/30/2018	<p>HUD OIG received a referral from a local Public Housing Agency (PHA) alleging that a tenant and a spouse had failed to report income resulting in an overpayment of rental assistance subsidies. The investigation determined income was not reported as required for program participation, resulting in an \$87,000 loss to the PHA. The case was presented but was declined for prosecution.</p>	Prosecution Declined
8/30/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) attorney alleging that a city commissioner had received payroll checks from the PHA without any support for work provided. The investigation determined that the commissioner was paid using funds from the Low Rent Operating Fund Program. However, the hiring of the city commissioner passed through appropriate channels. The matter was referred to HUD OIG's Office of Audit.</p>	Closed By Referral

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/30/2018	<p>HUD OIG received a referral from an anonymous source alleging an interim Executive Director (ED) of a Public Housing Authority (PHA) was working as a real estate agent in conflict with her time as ED. The investigation confirmed the ED does hold a realtor's license and the ED showed properties without taking appropriate leave. However, it was noted during the investigation that there was not a system in place to request leave and as a salaried employee, the pay remained the same regardless of leave. Additionally, the board chairman informed that he was aware of the ED's real estate license and activities and did not have a problem with it. This case was administratively closed.</p>	Administratively Closed
8/29/2018	<p>HUD OIG received a referral from a Section 8 administrator alleging that at least four dozen families applied for Section 8 vouchers in a county that they didn't reside in for the purpose of porting the vouchers after the minimum one-year residency requirement was met. The investigation determined that the families met the requirement for residency for one year and acknowledged that the families then ported the vouchers. While the spirit of the portability program might have been violated, there was no evidence that wrongdoing occurred.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/29/2018	<p>HUD OIG initiated a case based on information obtained from another Federal Housing Administration (FHA) mortgage fraud case. The information alleged that a builder and other conspirators were involved with a builder buyout fraud scheme. The builder and others allegedly supplied both the down payments and kickbacks to the straw buyers of their properties. Seventeen (17) individuals were convicted in this conspiracy. Multiple houses, lots, an entire townhome complex, and an international property were forfeited and/or seized. The individuals received sentences that ranged from 8 months probation to 66 months incarceration. They collectively were ordered to pay restitution in the amount of over \$9.6 million and over \$16 million in forfeiture.</p>	<p>All judicial actions completed and all administrative actions have been referred</p>
8/29/2018	<p>HUD OIG received an anonymous Hotline complaint that alleged a lender was submitting inflated or fraudulent bills to the Government National Mortgage Association (GNMA). The Complaint further alleged the portfolio serviced by the lender was nearly half the size it was in 2014, yet the lender continues to bill GNMA for nearly \$7 million per month in servicing fees and costs. The investigation failed to substantiate the allegations. Prosecution was declined by the U.S. Attorney's Office.</p>	<p>Allegations not substantiated and prosecution declined by USAO. Case closed.</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/28/2018	<p>HUD OIG received a referral from a law enforcement agency on a proactive matter involving the administration of HUD's Community Development Block Grants (CDBG). The investigation resulted in the indictment and conviction of a city councilman for taking bribes to influence HUD related projects. The councilman was sentenced to one month of incarceration, three months in a halfway house, eight months of home detention, and the return of \$66,225 in bribe payments that he had received.</p>	Successful prosecution
8/24/2018	<p>HUD OIG compared subsidized housing recipient data against the National Crime Information Center (NCIC) wanted person file. Confirmed hits were referred to the appropriate Public Housing Authority (PHA) for possible administrative action. As a result, twenty-three (23) tenants were found to be receiving housing subsidies while having an active warrant, and were referred to the PHA for program removal consideration. This investigation was administratively closed.</p>	Administratively Closed
8/24/2018	<p>HUD OIG received an allegation that a former Executive Director (ED) was stealing tenant payments. The allegation also suggested that a tenant was committing fraud by providing false annual certifications. The investigation determined that one money order in the amount of \$199 was converted to the use of the former ED. The tenant provided false certifications on two annual questionnaires resulting in a loss of \$2,832. The case was declined prosecution.</p>	Prosecution Declined.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/21/2018	<p>HUD OIG received a referral from the Internal Revenue Service, Criminal Investigation Division (IRS CID) alleging that a borrower, who was an IRS Revenue Agent, made false statements and submitted fraudulent documents to obtain a Federal House Administration (FHA)-insured mortgage. The investigation revealed that the IRS employee supplied false information and documents in order to qualify for a modification on a FHA-insured mortgage loan. The borrower fell behind on the mortgage payments and obtained a modification agreement with the lender. The borrower supplied false information by stating that the FHA insured property was a primary residence while simultaneously residing at a different property. The findings of this investigation were referred to the U.S. Attorney's Office but was declined for prosecution.</p>	Prosecution Declined
8/21/2018	<p>This investigation was initiated based on a news story by a local news station. The news story showed Public Housing Authority (PHA) employees covertly working on a multi-family property during a government contracted inspection. The investigation determined that it was a long standing practice for the PHA to covertly use employees to travel ahead of the government contracted inspector the day of the official inspection in order to repair only the specific units that were selected for the review. The inspections were conducted as a part of a scoring system that allowed the PHA to receive extra government funding for being a high performer. The top three senior employees resigned from their positions and two were charged and pled guilty in U.S. District Court. Both convicted employees received one year probation and a \$500 fine.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/21/2018	<p>HUD OIG received a referral of an active fire investigation being conducted by a city fire department of a Housing Choice Voucher subsidized residence. The investigation determined that the tenants conspired with the landlord to receive continued Housing Assistance Payments (HAP), including an increase to the payments, after the residence was uninhabitable due to the fire damage. Four individuals were charged criminally on various violations of law, to include defrauding a Public Housing Authority (PHA). One of the four individuals were ordered to pay restitution to the PHA and charges were dismissed against the three other subjects.</p>	Successful prosecution.
8/21/2018	<p>HUD OIG received a referral from an anonymous complainant alleging that a registered sex offender was an unauthorized live-in at a HUD supported residence. In addition, the complaint alleged unreported income in the household. The investigation confirmed that the sex offender was residing at the subsidized home, and the facts were reported to the applicable Public Housing Authority (PHA) for them to take action as deemed appropriate. The case was presented to a prosecutor and was declined.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/20/2018	<p>HUD OIG received a referral alleging that a Section 8 Rental Assistance Program participant failed to report income earned as a limo driver to the Public Housing Authority (PHA). The investigation substantiated the allegations and determined that the participant had been defrauding another federal and a state agency. The participant was subsequently charged with Theft and Defrauding a PHA, plead guilty and was sentenced. The participant was sentenced to 60 months of probation and ordered to pay restitution to HUD in the amount of \$44,250 as a result of having rental assistance benefits paid on his behalf that he was not entitled to receive.</p>	Successful prosecution
8/17/2018	<p>HUD OIG initiated an investigation to search for registered sex offenders receiving HUD public housing benefits. The investigation identified three fugitive felons that were referred to the housing authority, after which one of the felons were removed from the housing assistance program. The housing authority chose not to take action on the other two fugitive felons.</p>	Administratively Closed
8/16/2018	<p>HUD OIG received a referral from the FBI alleging a Federal Housing Administration (FHA) borrower's builder falsified HUD Form 92541, Builder's Certification. The Builder certified that the borrower's house was not built using fill dirt and was not in a Special Flood Hazard Area. Allegedly, the borrower and at least 18 other homeowners' homes were built in the Special Flood Hazard Area and have had severe foundation damages as a result. Information was referred to HUD's Office of General Counsel on August 14, 2018, for Program Fraud Civil Remedies Act (PFCRA) consideration.</p>	AUSA Declined case for prosecution, Case is being referred to HUD OGC for PFCRA actions

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/16/2018	<p>HUD OIG received a referral from another federal agency alleging that a married couple was defrauding HUD's Section 8 Rental Assistance Program by not disclosing the income and residency of the husband to the housing authority. The investigation substantiated the allegation. The case was declined for prosecution due to statute of limitation concerns.</p>	Prosecution declined
8/15/2018	<p>HUD OIG initiated an investigation into allegations that a HUD approved counseling agency submitted reimbursement requests for ghost clients from 2009-2012. The investigation revealed that the owner/director submitted reimbursement requests in January 2013, to a Housing Finance Corporation for housing counseling services she claimed to have performed. However, the investigation revealed that these reimbursement requests were submitted after she closed the business in November 2012. The total amount paid to the Housing Finance Corporation in January 2013 was \$105,100. As a result, the owner of the housing counseling agency was sentenced to 18 months imprisonment, 36 months of probation, and ordered to pay \$105,100 in restitution.</p>	All actions entered.
8/15/2018	<p>HUD OIG received a referral from HUD alleging that a HUD-approved multifamily housing manager may have used "ghost tenants" at one of the housing developments that he managed. The investigation determined that the alleged acts exceeded the statute of limitation for prosecution and that there was no evidence to support that the violations had continued after the expiration of the statute.</p>	Administratively Closed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/14/2018	HUD OIG received a referral from a law enforcement agency alleging that a Housing Choice Voucher (HCV) recipient failed to notify the management agent of her true income. The investigation substantiated the allegations. The subject was charged with theft of funds and sentenced to serve 24 months of probation and ordered to make restitution in excess of \$41,000.	Successful Prosecution
8/13/2018	HUD OIG received a referral alleging that a Housing Choice Vouchers (HCV) program recipient applied for and received a voucher from a city's Section 8 Program and it was believed the recipient never resided in the property where they reported to live. The investigation determined that the subject property remained unoccupied during the time the recipient was receiving housing assistance. The recipient was sentenced to 6 days incarceration, a fine of \$1,800 and was ordered to pay restitution in the amount of \$4,350.	Successful Prosecution
8/13/2018	HUD OIG received a referral alleging that a former Section 8 tenant sublet their unit for at least one year. There was also indications that the landlord may have been involved. The investigation confirmed that the tenant sublet her apartment. The tenant was convicted of attempted housing assistance fraud.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/10/2018	<p>HUD OIG received a referral from HUD alleging a short sale fraud scheme involving a seller, purchaser, and a third party real estate company. The borrower short sold the property for \$58,000 to the purchaser who then flipped the property in less than 30 days for \$121,125 resulting in a profit of \$63,125. The investigation confirmed the sale of the property and other properties but found no evidence that the seller received a kickback from the purchaser or third party real estate company.</p> <p>The investigation revealed a business relationship between the purchaser and the third party real estate company that was not fully disclosed to several of the lending institutions involved. Additionally, it was discovered that commissions were paid to individuals involved on many of the real estate transactions that the sellers, end buyers, and lenders involved were not aware of. The case was declined for prosecution. The case was referred to the state's real estate commission for potential administrative action for the alleged regulatory violations.</p>	Closed By Referral
8/10/2018	<p>HUD OIG received a referral alleging an employee of a HUD grantee utilized their position as bookkeeper to steal money. The investigation determined that the bookkeeper used the grantee credit cards and debit cards to purchase gift cards, which were then used for personal expenses. The bookkeeper was sentenced in federal court to one year and one day incarceration and was ordered to pay \$130,973 in restitution.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/10/2018	<p>HUD OIG received a referral from HUD alleging that a multifamily project had annual re-certifications that were missing tenant signatures and had improperly documented or recorded rent receipts. The investigation determined that the on-site multifamily project's management failed to properly recertify the tenants on at least an annual basis, including not allowing the tenants to see the re-certification paperwork and sign that the information was correct. It was also determined that similar improper activities took place at other multifamily properties, also owned and managed by the same company. This investigation resulted in civil remedies, ordering the company to pay \$250,000.</p>	Successful Prosecution
8/9/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a contractor defrauded homeowners that were awarded Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant funds following Hurricane Sandy. The contractor was hired by RREM grant recipients to make repairs and elevate their homes in storm-impacted communities throughout NJ, but failed to complete the work. The investigation determined that the referring law enforcement agency declined to provide HUD OIG pertinent victim interviews and reports, limiting HUD OIG's ability to investigate the allegations. The case was administratively closed.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/9/2018	<p>HUD OIG received information alleging that a Real Estate and Credit Firm was engaging in short sale frauds. The subject obtained titles to properties through fraud and attempted to sell the properties to other individuals without their knowledge of the clouded titles. The investigation determined that on at least one occasion the subject sold a property to two different buyers but only recording one deed. The investigation also determined that the subject obtained funds from individuals for the purpose of purchasing, rehabilitating, and reselling real estate. On some occasions the individuals recovered their money from the subject but on other occasions they did not. Criminal prosecution was declined by the U.S. Attorney's Office. The subject is not a licensed real estate industry professional, so administrative referrals were not feasible.</p>	<p>Investigation complete. Criminal prosecution declined by the USAO. Civil and Administrative remedies not feasible.</p>
8/9/2018	<p>HUD OIG received a referral from a prosecutor's office alleging that a Federal Housing Administration (FHA) Direct Endorsement lender improperly certified that they were following all FHA rules and regulations, when originating and underwriting single family loans. The investigation identified underwriting deficiencies, however, these instances did not warrant False Claims Act consideration. The prosecutor declined prosecution.</p>	<p>Prosecution Declined</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/8/2018	HUD OIG received a referral alleging an Executive Director (ED) of a tribal Housing Authority (HA) provided HA funded credit cards to Tribal and Housing board members and placed his own children ahead of others in HA low rent units. The investigation was unable to substantiate allegations.	Allegation Unsubstantiated
8/8/2018	HUD OIG received a referral alleging two HUD employees forged their supervisor's signature on HUD documents, which enabled grantees to receive grant funds. The investigation confirmed the allegations. One employee received a suspension and the other employee was fired.	Employee Action
8/7/2018	HUD OIG received a referral from a Public Housing Authority (PHA) alleging that an employee embezzled tenant rents. The investigation substantiated the allegations. The subject was charged with larceny and forgery and ordered to pay restitution to the PHA.	Successful Prosecution
8/7/2018	HUD OIG received a referral from another federal law enforcement agency alleging that an illegal immigrant purchased both a Federal Housing Administration (FHA) insured loan and a HUD Real Estate Owned (REO) property, using a social security number not assigned to him. The buyer pleaded guilty to making a false statement, aggravated identity theft, and being an illegal alien in possession of a firearm. The buyer was sentenced to 30 months incarceration.	Successful prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/6/2018	<p>HUD OIG received a referral from a former Public Housing Authority (PHA) employee, alleging that the Executive Director (ED) was directing funds to herself through a LLC and mishandled contracts between the PHA and a maintenance company. The investigation determined the ED's compensation was paid from the PHA to a LLC company owned by the ED. There was no evidence found to prove any other violations. This case was declined for prosecution.</p>	Prosecution Declined
8/3/2018	<p>HUD OIG received a referral from a non-profit agency alleging that an unknown individual had stolen numerous housing authority checks and used the banking information to create fraudulent checks that were cashed. The investigation confirmed the check theft and subsequent use of banking information in order to cash them. The investigation determined that only one check was successfully negotiated. Additionally, it was discovered that the individual involved in the check theft was also connected to other financial crimes and was on parole. During the investigation, the individual was arrested for an unrelated theft by another law enforcement agency that resulted in a parole violation. The loss in the check case was minimal to HUD. The case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/3/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a management agent of a Federal Housing Administration (FHA) insured multi-family complex stole money. The investigation determined the on-site manager changed the payee on rent checks and money orders prior to cashing or depositing them into accounts controlled by the manager. The manager received a five year suspended sentence and was ordered to pay \$11,035 in restitution to the complex owner.</p>	Successful Prosecution
8/3/2018	<p>HUD OIG initiated an investigation based on fugitive felon data matching with NCIC and HUD's Public and Indian's Housing system (PIH). The investigation identified PIH tenant violators. Referral letters were sent to Public Housing Authorities (PHA) for the relevant tenants.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/2/2018	<p>HUD OIG received a complaint alleging an underwriter stole the identity of a borrower and fraudulently used the identity for her own benefit. The investigation focused on determining if there was a pattern of theft of borrower identities by this underwriter. As additional victims were not able to be identified this matter was declined by the US Attorney's Office (USAO) and referred to local law enforcement.</p>	Case declined
8/2/2018	<p>HUD OIG received a referral from a prosecutor's office alleging that an Executive Director (ED) of a council of governments may have misused federal funds. The investigation did not determine that any HUD funds were misappropriated. However, the investigation did determine that federal block grants were converted to the use of the ED, his wife and daughter. The ED misused his position, the council of governments as an entity, and the council of governments-contracted entity, to approve, conspire, prepare, and submit fraudulent documents to obtain the federal funds. The ED was sentenced to 9 years in federal prison and ordered to pay \$1,326,049 in restitution. The ED's wife and daughter were each sentenced to 4.5 years in prison and ordered to pay \$971,143, jointly.</p>	Successful Prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/2/2018	<p>HUD OIG received a referral from a prosecutor's office alleging accounting irregularities discovered by an interim Executive Director (ED) at a Public Housing Authority (PHA). The investigation determined that the prior ED was utilizing the PHA credit card improperly and was operating a personal business during office hours at the PHA. However, due to a lack of necessary records and witnesses there was not enough evidence to support all of the investigative findings. The case was declined for prosecution.</p>	Prosecution Declined
8/1/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a Community Development Block Grant Disaster Recovery (CDBG-DR) program participant misrepresented their primary residence to officials, in order to fraudulently obtain \$10,000 in Housing Resettlement Program (RSP) funds and \$26,398 in Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM), CDBG-DR funds. The investigation substantiated the allegations. The grantee was charged with Theft by Deception and Unsworn Falsification to Authorities. The grantee received Pre-Trial Intervention, was ordered to pay \$31,479 in restitution, and to complete 12 months probation.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/1/2018	<p>HUD OIG received a referral from a social services agency alleging that a HUD Housing Choice Voucher (HCV) recipient was receiving food stamps for seven different people at her subsidized unit. An investigation revealed the tenant was convinced by another individual to accept the mailings but did not benefit. Findings were presented to the U.S. Attorney's Office and County Prosecutor's Office but was declined for prosecution.</p>	Prosecution Declined
8/1/2018	<p>HUD OIG received a Hotline complaint alleging a HUD technical assistance provider offered to secure money from a donor in exchange for unspecified services. The investigation revealed the technical assistance provider attempted to orchestrate a monetary donation from a community housing group to make up for lost grant funds. This proposal was declined by the community housing group and no funds were ever transferred. The case was subsequently declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
8/1/2018	<p>HUD OIG received a referral from a law enforcement agency alleging possible fugitive felons residing in HUD-subsidized properties. The investigation identified two fugitive felons allegedly residing in HUD-subsidized housing. The warrant information for the individuals was forwarded to the related Public Housing Authority (PHA) for possible removal from program and to the U.S. Marshals task force for possible apprehension. As a result, it was learned that one individual was no longer residing in HUD housing and the PHA did not pursue eviction of the other.</p>	Administratively closed
7/31/2018	<p>HUD OIG received a Whistleblower's Protection Act (WPA) complaint. The complaint alleged that the management of a Public Housing Authority (PHA) did not adhere to guidance from a contractor pertaining to building elevators prior to an October 2016 hurricane that hit Daytona Beach. This resulted in more than \$100,000 in repairs. These repairs were allegedly paid with HUD funds. The complainant alleged he was terminated by the PHA as retaliation after he reported that the PHA did not follow proper procedures to prevent damage to the elevators at two buildings managed by the PHA. The investigation revealed that the complainant was actually terminated for performance and disciplinary reasons.</p>	No further action warranted

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/30/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a contractor defrauded homeowners that were awarded Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant funds following Hurricane Sandy. The contractor was hired by RREM grant recipients to make repairs and elevate their homes in storm-impacted communities throughout NJ, but failed to complete the work. The investigation determined that the referring law enforcement agency declined to provide HUD OIG pertinent victim interviews and reports, limiting HUD OIG's ability to investigate the allegations. The case was administratively closed.</p>	Administratively Closed
7/27/2018	<p>HUD OIG received a referral alleging that a HUD employee recorded a conversation between two other HUD employees without authorization. The investigation corroborated the allegation but the matter was declined for prosecution. The HUD employee retired prior to the closing of the investigation.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/26/2018	<p>HUD OIG received a referral from a Section 8 housing recipient alleging that the landlord charged her more than she was supposed to pay for rent under her Section 8 Tenant based Housing Choice Voucher (HCV) Program, Housing Assistance Payment (HAP) agreement. Upon investigation, a default judgment was filed against the defendant on behalf of the United States of America. The default judgement stated the Court will enter default judgement in favor of the United States for a total of \$587,999.</p>	Successful Prosecution
7/26/2018	<p>HUD OIG received a referral alleging that a HUD OIG employee released information in relation to a FOIA request that was not redacted. The investigation corroborated the allegation and determined the allegation lacked criminality. Disciplinary action was taken against the employee for failing to safeguard information.</p>	Employee Action

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/25/2018	<p>HUD OIG received a referral alleging that the former Executive Director (ED) of a Public Housing Authority (PHA) converted a portion of tenant cash rental payments into her own personal use and used the PHA credit cards to make personal purchases. The investigation determined the ED collected and deposited into her personal bank account tenant rental payments, tenant security deposit refund checks, and made personal purchases on the PHA's credit card at retail establishments, grocery stores, restaurants and fuel service stations. Furthermore, the PHA tenants lived in apartment units that had unsuitable and unsafe living conditions and were non-compliant with HUD's Health and Safety regulations as evidenced in a HUD OIG audit of the housing authority issued in 2015. The ED was sentenced to 60 months of probation and ordered to pay restitution in the amount of \$110,113.</p>	Successful Prosecution
7/25/2018	<p>HUD OIG initiated an investigation base on data matching that identified fugitive felons allegedly receiving HUD housing benefits. The investigation resulted in the referral of 6 fugitive felons to the respective housing agency for proposed evictions.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/24/2018	<p>HUD OIG received a referral from a complainant alleging that an Executive Director (ED) of a Public Housing Authority (PHA) may have been misusing HUD funds. The investigation determined that HUD funds could have been improperly used, but there was minimal evidentiary support and the dollar amount was minimal. Upon referral to HUD program management for their assessment, HUD OIG was advised that HUD had received and was addressing the same allegations. HUD program management believed the improper expenses were best addressed by their management through their administrative means. HUD program management also advised many administrative actions had already been taken.</p>	Closed By Referral
7/20/2018	<p>HUD OIG received a referral from a prosecutor's office containing allegations that a law firm, its subsidiaries, and bank defendants generated excessive charges for foreclosure services. The investigation revealed situations where HUD appeared to be overbilled. The findings were presented to a prosecutor and was declined prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/20/2018	<p>HUD OIG received a referral alleging that contractors conspired to submit false or misleading claims to a City in order to receive Housing Opportunity for Person With Aids (HOPWA) funds. The investigation could not corroborate the allegations. Ultimately, a settlement was reached between the complainant and contractors. HUD OIG confirmed that HUD, the City and the grant recipient were apprised of the situation. All parties acknowledge their satisfaction with the outcome and expenditure of funds.</p>	Allegation unsubstantiated
7/19/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that (1) tenants might have received a Housing Choice Voucher (HCV) without authorization from the PHA's management, (2) a PHA employee did not deposit tenant rents causing tenants to be wrongfully evicted, and (3) employees had been using the PHA gas card and credit card to purchase materials for their own personal use. The investigation could not substantiate the third allegation and the other two allegations were declined for prosecution.</p>	Prosecution Declined



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/19/2018	<p>HUD OIG received a referral from HUD regarding a Public Housing Authority's (PHA) potential misuse of grant funds. The investigation determined that there were notable deficiencies in the PHA's processes for maintaining, recording and disbursing grant funds. It was also determined that the former Executive Director (ED) engaged in bid rigging and bribery on several contracts for multiple PHA's over which the ED held control or influence. The ED was sentenced to 37 months incarceration. A contractor involved in the bid rigging was sentenced to 18 months incarceration.</p>	Successful Prosecution
7/18/2018	<p>HUD OIG initiated a proactive investigation in an attempt to identify sex offenders residing in subsidized housing within a particular city. The investigation developed no viable leads and the case was then administratively closed.</p>	Administratively Closed
7/17/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a candidate running for public office underreported their assets, income, and household composition to receive Section 8 benefits they were not entitled. The investigation determined that the tenant properly reported all income and household members, therefore the allegation had no merit.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/17/2018	<p>HUD OIG initiated an investigation from information discovered through another investigation. The investigation revealed that during the servicing process, a Home Equity Conversion Mortgage (HECM) Servicer, routinely failed to obtain a default appraisal within the required timeframe (within 30 Days of the Due &amp; Payable date). Ultimately the HECM Servicer agreed to repay HUD \$409,696 the amount of debenture interest, it was not entitled to receive.</p>	Case closed. Case Settled.
7/17/2018	<p>HUD OIG received a referral alleging that a HUD OIG employee fell asleep during duty hours at an official work site on at least two different occasions. Said employee also reportedly had an odor that was associated with an alcoholic beverage during duty hours. The investigation confirmed the sleeping allegation and the matter was referred to the employee's supervisor for administrative action. The employee received a 10 day suspension.</p>	Employee Action
7/16/2018	<p>HUD OIG initiated an investigation to proactively monitor and provide assistance to the wildfire task force, in particular to identify any false disaster-related claims against HUD. The investigation determined that the wildfire devastated mostly rural areas and HUD programs were not impacted.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/13/2018	<p>HUD OIG received a referral alleging that a former Executive Director (ED) for a Public Housing Authority (PHA) was suspected of stealing funds from the PHA. The ED required tenants to make cash repayments, however that cash did not appear to go to the PHA's bank accounts. The ED also ported out a significant part (50%) of the vouchers to other PHAs. The investigation determined that the cash repayments from tenants were collected, but that no documentation, other than the repayment agreement existed. The ED received a pre-trial diversion.</p>	Successful prosecution.
7/13/2018	<p>HUD OIG received a referral alleging a former Executive Director (ED) for a Public Housing Authority (PHA) was stealing tenant rents and laundry income. The investigation determined the ED, who had been a Section 8 tenant, failed to update her income with the PHA. She also accepted cash payments from tenants that were never deposited into the PHA's account. The ED received a pre-trial diversion.</p>	Successful prosecution.
7/13/2018	<p>HUD OIG received a referral alleging unauthorized withdrawals from a Home Equity Conversion Mortgage (HECM) after the HECM borrower had died. The investigation determined that the son of the HECM borrower had fraudulently requested disbursements from the HECM after his mother's death. The son was convicted of theft.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/13/2018	<p>HUD OIG initiated an investigation based on fugitive felon data matching with NCIC and HUD's Public and Indian's Housing (PIH) system. The investigation identified PIH tenant violators. Referral letters were sent to Public Housing Authorities (PHA) for the relevant tenants.</p>	Administratively Closed
7/10/2018	<p>HUD OIG received information from HUD's Office of Community Planning and Development (CPD) alleging that a real estate firm may have obtained a Neighborhood Stabilization Program (NSP) contract through deceptive means and may have misused the grant funds. HUD opined that the contract award did not constitute a conflict of interest under HUD's regulations. The investigation disclosed that the real estate firm paid the subcontractors for the invoices that were submitted to the NSP program. The county's commission removed the real estate firm as the chairman of its county economic development board. A Commissioner was found guilty on three counts of ethical violations when he did not recuse himself from voting on the awarding of \$1.5 million in NSP funds to the real estate firm. The Commissioner was on their payroll and did not disclose the conflict of interest.</p>	Case was declined for prosecution and allegations were unsubstantiated. HUD opined that there was no conflict of interest.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/10/2018	<p>HUD OIG received a referral from another law enforcement agency alleging that narcotics traffickers who utilized illegal proceeds to purchase real estate were placed on HUD's Housing Choice Voucher (HCV) program. The investigation determined that the drug traffickers obtained a Federal Housing Administration (FHA) loan on a residential property. A review of the FHA loan file determined the loan was obtained by submitting fraudulent income related documentation. There was no dollar loss to HUD. The case was declined for prosecution and the parallel drug investigation was closed.</p>	Prosecution Declined
7/9/2018	<p>HUD OIG received a Whistleblower's Protection Act (WPA) complaint from the Hotline alleging an employee was retaliated against for making a complaint to HUD OIG. It further alleged that the Director of a Public Housing Authority (PHA) was able to determine the identity of the complainant and targeted, harassed, and eventually terminated the complainant. A report of finding was delivered to the HUD Secretary's Office. The Secretary found no retaliation.</p>	<p>Whistleblower case that was presented to HUD Secretary and HUD's Secretary responded denying any relief to the complainant through HUD. Criminal allegations are being handled in sister case.</p>
7/9/2018	<p>HUD OIG received a referral from a complainant alleging conflict of interest and contract fraud regarding a Public Housing Authority (PHA) hiring former employees as contractors to its non-profit to conduct its Section 8 inspections. It's also alleged that the former employees created the non-profit while working for the PHA. The investigation was unable to substantiate the allegations.</p>	Allegations Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/5/2018	<p>The HUD OIG received a complaint from a Homeownership Center (HOC) alleging a borrower may have falsified documents in order to obtain a Federal Housing Administration (FHA) insured loan. The complaint revealed that a search warrant was served for bank records pertaining to the borrower. After a cursory review, it was determined that a local police department served the warrant. It appeared that the borrower falsified records in order to receive state benefits, down payment, and mortgage in order to purchase a new home. The down payment was provided by a State Housing Finance Agency, a HUD funded agency. Case was declined by the State's Attorney Office.</p>	Prosecution Declined
7/3/2018	<p>HUD OIG received a referral from HUD alleging that an employee had been viewing pornography on their government issued computer. The investigation substantiated the allegation and also determined that the employee was running a personal for-profit business using his issued computer, phone, e-mail, and HUD logo. HUD proposed his termination but the employee retired in lieu of termination.</p>	Employee Action
7/3/2018	<p>HUD OIG received a referral from a Homeownership Center (HOC) alleging an individual purchased a home as "owner-occupant" but failed to reside in it per HUD guidelines. It was further alleged that the purchaser rented the property to someone else. The investigation showed the borrower rented the property immediately after purchasing it and falsified records when HUD inquired as to his residency to cover it up. HUD OIG referred the investigative findings to HUD's Legal counsel for potential civil remedies. A civil settlement was reached with the borrower in the amount of \$10,000.</p>	Repayment in Lieu of Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
7/3/2018	<p>HUD OIG received a referral from an employee of a Public Housing Authority (PHA) alleging another employee was suspected of negotiating checks received for court-ordered restitution. The employee alleged that shortly after the checks were discovered, an intern was directed to destroy the corresponding files. The investigation revealed that the checks in question were negotiated correctly and credited to the PHA's account.</p>	Prosecution Declined
7/2/2018	<p>HUD OIG received a referral from a prosecutor's office alleging that a Federal Housing Administration (FHA) Direct Endorsement lender routinely underwrote FHA loans that do not comply with the fundamental requirement as to the borrower's minimum required investment (MRI) and that if FHA had known of the noncompliance, FHA would not have approved the loans for mortgage insurance. The alleged amounts paid by the seller to the borrower for accrued real estate taxes were included as part of the borrower's required MRI at closing. The investigation conducted substantive document review and interviews designed to corroborate the claims and couldn't find evidence to support the allegations. DOJ declined to prosecute.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/29/2018	<p>HUD OIG obtained information from the U.S. Attorney's Office in response to a Qui Tam action. The relator was employed by a local bank as a manager and supervised an underwriting team during the time of April 2016 through September 2016. During this time period, the relator alleged that at least two (2) loans, one residential and one commercial, were approved by upper management after he and/or his team denied the loans for approval after discovering discrepancies contained in the loan documents. After further investigation, it was determined that the two loans were performing and no loss amount had been incurred. In addition, the one residential loan was not Federal Housing Administration (FHA) insured. The U.S. Attorney's Office declined to pursue this matter further.</p>	Prosecution Declined
6/29/2018	<p>This investigation was initiated based on a proactive discussion related to HUD's Community Planning and Development (CPD) and Public and Indian Housing (PIH) program's Energy Performance Contracts. The investigation was inadvertently opened based on a misunderstanding during the discussion. The investigation was closed without investigative action.</p>	Administratively Closed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/28/2018	<p>HUD OIG received a Hotline complaint from an individual who works for a state government authority and made numerous allegations in which he alleged an airline ticket was purchased for the spouse of a Public Housing Authority (PHA) Commissioner in 2016. The complainant alleged that the PHA stored numerous boxes of documents containing Personal Identifiable Information (PII) in a garage bay which was not always secured. The complainant also made allegations regarding violations of Section 8 rules, regulations in the management of the Family Self-Sufficiency (FSS) program and violations of the Section 8 waiting list. The investigation determined that the PHA Commissioner purchased his spouse an airline ticket in 2016 and that the purchase was not an allowable expense under federal regulations, however, the funds for the airline ticket were repaid to the PHA by the Commissioner shortly thereafter. The investigation also determined that the PHA did, in fact, store numerous boxes of documents containing PII in a garage bay which was not always secured. The documents appeared to be beyond the normal record retention period. A referral was sent to HUD's Office of Public and Indian Housing (PIH) to determine if the PHA was in compliance with HUD's PII guidelines. The remaining allegations were unsubstantiated. This investigation was declined for prosecution.</p>	<p>Investigation complete. Criminal prosecution declined, and the matter was referred to HUD PIH for administrative action.</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/27/2018	<p>HUD OIG received a referral from a tribal police department alleging that a tenant's rent payments were stolen. An audit was conducted by a Certified Public Accountant (CPA) firm for the period of October 2011 to October 2012. The audit revealed numerous findings with regard to tenant collection; review procedures; segregation of duties to Housing Data Systems (HDS); Missing Batch Report; manual receipts; HDS monthly adjustments; lack of documented bank deposit procedures; segregation of duties in relation to bank deposits; daily deposit; missing deposit slips; payroll deduction checks not being deposited; deposits to the wrong bank account; lack of documented general ledger procedure; segregation of duties in relation to general ledger; great plains deleted user activity; and general ledger recording. The cash shortage finding equaled \$44,584. This investigation was declined for prosecution.</p>	Prosecution Declined
6/27/2018	<p>HUD OIG received information from a county investigator regarding a Section 8 tenant. The investigator stated that the Section 8 tenant was not reporting her actual income in order to receive food stamps and Section 8 housing in which she is not entitled. It was determined that HUD OIG and the county would conduct a joint investigation into these allegations. The tenant agreed to a plea deal and accepted a Pretrial Diversion (PTD) with 20 hours of community service and \$2,691 in restitution.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/27/2018	<p>HUD OIG received a referral from a HUD employee alleging that another HUD employee solicited prostitutes in a bar while on official government travel. The investigation determined the allegations were unsubstantiated. Prosecution was declined.</p>	<p>Prosecution declined.</p>
6/27/2018	<p>HUD OIG received a referral from a Housing Choice Voucher (HCV) recipient alleging to have owned and operated a local market using her brother's name as owner of the store. The tenant failed to report the income to the Public Housing Authority (PHA) and other federally and state funded programs causing an estimated \$100,000 loss to the federal government. The investigation confirmed the unreported income and false statements to the PHA. The tenant was charged and convicted of Theft of Public Funds.</p>	<p>Successful prosecution.</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/26/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that a Section 8 Landlord was leasing apartments to his family members who received Section 8 benefits through the same PHA. The investigation substantiated the allegations. The Section 8 landlord entered into a civil settlement with the government and agreed to pay \$100,598 and voluntarily agreed to a three-year debarment.</p>	Successful Prosecution
6/25/2018	<p>HUD OIG conducted a proactive investigation to address a potential short sale rescue scheme. The investigation determined that there was a crime and a loss to the Federal Government. The investigation was presented to the U.S. Attorney's Office and accepted. The subject of the investigation pled to one count of Bankruptcy Fraud and one count of Equity Skimming. The subject was ordered to serve 13 months of incarceration, 36 months of probation, and pay restitution in the amount of \$90,070 to the Federal Housing Administration (FHA).</p>	All actions entered case closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/22/2018	<p>HUD OIG received a Hotline complaint alleging an Executive Director (ED) of an entity that administers HUD programs, failed to report knowledge of fraud, waste, and abuse of HUD funds, committed by the maintenance supervisor. The investigation determined that over a three year period, the maintenance supervisor used his position to conduct actions that violated the code of employee conduct and for his personal benefit. The conduct was eventually reported by another employee and they were able to stop several of the wrongdoings from occurring. Additionally the investigation determined that an internal investigation was conducted and did not find any financial losses that could be quantified as a result of the actions. The case was declined for prosecution.</p>	Prosecution Declined
6/21/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that subjects who considered themselves sovereign citizens, engaged in a false debt elimination scheme by convincing financially troubled homeowners that they could legally eliminate their debt on FHA-insured loans, among other debts, when in fact, the scheme was not legal. In return for eliminating the debt, the subjects charged the victims fees. The investigation substantiated the allegations. Three subjects and one entity were charged with felonies. One subject died before trial. The remaining two subjects were collectively sentenced to serve 30 months in prison, 108 months of probation, and ordered to pay restitution to victims of over \$335,000.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/21/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a Section 8 landlord deceived tenants into believing that they owed rent by falsely stating social services did not pay their share. The investigation determined that the allegations did not have merit.</p>	Administratively Closed
6/18/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a cleaning company was contracted by a Public Housing Authority (PHA) to clean vacant units and make them “rent ready.” The PHA paid the cleaning company nearly \$500,000 from 2012 to 2014. The case was ultimately declined by the U.S. Attorney's Office due to a lack of evidence that fraud occurred. The matter was then referred to HUD for any administrative action that was deemed necessary.</p>	Closed by Referral

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/13/2018	<p>HUD OIG received information alleging that a contractor received a contract totaling \$1,075,000 from a Public Housing Authority (PHA) to act as the general contractor for a redevelopment project that included the building of seven new townhomes. The allegations against the general contractor included failure to pay sub-contractors for work that the sub-contractors completed on the redevelopment project. The PHA paid the general contractor six drawdowns totaling \$655,556 for work completed. It was determined by the PHA that much of the work completed by the general contractor and its subcontractors did not meet the job specifications required for the townhome project and failed city inspections as well. This action caused the PHA to rebid some of the same work that was performed by the general contractor. The subcontractors that filed liens were eventually paid by the general contractor's surety bond company. The state's Attorney General's Office declined to prosecute the case.</p>	Prosecution Declined
6/13/2018	<p>HUD OIG initiated an investigation based on data matching that identified fugitive felons allegedly receiving HUD housing benefits. The investigation resulted in the arrests of three fugitive felons and the referrals of 15 individuals for proposed evictions.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/13/2018	<p>HUD OIG initiated an investigation based on data matching that identified fugitive felons allegedly receiving HUD housing benefits. The investigation resulted in the arrests of two fugitive felons referred for proposed evictions.</p>	Administratively Closed
6/13/2018	<p>HUD OIG received a referral containing an allegation that a condominium owner was improperly originating Home Equity Conversion Mortgages as a means to disposing of unsold housing stock. The investigation corroborated the original allegation, however the circumstances did not warrant criminal prosecution and the financial position of the defendant made civil remedies unattainable. Ultimately, upon final consideration it was determined that the target had committed bankruptcy fraud. As a result, this individual entered into a settlement agreement to pay \$50,000 to the U.S. Treasury. No further action is warranted.</p>	Successful Prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/13/2018	<p>HUD OIG received a referral alleging that a HUD OIG employee accessed time and attendance record without authorization. The investigation corroborated the allegations and the matter was declined for prosecution. Disciplinary action was taken against the HUD OIG employee.</p>	Employee Action
6/12/2018	<p>HUD OIG received a referral from another law enforcement agency alleging that individuals had defrauded both HUD and SSA. The investigation determined that the subjects had failed to disclose true family composition and a familial relationship to the landlord. The case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/12/2018	<p>HUD OIG received a referral from a prosecutor's office alleging new surrogate signature (ROBO Signing) issues after the 2012 national mortgage settlement. The investigation determined that a Direct Endorsement lender was signing legal documents in an effort to improperly enhance its' standing for foreclosure. The investigation resulted in the lender entering into a settlement agreement to pay \$3.4 million to the United State Government.</p>	Successful Prosecution
6/11/2018	<p>HUD OIG received a referral that an Executive Director (ED) of a Public Housing Authority (PHA) might have received a kickback when he awarded a contract to a preferred contractor. The investigation did not substantiate the allegation, however, HUD OIG learned that the ED misappropriated funds to inflate his salary, which violated law. The ED was charged with theft and official misconduct and sentenced to serve 60 months in prison.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/8/2018	<p>HUD OIG received a referral from a non-profit alleging their Finance Director had deposited a check in the amount of \$19,470 into her personal account. After the incident occurred the employee did not return to the workplace. An investigation revealed the employee may have misunderstood guidance from a HUD employee and returned the funds to the non-profit. This investigation was declined for prosecution.</p>	Prosecution Declined
6/8/2018	<p>HUD OIG received a referral from another law enforcement agency alleging that an Executive Director (ED) of a Nonprofit Organization (NPO) may have fraudulently obtained funds from HUD for a project that the NPO did not complete. The investigation determined that the NPO was awarded a \$300,000 grant to build a housing triplex and drew down \$155,205 of the \$300,000 grant. A portion of these funds were used for personal expenses. To date, no construction has taken place. The investigation resulted in the ED entering into a pre-trial diversion program and paying restitution in the amount of \$20,670.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/8/2018	<p>HUD OIG received a referral from a former employee of a local Public Housing Authority (PHA) alleging that the PHA's Executive Director (ED) has been abusing her power as ED for personal benefit. The allegations included employing family members and her boyfriend, using the PHA credit card to purchase gas for her personal car as well as her family members cars. In addition, it was alleged the ED allowed felons to reside in PHA units, a theft of funds from the PHA's residents, and circumventing the waiting list with people that she preferred. The investigation determined that the ED made \$44,460 in fraudulent purchases on the PHA credit card that directly benefited her. The ED was sentenced to 16 months of incarceration, 36 months of supervised release and ordered to pay restitution in the amount of \$44,460. The case was referred to HUD for administrative action.</p>	Successful Prosecution
6/8/2018	<p>HUD OIG received a referral from a former housing specialist for a Public Housing Authority (PHA) alleging that she was harassed due to reporting various overcharges to tenants and unsafe housing conditions at the PHA. The investigation determined that the former housing specialist quit her job at the PHA and that an adverse action was not taken against her. The investigation demonstrated there is no evidence to support the allegation of retaliation.</p>	Allegation Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/8/2018	<p>HUD OIG received a referral from HUD regarding allegations of a foreclosure rescue scam involving false deed filings. The investigation determined that grant deeds were filed by an investment company on nine homes for numerous borrowers paying an upfront fee in order to deed 1% of the homes to the investment company to avoid foreclosure. The statute of limitations related to the allegations had expired and the loss amount was minimal. The investigation was administratively closed.</p>	Administratively Closed
6/8/2018	<p>HUD OIG received information from a local news story alleging that a local Public Housing Authority (PHA) employee may have inappropriately contracted work to her husband. The allegations were presented to a prosecutor and declined prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/7/2018	<p>HUD OIG received a referral from another federal law enforcement agency alleging Real Estate Owned (REO) and Housing Choice Voucher (HCV) program fraud by a real estate agent. Specifically, the anonymous call was prompted by the agent's guilty verdict in another matter for committing a conspiracy, theft of government funds, and money laundering. The allegations were presented to the U.S. Attorney's Office and declined for prosecution.</p>	Prosecution Declined
6/7/2018	<p>HUD OIG received a hotline complaint from a former employee of a local Public Housing Authority (PHA) alleging that the Executive Director (ED) of the PHA used state and federal funds for personal use. It was also alleged that the ED misused PHA assets and time by having a PHA employee complete a job at a non-PHA property belonging to a PHA board member. The investigation did not corroborate the allegation and there was no loss to HUD. The case was declined for prosecution.</p>	Prosecution Declined
6/7/2018	<p>HUD OIG received a referral from HUD involving allegations that a property owner under false pretenses entered into a Section 8 Housing Assistance Payment (HAP) contract that required decent, safe and sanitary units in accordance with statutory requirements, and with all HUD regulations. The investigation determined that the owner submitted false certifications on seven applications for payment. The owner entered into a settlement agreement with the Federal Government and paid \$40,000.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/6/2018	<p>HUD OIG received a referral from an anonymous complainant alleging that a Public Housing Authority (PHA) employee may have embezzled rental proceeds and allowed her relatives to live rent-free. The investigation was unable to substantiate the allegations.</p>	Allegation Unsubstantiated
6/6/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that a Section 8 participant was residing in and renting a property owned by her son in violation of the program rules. The investigation determined that the participant tenant and her landlord son made false certifications regarding their familial relationship. Criminal prosecution was not sought due to an expired statute of limitations and evidence that strongly suggested that the subject's son is currently residing outside of the U.S.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/5/2018	<p>HUD OIG initiated an investigation for the purpose of generating mortgage fraud cases and presenting those cases to the U.S. Attorney's Office. The goal of the initial stage of the investigation was to identify individuals engaged in Federal Housing Administration (FHA) mortgage fraud. Several potential red flags or indicators of potential misrepresentations in FHA loan files were identified. After investigating leads and conducting several interviews, the investigation failed to generate any allegations that were accepted for prosecution by the U.S. Attorney's Office.</p>	Prosecution Declined
6/5/2018	<p>HUD OIG received information from a state's Health Care and Family Services OIG alleging that an individual was fraudulently receiving food stamps and medical benefits through the state by falsely reporting to be separated from her husband. The husband and wife also potentially engaged in a short sale fraud in which properties under the wife's name were sold to her husband. Although nine properties were identified, none are related to HUD's Federal Housing Administration (FHA) program, nor are used as rental properties for Section 8 tenants. This investigation was declined for prosecution.</p>	Prosecution Declined



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/5/2018	HUD OIG received a hotline complaint alleging that a firefighter purchased a property under the Good Neighbor Next Door Program and was not residing in the property as required by the program guidelines. The allegation was unsubstantiated.	Allegation Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/5/2018	HUD OIG received a referral alleging that a senior HUD OIG official fraudulently submitted a travel voucher. The investigation found the allegations were unsubstantiated.	Allegation Unsubstantiated
6/4/2018	HUD OIG received a referral alleging that a public housing manager for a local Public Housing Authority (PHA) required a painting contractor to paint the interior of the manager's personal residence and then required the painting contractor to submit falsified invoices to the PHA to cover the cost incurred to paint the residence. The case was presented but was declined for prosecution.	Prosecution Declined
6/4/2018	HUD OIG obtained information from a Public Housing Authority (PHA) employee and the FBI in which it was alleged that several PHA employees were involved in the distribution of narcotics within the housing projects. Additionally, information obtained by other law enforcement sources indicated that narcotics were being sold out of housing project units and are occupied by unauthorized tenants. HUD OIG was requested to provide investigative assistance in a working group comprised of multiple law enforcement agencies to proactively address the violent crime and drug sales occurring locally and in outlying areas. Although there appeared to be credible information at that time, no significant leads were generated that would involve HUD OIG or merit	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/4/2018	<p>HUD OIG received a referral alleging that a senior HUD officials violated HUD's nepotism policy, when they advocated for the hiring of their children under the Pathways Student Temporary Employment Program (STEP). The investigation corroborated the allegations and the matter was declined for prosecution. Disciplinary action was taken against the HUD officials for nepotism.</p>	Employee Action
6/1/2018	<p>HUD OIG received a complaint from an anonymous source alleging gross mismanagement by a property management agent of a Housing and Redevelopment Authority (HRA). The complainant further alleged that the management agent refused to re-calculate rent or meet with residents, while simultaneously practicing intimidation, abusive conduct, and other violations of a tenant's privacy. The allegations were unsubstantiated and were more focused on the day to day management of the project and policy administration. Based on that, it was referred to HUD program staff for whatever action they deemed appropriate.</p>	Referral to Program Staff/HUD
6/1/2018	<p>HUD OIG received a referral from an Executive Director (ED) alleging that a Public Housing Authority (PHA) tenant received Federal Emergency Management Agency (FEMA) assistance for Hurricane Harvey relief when the PHA unit sustained no damage from the hurricane. The investigation disclosed the tenant claimed personal property damage, but not damage to her dwelling. The FEMA inspector confirmed the tenant was entitled to the assistance received. The allegations were unsubstantiated.</p>	Allegations Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
6/1/2018	<p>HUD OIG received a referral alleging that a public housing tenant received Federal Emergency Management Agency (FEMA) assistance for Hurricane Harvey relief but that the public housing unit sustained no damage from the hurricane. The investigation disclosed that a FEMA inspector determined that the unit required repairs for sanitation and safety. Based upon the inspector's determination, the tenant was qualified for the personal property damage and rental assistance that was received. Therefore the allegations were unsubstantiated.</p>	Allegations Unsubstantiated
6/1/2018	<p>HUD OIG received a referral alleging a HUD employee might have falsified their time and attendance records. The investigation determined that the employee could not account for some of their time for which they were paid. The employee retired and the investigation was administratively closed.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/31/2018	<p>HUD OIG conducted a proactive case in which it was alleged that a Federal Housing Administration (FHA) borrower purchased an FHA-insured property while still receiving assistance from HUD's Section 8 Program. The investigation revealed that the borrower received a Section 8 subsidy for a public housing unit while simultaneously residing in an FHA-insured property. The borrower pleaded guilty to false statements and was sentenced to three years of probation, ordered to pay \$17,210 in restitution, and 120 hours of community service.</p>	<p>All judicial actions completed and case has been referred to DEC for administrative actions.</p>
5/31/2018	<p>HUD OIG received a referral from HUD alleging that a real estate company had acquired numerous properties via warranty deed without paying off the original mortgage. The investigation confirmed that the real estate company acquired numerous properties via warranty deed but did not disclose the transaction to the lending institutions. The investigation revealed that the real estate company promised the homeowner that they would continue to pay the mortgage until the sale of the property. The real estate company kept their promise of mortgage payments to the lender but failed to disclose to the homeowner and lender that they were renting or selling some of the properties to unsuspecting buyers who were not aware of the underlying mortgages. The loss was minimal to HUD. The case was declined for prosecution.</p>	<p>Prosecution Declined</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/30/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a FHA-insured mortgage borrower filed multiple bankruptcies in his name and others to avoid mortgage foreclosure. Additionally, on one of the petitions the borrower used fraudulent documents as support. The investigation substantiated the allegations. The subject pleaded guilty to one count of bankruptcy fraud and was sentenced to 36 months of probation and 100 hours of community service.</p>	Successful Prosecution
5/30/2018	<p>HUD OIG received a referral from a counseling agency that alleged an attorney, who is also a Section 8 landlord, defaulted on the mortgages and taxes on properties he owned and collected HUD Section 8 assistance. The investigation determined that the landlord's failure to make mortgage and tax payments on his properties while collecting HAP funds was not a violation of the HAP contract. The investigation was closed administratively.</p>	Administratively Closed
5/30/2018	<p>HUD OIG received a referral from the FBI alleging that an employee of a third party administrator of HUD's Community Development Block Grant (CDBG) funds, misappropriated money. The State conducted an audit and it alleged the subject misappropriated over \$397,000 of CDBG monies. The audit identified the following three categories: duplicate payments, conflict of interest, and sweeping of a bank account (theft). The investigation revealed the best supported allegations were the duplicate payments and sweeping of the account; totaling approximately \$45,000. The Assistant U.S. Attorney (AUSA) declined prosecution and HUD OIG referred the case to HUD program staff.</p>	AUSA declined prosecution, HUD OIG will refer to Program staff to take administrative remedies.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/30/2018	<p>HUD OIG initiated an investigation to search for registered sex offenders receiving Public Housing benefits. The investigation identified three addresses that matched with individuals subject to lifetime registration as a sex offender within the zip code featured in this case. Two individuals were referred to local authorities for further investigation into violations relating to their failure to appropriately register and a third individual (a head-of-household) was referred to the local area housing authority for any action deemed appropriate.</p>	Administratively Closed
5/29/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that an elderly woman was the victim of a fraud scheme where an individual purporting to be a HUD employee, repeatedly requested funds from the elderly woman in order for her to receive HUD HOME grant funds to conduct work on her house. The investigation determined that another investigation was ongoing concerning the same subjects. Therefore, this investigation was closed and the evidence gathered was absorbed by the ongoing investigation.</p>	Administratively Closed
5/29/2018	<p>HUD OIG received a complaint alleging that a Public Housing Authority (PHA) Security employee had a second job in which he worked during the PHA's regular work hours. It was also alleged that he claimed in his payroll timesheet that he worked his regular scheduled hours at the PHA and he falsely inflated the total number of hours he worked. The investigation substantiated the allegations and the employee pled guilty in state court to five counts of misdemeanor theft.</p>	All criminal, civil, and administrative actions complete. Case closed.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/29/2018	<p>HUD OIG received information from a city's OIG that a security guard who worked for the city's payment centers, stole money from a city's department's petty cash account and customers making payments at pay centers. The city's OIG elaborated that the allegations included the subject's acceptance of cash from customers and claiming to customers that he was paying their fines at the payment center kiosk. The security guard would allegedly use a department check to obtain a receipt for the customer showing the fines had been paid. The money was drawn from the department's account and the account became overdrawn. The findings of this investigation were referred to a state's Attorney General's Office and was subsequently charged with theft. The subject was sentenced to 30 months of probation and community service.</p>	Successful Prosecution
5/29/2018	<p>HUD OIG received a referral from the HUD OIG Hotline alleging the complainant was fired from a job as a form of retaliation for bringing forth information of alleged illegal activity on behalf of the employer. The investigation determined the allegations brought forth by the complainant were not related to a federal grant or contract. The requirements set forth under the whistleblower protection statute were not met.</p>	Allegation Unsubstantiated
5/29/2018	<p>HUD OIG received a Hotline complaint alleging the complainant was fired from his job as a form of retaliation for bringing forth information of alleged illegal activity on behalf of his employer. The allegations brought forth by the complainant were not related to a federal grant or contract, therefore the requirements set forth under the whistleblower protection statute were not met in this investigation.</p>	Allegation Unsubstantiated



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/29/2018	HUD OIG received a complaint alleging that a chairman of a Native American Housing Authority may have inappropriately hired and paid a boyfriend for work that was not done. Before HUD OIG could initiate its investigation, a fire at the Native American Housing Authority destroyed records that would have been pertinent to the investigation. This investigation was administratively closed.	Administratively Closed
5/29/2018	HUD OIG received a referral from two anonymous sources alleging that a city may have misappropriated approximately \$187,049 of HUD funds for uses that were not authorized. The investigation was unable to substantiate the allegation.	Allegation Unsubstantiated
5/25/2018	HUD OIG received a referral from a law enforcement agency alleging that two businessmen, a closing attorney, and a banker may have been involved in a property flipping scheme involving HUD real-estate owned properties. The investigation substantiated the allegations. The four subjects in this case were successfully prosecuted and ordered to pay \$462,358.00 and forfeit \$400,000.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/24/2018	<p>HUD OIG received a referral from HUD OIG audit alleging that a Neighborhood Stabilization Program (NSP) sub-grantee may have defrauded a city and Public Housing Authority (PHA) NSP program of approximately \$691,005 in questionable and substandard rehabilitation work. The investigation was unable to determine criminal violations against the NSP sub-grantee. Evidence indicated that the city and PHA's lack of expertise and proper oversight of the NSP program may have contributed to their financial setback. This matter was declined for criminal prosecution.</p>	Prosecution Declined
5/24/2018	<p>HUD OIG received a Whistleblower's Protection Act (WPA) complaint filed by a former employee of a Public Housing Authority (PHA). The investigation determined that there was not a protected disclosure.</p>	Administratively Closed
5/23/2018	<p>HUD OIG opened this investigation to proactively seek cases in which Community Development Block Grant Disaster Recovery (CDBG-DR) applicants filed fraudulent documents or false information to receive the benefit of disaster relief that they were not entitled to receive. Using standard search parameters, four applicants were identified for further review. Further HUD OIG investigation determined the four applicants did not violate program rules.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/23/2018	<p>HUD OIG received a complaint from a Homeownership Center (HOC) regarding a property purchased by an individual. According to the HOC, the bank statements are false, and they were unable to verify the employment of the borrower. Additionally, the appraiser and loan officer are suspected to be involved. A search in the recorder's office revealed the original seller had bought various properties and sold them at high values. The allegations were unsubstantiated and the prosecution was declined by the County State's Attorney's Office.</p>	Prosecution Declined
5/23/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a Section 8 tenant may have used the identity of a deceased individual to obtain housing assistance. The investigation substantiated the allegation, resulting in the indictment and conviction of the Section 8 tenant. The tenant was sentenced in U.S. District Court to two years in prison, three years of probation, and ordered to pay \$274,765 in restitution.</p>	Successful prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/23/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging a gang was committing physical assaults and shootings at residents of HUD-subsidized Section 8 units, who were identified as unauthorized occupants. The investigation determined that the head of households committed tenant fraud by not disclosing the unauthorized occupants. The loss to HUD was \$46,160. The head-of-household was convicted of perjury and theft, sentenced to 36 months of summary probation and ordered to pay \$10,000 in restitution. An eviction referral was also made to the PHA.</p>	Successful Prosecution
5/22/2018	<p>HUD OIG received a complaint alleging that an individual stole the identity of a dead woman and used it to obtain a public housing apartment along with various other benefits. The investigation was unable to collect the needed evidence, because the records were destroyed during a recent Hurricane.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/22/2018	<p>HUD OIG received information that a HUD Office of Fair Housing employee allegedly identified himself as a HUD investigator and requested a county Clerk's Office employee to backdate documents and purge the system of a court case involving a Section 8 tenant. The HUD employee communicated this request via telephone message and written correspondence in order for the tenant to obtain housing. The HUD employee received a Letter of Reprimand.</p>	Employee Action
5/22/2018	<p>HUD OIG received a referral from a prosecutor's Office alleging housing fraud against several known gang members who have established a base of operation at a local housing project. The individuals, who purportedly engaged in gang-related shootings, auto thefts, strong arm robbery, narcotic and weapons trafficking, have hidden assets and income that were not reported to the housing authority. The investigation determined that there was not adequate evidence to support the allegations.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/22/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that a Section 8 tenant may have failed to report she was married and that she was not living in her subsidized unit. The investigation substantiated the allegation. The tenant was sentenced to 3 months in prison and ordered to pay \$41,353 in restitution.</p>	Successful prosecution
5/18/2018	<p>HUD OIG received a complaint alleging that a realty company may have engaged in withholding short sale listings from the open market, resulting in the artificial lowering of the market values of the said properties. The properties were then sold to a pool of investors affiliated with the real estate entity at a reduced price. The investigation found evidence to support the allegations. Subsequently a state regulatory agency fined the realty company \$102,000 and one of their realty agents was fined \$23,000. The investigation was declined criminal prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/18/2018	<p>HUD OIG initiated an investigation based on data matching that identified fugitive felons allegedly receiving HUD housing benefits. The investigation resulted in the arrest of one wanted individual and the referrals to HUD regarding six individuals for action deemed appropriate.</p>	Administratively Closed
5/17/2018	<p>HUD OIG received information that a Mental Health Care Worker potentially engaged in Money Laundering, Structuring, and possible Fraud from March 2011 to May 2014 in the amount of \$278,895. The allegations pertained to tenant rent payments and other checks associated with housing programs that serve low income or homeless individuals and the intellectually disabled. The employee allegedly fraudulently obtained numerous money orders and altered them from their original state. Specifically, payee names appeared to have been altered with pen or permanent marker on the majority of the instruments to change the payee to the employee's name. In addition, numerous checks made payable to other individuals were ultimately signed over to the employee and deposited into her bank account(s). The instruments appeared to be associated with the agency and multiple apartment complexes. The agency is a recipient of various HUD program funds, which may include Home Investments Partnerships (HOME), Community Development Block Grant (CDBG), Continuum of Care (CoC), Emergency Solutions Grant (ESG), Section 811, Section 202, and Section 8. This investigation was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/17/2018	<p>HUD OIG received a referral from another law enforcement agency alleging that land owners paid off city council members to lie on a HUD application about zoning. The allegation was unsubstantiated and HUD denied the application.</p>	Allegation Unsubstantiated
5/17/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that individuals were possibly trespassing at a HUD Real Estate Owned (REO) property. The investigation determined the individuals were residing in the HUD property, were not lawfully present, and had no standing to be there. The case was accepted and three defendants were subsequently charged with Criminal Trespass, Mortgage Fraud, Forgery and Fraudulent Schemes. The defendants were each sentenced to 36 months probation and ordered to pay \$20,000 in restitution. The restitution reflects the amount of loss to HUD in carrying costs incurred during the time it was not able to sell the property due to the unlawful occupation of the defendants.</p>	Successful prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/17/2018	<p>HUD OIG initiated an investigation based on data matching that identified fugitive felons allegedly receiving HUD Public Housing Authority (PHA) benefits. The investigation determined that none of the identified warrants were active fugitive warrants. Therefore, none of the individuals were pursued. Administrative referrals were made to respective PHA offices for action they deemed appropriate.</p>	Administratively Closed
5/17/2018	<p>HUD OIG received a referral alleging that a mortgage company was issued a Notice of Violation from the Government National Mortgage Association (GNMA) for its failure to meet financial requirements and its failure to remit taxes and insurance payments collected at loan closings for GNMA pooled loans. The investigation determined that, although late, the mortgage company did remit required taxes and insurance and there is no current shortage. As a result, this case was closed.</p>	Administratively closed
5/16/2018	<p>HUD OIG received information from HUD alleging that a director of a city department had a conflict of interest with their brother-in-law and a board member for the development company being involved with a HUD grant. The investigation revealed no indication that the conflict of interest between the Director and brother-in-law resulted in any actions that personally benefited either party. Both individuals disclosed their conflict of interest relationships to their respective superiors. Those supervisors researched their respective policies regarding conflict of interest and determined that neither of the individuals were in violation. There was no loss to the government and the allegations were unsubstantiated. The case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/16/2018	<p>HUD OIG initiated an investigation to search for registered sex offenders receiving Section 8 housing benefits. The investigation identified two individuals that were lifetime registered sex offender within the zip codes featured in this case. Both sex offenders were Section 8 recipients and were charged with perjury. They were sentenced to probation and were referred to the respective housing agency for evictions for failing to report their criminal/sex offender status.</p>	Successful Prosecution
5/15/2018	<p>HUD OIG developed information from an unrelated investigation that the Executive Director (ED) of a not-for-profit organization was allegedly misappropriating Community Development Block Grant (CDBG) funds for his own personal use. The investigation substantiated the allegations. The ED was charged with wire fraud and attempt to evade payment of taxes. The ED was sentenced to serve 38 months of incarceration, followed by 36 months of probation, ordered to pay restitution to the IRS, and forfeit over \$300,000.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/15/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) pertaining to theft of Housing Choice Voucher (HCV) funds. The investigation substantiated the allegation. The subject of the investigation was admitted into a pretrial diversion program, which required the subject to repay \$7,380 to the housing authority and serve 12 months probation.</p>	Successful Prosecution
5/15/2018	<p>HUD OIG received information from a local Public Housing Agency (PHA) alleging that a Housing Choice Voucher (HVC) program recipient, failed to declare their dependent child's receipt of disability benefits from the Social Security Administration. The subject was charged in state court with Theft By Unlawful Taking and subsequently pled guilty and was admitted into a pre-trial diversion program that required restitution to the PHA totaling \$9,999, perform 200 hours of community service, and 24 months probation.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/11/2018	<p>HUD OIG received a referral from HUD alleging that a HUD employee had recently been arrested. The investigation determined the nature of the arrest and obtained records associated with the arrest. The relevant documents were provided to HUD.</p>	Administratively Closed
5/10/2018	<p>HUD OIG received a referral from another law enforcement agency alleging fraud by a Section 8 tenant. The investigation determined that the tenant failed to report that her husband lived with her in the subsidized unit.</p>	Prosecution Declined
5/10/2018	<p>HUD OIG initiated an investigation based on data matching that identified fugitive felons allegedly receiving HUD Section 8 housing benefits. The investigation identified and apprehended six (6) fugitive felons that were receiving Section 8 housing assistance payment. The fugitive felon's information was referred to the respective housing agency for any action deemed appropriate.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/9/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that a roofing contractor failed to pay prevailing wages to its employees. The investigation substantiated the allegations and learned that one contractor employee extorted money from workers in exchange for giving them jobs. Collectively, four contractors were charged locally with grand larceny, filing false instruments, and scheme to defraud. They were sentenced to two years of conditional discharge, 36 months of probation, and ordered to pay back-wages to workers in excess of \$1.98 million.</p>	Successful Prosecution
5/9/2018	<p>HUD OIG received an anonymous complaint alleging that a Public Housing Authority (PHA) employee stole funds from the PHA for several years. The Executive Director (ED) had knowledge of this theft and has re-assigned the employee to another division within the PHA. The investigation did not reveal any evidence to support the allegations.</p>	Administratively closing case, allegations unsupported.
5/8/2018	<p>HUD OIG received a referral from HUD OIG's Office of Audit indicating that the former Finance Director of a non-profit organization may have disbursed payroll payments to herself in excess of her contract salary. The investigation confirmed that from 2011 through 2014, the former Finance Director disbursed over \$584,000 to herself, when her contract salary was between \$40,000 and \$45,000 annually. The former Finance Director pled guilty to Theft of Federal Program Funds in U.S. District Court, was sentenced to 30 months incarceration, and ordered to pay \$321,961 in restitution to HUD.</p>	All judicial and administrative actions complete. This case is closed.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/7/2018	<p>HUD OIG received a referral from HUD alleging that a HUD employee submitted an altered DD-214 during the hiring process, provided fictitious “Doctors notes” excusing him from work, providing false statements, related to his job, to local police in order to not appear in court, and; soliciting a coworker for prescribed drugs. The allegations were unsubstantiated.</p>	Allegation Unsubstantiated
5/3/2018	<p>HUD OIG received a referral from HUD program staff alleging a local county government awarded a \$2 million Community Development Block Grant Disaster Recovery (CDBG-DR) grant to construct an Emergency Operations Center. Due to lack of progress, the contracts with the architect and contractor were terminated, with a total of \$350,000 in CDBG-DR grant funds spent on the failed project. It was also alleged that the architect and contractor colluded to ensure the contractor was awarded the project. The investigation determined that the allegations were unsubstantiated.</p>	Allegation Not Substantiated
5/3/2018	<p>HUD OIG initiated an investigation into early payment defaults from a loan originator. The investigation revealed irregularities within the loan origination files, however, these concerns could not be substantiated to conclude that fraudulent activity had occurred. Ultimately, the matter was referred to HUD for consideration of possible Program Fraud Civil Remedies Act (PFCRA) action. HUD issued a PFCRA declination letter.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/2/2018	<p>HUD OIG received a request for assistance from the FBI regarding a joint fraud investigation the FBI had with the U.S. Department of Agriculture (USDA) OIG and a local police department involving a husband and wife pertaining to the Supplemental Nutrition Assistance Program (SNAP) and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The husband is the owner of a store and is alleged to be trafficking in SNAP and WIC benefits. FBI discovered the suspects had a HUD insured mortgage on their personal residence while conducting a pre-forfeiture analysis. A preliminary search of HUD records confirmed the suspects obtained a loan through the Emergency Homeowners Loan Program (EHLP). It is alleged the suspects have provided false information to HUD in order to qualify for the program. The husband and borrower were charged and sentenced to 3 years of probation and ordered to pay \$78,566 in restitution.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
5/1/2018	<p>HUD OIG received a complaint from a Public Housing Authority (PHA) alleging that a former employee supplied false documents and forged academic records to support his PHA employment. The investigation determined the former employee falsely claimed an academic degree and provided fraudulent academic records to the PHA. The former employee provided fraudulent academic records to gain initial employment with the PHA in 2001, then in 2006, and at the time of his promotion to a supervisory position in 2012. The former employee's false claims of an academic degree were material in the PHA's employment decisions and the former employee received over \$141,000 in salary he was not entitled. The former employee was charged in Puerto Rico Superior Court with False Statements, Passing False Documents, and ethics violations; and was sentenced to 22 months of probation. Employment was terminated by the PHA in 2015, and the former employee was referred to HUD for administrative debarment.</p>	Investigation complete. All criminal, civil, and administrative options considered. This case is closed.
5/1/2018	<p>HUD OIG initiated a proactive investigation to review activities of several entities with significant participation in Federal Housing Administration's (FHA) note sale programs. The investigation did not identify evidence that the entities acted improperly through participation in the note sales. This matter was administratively closed.</p>	Administratively Closed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/30/2018	<p>HUD OIG received a referral from an independent public auditor who performed an audit of the financial statements of a Public Housing Authority (PHA). The referral alleged that the PHA was engaged in embezzlement and other fiscal improprieties. The investigation substantiated that PHA officials engaged in criminal conduct. The Executive Director (ED), two consultants, a contractor, and an employee of the PHA were charged with corruption-related felonies. Collectively the defendants were sentenced to 66 months of incarceration, five years of probation, eight years of supervised release, and 100 hours of community service. Furthermore, they were ordered to collectively pay over \$3.3 million in restitution and were collectively fined \$100,000.</p>	Successful Prosecution
4/30/2018	<p>HUD OIG received a referral alleging that a former Section 8 Housing Choice Voucher (HCV) program landlord received housing assistance payments she was not entitled. The allegation was unsubstantiated and the case was administratively closed.</p>	Allegation Unsubstantiated
4/30/2018	<p>HUD OIG received a referral alleging that a Section 8 Housing Choice Voucher (HCV) participant might not be residing in their subsidized unit and that a relative of the subsidized tenant had moved into the unit. There were also allegations that the landlord might have known that the tenant was no longer residing in the assisted unit. The investigation confirmed the tenant had moved out but failed to report to the PHA.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/27/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a contractor defrauded homeowners that were awarded Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant funds following Hurricane Sandy. The contractor allegedly received \$88,600 in RREM funds from the complainant, however, other than demolition, no other work was performed and the contractor was requesting an additional \$50,000 from the complainant. The case was worked by local law enforcement and although the contractor was originally charged, the charges were later dismissed due to a lack of evidence beyond a reasonable doubt.</p>	Prosecution Declined
4/27/2018	<p>HUD OIG received an allegation that Public Housing Authorities (PHAs) may have manipulated data provided to HUD, and that HUD officials were aware of the manipulated submissions. The investigation did not identify evidence supporting the allegation and was administratively closed without a referral to HUD.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/27/2018	<p>HUD OIG initiated a proactive investigation to review activities of nonbanks securitizing and servicing Federal Housing Administration (FHA) insured loans. HUD OIG, Office of Investigation (OI), conducted no work on this matter because HUD OIG's Office of Audit was engaged in an audit of Government National Mortgage Association's (GNMA's) nonbank oversight at the same time. This matter was administratively closed.</p>	Administratively Closed
4/25/2018	<p>HUD OIG received a referral from a national title insurance company alleging an attorney and title agent prepared a closing protection letter although the agent's title insurance policy was terminated approximately two years before the letter was issued, making the closing protection letter a counterfeit. The investigation determined the title agent issued closing protection letters on numerous Federal Housing Administration (FHA), U.S. Department of Agriculture (USDA), and conventional mortgage loans. The agent pleaded guilty to committing bank fraud and was sentenced to 36-months incarceration and ordered to pay \$662,000 in restitution.</p>	Successful Prosecution.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/25/2018	<p>HUD OIG received a referral from a local Public Housing Authority (PHA) alleging that a HUD Section 8 rental assistance program participant was underreporting earned income in violation of program rules. The investigation substantiated the allegations and the loss to HUD was minimal. The investigative findings were shared with the PHA and the participant was terminated from the Section 8 program.</p>	Administratively Closed.
4/24/2018	<p>HUD OIG received a referral from HUD alleging that a contractor mishandled and/or had not completed or started repairs to Super Storm Sandy-damaged properties. All of the victims claimed they made payments to the contractor using Community Development Block Grant Disaster Recovery (CDBG-DR) funds. The investigation determined that the contractor did not directly contract with the grantor to receive CDBG-DR funds and that HUD had no jurisdiction in the matter. The case was referred to another law enforcement agency.</p>	Administratively Closed
4/24/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a recipient of Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) grant fund, falsely claimed a Sandy-damaged dwelling as a primary residence at the time of the storm. The allegation was unsubstantiated. The case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/24/2018	<p>HUD OIG received information from a local police department that alleged a former apartment complex manger, received HUD housing assistance funds, created false leases in the names of applicants for housing, and moved unqualified individuals into apartments. The investigation revealed that the former manager allegedly received HUD housing subsidies from the local Public Housing Authority (PHA) for these tenants, even though they weren't actually living in the units. Additionally, the former manager allegedly collected monthly rent payments from tenants and deposited the payments into a personal bank account. Estimated losses were approximately \$23,000 and included an approximate \$10,000 loss to HUD. The matter was declined for prosecution but referred to the Departmental Enforcement Center for possible administrative action.</p>	Case Declined for Prosecution and Administrative referrals were made
4/24/2018	<p>During an audit, HUD OIG found evidence that a Public Housing Authority (PHA) awarded funds to a contractor without an executed contract or board approval of the payments. The contractor was simultaneously working as a full time Executive Director (ED) at another Public Housing Authority (PHA). The investigation determine that the PHA paid \$131,880 in HUD program funds to pay unreasonable and ineligible consulting fees. The prosecutor's office dismissed the indictment after full restitution was paid.</p>	Repayment in Lieu of Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/24/2018	<p>HUD OIG received a referral from HUD OIG's Office of Audit that alleged a Public Housing Authority (PHA) may have misappropriated \$2.2 million in HUD funds, had \$944,910 in unsupported costs, and incurred other questionable transactions. The allegations were referred to a prosecutor and was declined for prosecution.</p>	Prosecution Declined
4/24/2018	<p>HUD OIG received a referral from a complainant alleging that a development center misused HUD Supportive Housing Program funds to repair personal rental units, HUD funds were used for positions that don't exist, and assisted units that did not contain heating or cooling units in violation of Housing Quality Standards (HQS). The investigation found no substantive evidence to reveal any intentional malfeasance on behalf of the accused. It appeared to have possibly been processed inadequately. This matter was referred to the HUD OIG Office of Audit and to HUD Community Planning and Development (CPD) for CPD to consider reviewing the development center.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/24/2018	<p>HUD OIG received a referral alleging that a senior HUD official submitted false official documentation by claiming "travel compensation" in lieu of compensation time or overtime, as a way to circumvent the pay cap. The investigation corroborated that allegation and the matter was declined for prosecution. Disciplinary action was taken against the HUD official.</p>	Employee Action
4/23/2018	<p>HUD OIG received a referral from a bank alleging that a fraudulent short sale affecting a Federal Housing Administration (FHA) mortgage loan occurred. The investigation determined that the buyer was actually a contract laborer of the listing realtor and that the property was sold again on the same day it had been purchased. Additionally, the investigation disclosed that the same realtor was repeatedly using the same closing attorney to conduct purchases and sales that regularly violated arm's length affidavits signed by all parties at closing. This same short sale fraud scheme was utilized on 12 different properties resulting in the additional earnings of approximately \$230,000 to the listing realtor. The defendant agreed to a criminal information and plead guilty to one count of 18 USC 1012, false transactions with HUD. The defendant was sentenced to 6 months of home incarceration, 12 months of probation and the judge required that the defendant not maintain or renew a real estate license.</p>	All Judicial Actions completed and referred for administrative actions.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/23/2018	<p>HUD OIG received a referral from a state regulatory agency alleging that a title company submitted false title insurance policies. The false policies were related to transactions funded by loans sold to Fannie Mae and Freddie Mac or insured by the HUD Federal Housing Administration (FHA). The investigation confirmed the false title insurance policies. The owner of the company pled guilty to federal charges and was ordered to pay \$420,611 in restitution.</p>	Successful Prosecution
4/20/2018	<p>HUD OIG initiated an investigation based on a HUD OIG Office of Audit Report alleging that a Community Development Block Grant Disaster Recovery (CDBG-DR) recipient received Rising Enhanced Buyout Program funds that the recipient was not eligible to receive. The investigation determined that the property being assisted was not the recipient's primary residence, a requirement of the program. Prosecution was declined.</p>	Prosecution Declined
4/20/2018	<p>HUD OIG received a referral from an anonymous complainant alleging loan origination fraud by bank officials for a bank that is now bankrupt. It was alleged loan applications contain fraudulent signatures, fraudulent disclosures, and paystubs, as well as bank statements contained within loan files that had no correlation to actual bank statements. The investigation confirmed the fraudulent documentation as well as those responsible for their creation or submission. The investigation resulted in 15 bank officials being charged and pleading guilty to various federal charges. All individuals were administratively sanctioned by HUD.</p>	Successful prosecution.



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/19/2018	<p>HUD OIG received a referral from the FBI alleging that a HUD Continuum of Care participant fraudulently received HUD Benefits via HUD's Single Room Occupancy Program (SRO) for homeless people. The participant is allegedly a for profit entity. SRO requires nonprofit status. The investigation did not reveal evidence that supported the allegations. The investigation was presented to the U.S. Attorney's Office and was declined.</p>	Case closed
4/19/2018	<p>HUD OIG received a referral from a Public Housing Authority (PHA) alleging that a Section 8 participant purchased three single family properties and may have unreported income. The investigation determined that the Section 8 participant willfully participated in a real-estate fraud scheme by purchasing three properties and transferring them to a family trust. The family trust allowed the properties to go into foreclose while collecting rent under the Section 8 program. The Section 8 participant was convicted on five (5) counts of violating Title 18 USC 1014: False Statement to a Financial Institution, Aiding and Abetting and Causing an Act to be Done, and sentenced to 24 months incarceration, 5 year supervised release, and 20 hours community service.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/19/2018	<p>HUD OIG conducted a proactive HUD OIG investigation into an alleged foreclosure rescue scam by a nonprofit organization. The investigation determined that the nonprofit had misrepresented itself as a HUD affiliate and had collected advance fees from distressed homeowners with promises of loan modifications. The nonprofit failed to provide any loan modifications. Five nonprofit principals and employees were subsequently convicted and sentenced from 12 to 120 months in suspended sentence, 5 years of probations, and \$133,621 in joint restitutions.</p>	Successful Prosecution
4/18/2018	<p>HUD OIG received an anonymous complaint alleging that he discovered financial irregularities pertaining to HUD Fair Housing funds awarded to a county, including improper transfers of HUD Fair Housing Funds into the county's general funds for non-HUD purposes. The complainant was later identified as a recently terminated county employee and the investigation did not reveal any evidence substantiating the allegations.</p>	<p>Allegations disproven. Criminal prosecution declined by USAO and civil/administrative remedies not required. This case is administratively closed.</p>
4/18/2018	<p>HUD OIG received a referral alleging a Section 8 tenant conspired with her landlord to conceal a conflict of interest that the tenant was residing with the landlord's brother. The Public Housing Authority (PHA) paid a total of \$100,158 in housing assistance payments as a result of the fraud. The investigation determined the PHA's tenant file related to these allegations was missing relevant records. The landlord agreed to pay \$18,000 to the housing authority to resolve the liability. The case was declined for prosecution.</p>	Prosecution Declined.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/18/2018	<p>HUD OIG received a referral from a state affiliated agency alleging a Public Housing Authority (PHA) employee was fired after notifying the board of directors of the alleged improprieties by the Executive Director (ED) for a PHA. The ED allegedly abused his/her position by misusing federal funds for personal gain. A whistleblower investigation determined that no protected disclosure was made.</p>	Allegation Unsubstantiated
4/17/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that an individual applied for and received Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) and Homeowner Resettlement Program (RSP) Community Development Block Grant (CDBG) Disaster Assistance funds for a damaged property that was not the grantee's primary residence at the time of Hurricane Sandy. During the investigation, HUD OIG received notification of state indictments from a law enforcement agency charging the individual with Theft by Deception, Unsworn Falsification to Authorities, and an additional count of Theft by Deception related to Federal Emergency Management Agency (FEMA) violations. There was no loss to HUD. Prosecution was declined on all HUD violations.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/16/2018	<p>HUD OIG received a complaint from a local Public Housing Authority (PHA) alleging that a Section 8, Housing Choice Voucher Program (HCVP) landlord was overcharging two HCVP tenants. It was alleged that the HCVP landlord was charging them each approximately \$200 per month, in violation of the Section 8, HCVP contract. The investigation confirmed that the landlord charged side payments outside of the allowable tenant payments from 2008 through 2011. Criminal prosecution was declined by the U.S. Attorney's Office (USAO) and the State Attorney's Office. The landlord's participation in the HCVP program was terminated by the housing authority.</p>	Investigation complete

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/16/2018	<p>HUD OIG conducted a proactive investigation to review Home Equity Conversion Mortgage (HECM) borrowers who refinanced their HECM loan three (3) times. The investigation determined, the last two (2) re-finances occurred within 6 months of each other with minimal obvious benefit to the home-owner. The investigation also revealed that the borrower was later diagnosed with Dementia during this time period. The investigation was presented to the United States Attorney's Office (USAO) and declined.</p>	All actions entered and case closed.
4/13/2018	<p>HUD OIG received an anonymous complaint alleging City officials entered into a Conflict of Interest (COI) relationship with a Community Housing Development Organization (CHDO) in order to steer contracts and grant funds to other individuals personally known to the same City officials or CHDO associates. HUD OIG located the complainant who advised that none of the information he/she provided was personally known. The U.S. Attorney's Office (USAO) declined prosecution in this case.</p>	All actions entered.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/13/2018	<p>HUD OIG received a referral from HUD Public and Indian Housing (PIH) that alleged a former Public Housing Authority (PHA) Executive Director (ED) obtained a pension loan, through her retirement service, through the PHA. The investigation revealed that the ED, who signed and authorized all PHA retirement loan payments and retirement contribution checks to the retirement loan program, paid her personal loan payments in the amount of \$11,165, with PHA funds. The findings of the investigation were referred to the U.S. Attorney's Office for prosecution. The ED was charged via Information on one (1) count of violating Title 18 USC 666 - Theft or bribery concerning programs receiving Federal funds. The ED pled guilty and was sentenced to 24 months of probation and ordered to pay \$11,165 in restitution.</p>	All actions entered case closed.
4/13/2018	<p>HUD OIG received a referral alleging that a local realtor bought and sold possible HUD real estate-owned (REO) properties that were fraudulently used in conjunction with an arson scheme. The investigation did not reveal evidence that supported the allegations. The investigation was presented to the U.S. Attorney's Office and was declined for prosecution.</p>	All actions entered case closed.
4/12/2018	<p>HUD OIG received a referral from another law enforcement agency alleging a Section 8 tenant claimed another person's dependent children as their own dependents in order to increase their housing assistance. The investigation determined that the tenant claimed another person's children to received housing assistance they were not entitled. The case was declined for prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/11/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a homeowner misrepresented their primary residence, when they applied for the Housing Resettlement Program (RSP), following Hurricane Sandy. A community affairs department awarded a grantee \$10,000 in RSP funds for a damaged property that they were not entitled to receive because the damaged property was not their primary residence during or prior to Hurricane Sandy. The investigation substantiated the allegations. The grantee was charged with theft and falsifications to authorities. The grantee pled guilty and was ordered to pay \$10,000 in restitution and sentenced to 24 months probation.</p>	Successful Prosecution
4/10/2018	<p>HUD OIG received a request from a State Attorney's Office and two counties, to relocate a witness of a violent crime who was at risk of violent retaliation. The witness was successfully relocated.</p>	<p>Witness relocation complete. No further action necessary.</p>
4/9/2018	<p>HUD OIG received a referral from a bank alleging that a loan officer was identified for originating questionable Federal Housing Administration (FHA) insured loans. The investigation was initiated and the aforementioned loans were investigated. Several witness and subject interviews were conducted. The investigative findings were presented to the United States Attorney's Office and prosecution was declined.</p>	Prosecution declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/4/2018	<p>HUD OIG conducted research and discovered that a real estate investor allegedly purchased several properties from FHA borrowers via short sale. Additionally, it appears these short sales were flipped the same day they were purchased by use of placing the property into a trust, where the investor was listed as the trustee. The investors fraudulently convinced the banks to accept undervalued short sale prices while seeking buyers willing to pay more at the subsequent resale. The investigation determined that investors' submitted letters to lenders, which falsely indicated homes had been marketed for sale. They also provided letters on his employers' letterhead that falsely claimed they had been approved for financing to pay cash for homes. They additionally submitted HUD-1s attesting they paid cash for homes, when in fact; they brought no cash to closing and sometimes provided fraudulent checks for accounts with insufficient funds. One investor signed lender affidavits falsely attesting he had no relationship to sellers and there were no agreements to immediately resell the homes. They also submitted false paperwork to lenders to conceal their profits. Four subjects were convicted of Bank Fraud and one for Conspiracy.</p>	Successful prosecution.
4/3/2018	<p>HUD OIG received a referral from a union representative alleging that a HUD manager, who supposedly went to another state to help care for a sick parent and was there for an extensive period of time, committed time card fraud. The investigation determined that the manager was authorized to work remotely out of state to care for a family member. However, the investigation identified other instances when the manager failed to accurately record their telework on time and attendance submissions. The matter was referred to HUD for administrative action. The employee received a verbal reprimand.</p>	Employee Action



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
4/3/2018	<p>HUD OIG received a referral alleging that a HUD OIG employee had continuously sexually harassed other HUD OIG employees within the same office, as well as other Federal Government employees. The investigation determined the allegations to be unsubstantiated and the investigation was administratively closed.</p>	Allegation Unsubstantiated
4/2/2018	<p>HUD OIG received a referral alleging that a lender could not approve a Home Equity Conversion Mortgage (HECM) loan without the proper signature, but was able to obtain the loan using a falsified power of attorney submitted by a family member. As a result of the investigation, HUD notified the lender and borrower of their potential liability under the Program Fraud Civil Remedies Act (PFCRA) of 1986, 38 U.S.C. (United States Code) 3801-3812, for causing a false claim to be made regarding the eligibility of an Federal Housing Administration (FHA) HECM loan. The lender entered into a settlement agreement to pay HUD \$4,000 and agreed to indemnify the loan holding HUD harmless for any and all losses HUD incurs or has incurred in connection with the loan. Additionally the offending family member entered into a settlement agreement to pay HUD \$1,500.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/11/2018	HUD OIG received information from the New Jersey Mortgage Fraud Task Force that alleged a residential real estate agent and co-conspirators participated in a loan origination/short sale fraud scheme that involved 17 FHA-insured mortgage loans for properties in and around Elizabeth, New Jersey. Thirteen individuals were charged and convicted of crimes and 12 of them were sentenced to incarceration and/or probation. Collectively, restitution was ordered payable to HUD of approximately \$3.8 million.	Successful Prosecution
11/8/2017	HUD OIG received information that an individual represented to homeowners, including FHA-insured mortgage borrowers, that he was interested in purchasing their property and would offer a cash price to close very quickly. The investigation determined that the subject never closed on the title of these residences and instead, rented those properties to others including some who were participants in HUD's Housing Choice Voucher Program (Section 8). The subject then diverted the rental income for his personal use, while the property remained in the original distressed owner's possession, unbeknownst to the original owner. The subject was charged in US District Court with mail fraud and tax evasion, pled guilty, and was sentenced to serve 108 months incarceration, 36 months supervised release, and ordered to pay approximately \$1,102,935 in restitution to US Government and individual victims.	Successful Prosecution
3/20/2018	HUD OIG proactively reviewed the loan origination practices of a Direct Endorsement Lender who had a default rate of over 20%. The investigation determined that during the period of 2006 through 2012, the lender knowingly submitted or caused to be submitted to HUD, claims for FHA insurance for loans that were ineligible for FHA insurance. The lender also falsely certified to HUD that they were in compliance with HUD program rules, when they were not. The Government filed a Civil Complaint in U.S. District Court, and simultaneously settled the mortgage fraud lawsuit against the New York financial lending institution. The lender agreed to pay \$1.67 million to HUD and admitted, acknowledged, and accepted responsibility for, among other things, failing to maintain a compliant quality control program, and approving loans for FHA insurance that failed to meet HUD requirements.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/8/2017	<p>A referral was received from a law enforcement partner alleging that five conspirators were engaged in a foreclosure rescue fraud scheme. The investigation determined that the conspirators made a series of false promises to convince more than a thousand distressed homeowners seeking relief through government mortgage modification programs to pay thousands of dollars each in advance fees to numerous companies owned or controlled by the ringleader. Among other things, the fraudsters directed telemarketers and salespeople to lie to distressed homeowner victims by telling them that they were pre-approved for loan modifications and that they were retaining a law firm and an attorney who would complete their mortgage relief applications and negotiate with the banks to modify the terms of their mortgages. Contrary to these representations, the co-conspirators did little or no work in connection with these fraudulently induced advanced fees. The group was charged with multiple felonies and subsequently pled guilty. They were collectively ordered to serve over 11 years of incarceration and pay restitution of \$2,655,253.65 to various victims.</p>	Successful Prosecution
12/4/2017	<p>HUD OIG received information alleging that a lumber company in Elizabeth, NJ, that received CDBG funds and contracted with different housing authorities to provide supplies might have engaged in bribes affecting federal programs. The investigation determined that the lumber company, along with other subcontractors and government employees of agencies that administered CDBG and other federal funds conspired to misuse HUD (and other agencies') funds when then overbilled, paid bribes and kickbacks, and fraudulently substituted products using substandard items. Six individuals were charged with felonies and pleaded guilty to mail fraud, bribery, and in one case, lying to the grand jury. They were collectively sentenced to serve time in prison, pay restitution to various victims, and ordered to forfeit money or property.</p>	Successful Prosecution
12/5/2017	<p>A referral was received that alleged the misuse of HUD CDBG Entitlement funds that were administered by the City of Newark. The investigation determined that several individuals engaged in a scheme to defraud a city entity by accepting bribes and kickbacks from contractors. Collectively, six individuals were sentenced to serve over 20 years imprisonment and were ordered to pay restitution of almost \$1 million.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/15/2018	HUD OIG received information from the New Jersey Hurricane Sandy Fraud Task Force alleging that an applicant might have falsified information regarding her primary residence so that she could receive the benefit of a \$10,000 grant. The allegations were not substantiated.	Prosecution Declined
12/14/2017	HUD OIG received information alledging that a housing authority board member defrauded the housing authority when he awarded an oil supply contract to a local oil company owned by the board member's son, without making the contract available for bid by competing vendors or disclosing the conflict of interest. The investigation determined that the contract cost was deminimus and there was no evidence of criminal intent to deceive or defraud the housing authority. The housing authority took steps to end the oil contract to the relative's company and awarded the oil supply contract to a company after proper procurement procedures were followed.	Allegations unsubstantiated
11/14/2017	HUD OIG received information alleging that a New Jersey housing authority executive director purchased store gift cards using the housing authority credit card and then used those gift cards for personal use. HUD OIG substantiated the allegations. The executive director pleaded guilty to felony theft and was ordered to pay restitution to the housing authority.	Successful Prosecution
12/28/2017	HUD OIG received information alleging a New York City canine day-care, grooming, and boarding business, misused HUD disaster relief funds by using it for personal use. The investigation determined that the New York City business relief program rules allowed for the use of some HUD funds to pay for personal expenses, not related to the business. This investigation was administratively closed.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/21/2018	A referral was received from a federal law enforcement partner alleging that a construction contractor used illegally gained proceeds to purchase distressed or foreclosed properties, some of which were HUD-owned homes, to launder the illegally gained proceeds. The properties were then sold to first-time homebuyers who might have received a fraudulently originated FHA-insured mortgage. The investigation determined that although some properties involved in the alleged scheme were HUD REO properties, there was no evidence to substantiate that the end buyers of the contractor's flips received fraudulent FHA-insured mortgages. The money laundering allegation will continue to be investigated by other law enforcement agencies. This investigation was administratively closed.	Prosecution Declined
12/15/2017	HUD OIG received information alleging irregularities and possible fraud concerning HOME grants awarded in 2003 to several non profit organizations in Yonkers, New York. The investigation was not able to substantiate evidence of criminality on the part of the non-profit organizations but was concerned about the grantee's stewardship of HUD funds. Therefore, after prosecutorial declination, this matter was referred back to HUD for their administrative review and action, if warranted.	Prosecution Declined
10/3/2017	HUD OIG received information alleging a housing authority employee stole approximately \$70,000.00 from the housing authority's operating fund, of which approximately \$30,000 were HUD funds. The employee resigned from their position at the housing authority. The employee was charged with a felony, pled guilty, and was sentenced in U.S. District Court. The former employee was sentenced to serve five months incarceration, 36 months supervised release, and ordered to pay restitution to the housing authority of \$70,648.	Successful Prosecution
12/15/2017	HUD OIG opened a proactive review of a NY housing organization's spending of CPD funds based on a program monitoring report indicating that the organization used Supportive Housing Program (SHP) grant funds to pay for unreasonable, unnecessary, and/or ineligible expenses. The investigation determined the organization spent the SHP funds properly, as a result, this matter was administratively closed.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/13/2017	A referral was received alleging that a HUD CPD employee in the Hartford (CT) Field Office illegally made contributions to FEC-regulated campaign fund(s), affecting a program receiving Federal Funds. The employee resigned during the investigation. The case was declined for prosecution and administratively closed.	Prosecution Declined
3/7/2018	A referral was received from a law enforcement partner who alleged fraud involving HUD-funded disaster assistance grants. The investigation revealed that five Superstorm Sandy CDBG-Disaster Relief recipients, who were also related to each other, lied on their applications to receive disaster assistance that they were not entitled to receive. All five individuals were charged with crimes and sentenced to pay restitution collectively of \$38,765.81 to HUD.	Successful Prosecution
1/23/2018	A referral was received alleging that a non-profit grantee that builds and/or rehabs homes for low-income families, submitted false statements to HUD in order to obtain Neighborhood Stabilization Program (NSP) funds. Allegedly, nine properties acquired by the non-profit were not properly vacated prior to entering into a contract with a subsequent seller/developer. The non-profit was responsible for ensuring that the buildings were vacant, foreclosed, or abandoned and for submitting statements supporting these facts to HUD. HUD OIG reviewed relevant records and determined that the allegations lacked merit. The matter was referred back to CPD for their administrative review and action, if warranted.	Administratively Closed
10/2/2017	A referral was received that alleged a Section 8 Project-based recipient had received FEMA Disaster Relief funds in NY, for a Section 8 apartment he claimed was damaged during Hurricane Irene and Superstorm Sandy, when in fact it was not. The recipient was criminally charged and ordered to pay restitution to FEMA.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/4/2017	A referral was received that alleged from 2012 through 2016, a Direct Endorsement Lender subordinated its real estate appraisal function to the profit demands of its mortgage origination business in violation of federal regulations and its own company policies. It was further alleged that the lender's officials applied pressure to the appraisal group to artificially inflate home appraisals during the FHA loan origination process. After a review of relevant records, HUD OIG could not substantiate that the appraisals were, in fact, inflated. Additionally, the lender had an insignificant delinquency/foreclosure rate. This matter was referred to HUD's Homeownership Center for their administrative review and action, if warranted.	Referral to HUD
12/5/2017	A referral was received alleging that the property manager at a multifamily housing development in NJ had attempted to bribe a REAC inspector after the inspection was completed. The allegation could not be substantiated; as a result, the investigation was administratively closed.	Allegation Unsubstantiated
3/7/2018	A referral was received alleging that a senior employee of a Rhode Island non-profit entity embezzled funds from several HUD grants given to the entity. The allegation could not be substantiated; as a result, the investigation was administratively closed.	Allegation Unsubstantiated
11/1/2017	A referral was received from a law enforcement partner alleging that an applicant might have falsified information on their application to HUD so that she could receive the benefit of a \$10,000 grant. The allegation could not be substantiated; as a result, the investigation was administratively closed.	Allegation Unsubstantiated
2/22/2018	A referral was received that alleged an employee of a local housing authority embezzled approximately \$91,576 from the HUD-funded Family Self Sufficiency Program. The employee was terminated from their position. The former employee was charged, pled guilty, and sentenced in US District Court to serve three months incarceration, 12 months supervised release, and ordered to pay the housing authority \$92,877 in restitution.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/20/2018	A referral was received alleging that a grantee that serves the homeless might have inflated the number of people it served in its shelter beds program. The grantee also received funding from the City of New York. The City of New York conducted a comprehensive review of the grantee's operations and compliance with program rules. The investigation determined that HUD funds were not involved in the specific allegation regarding the grantee's shelter beds program. The allegation could not be substantiated; as a result, the investigation was administratively closed.	Administratively Closed
3/13/2018	A referral was received from a local Housing Authority alleging that a Section 8 recipient failed to report that her live-in boyfriend resided with her. Furthermore, since the live-in boyfriend was a police officer, the tenant willfully underreported her household income in order to receive the benefit of extra rent subsidies she was not entitled to receive. Both the tenant and police officer were criminally charged and sentenced to pay restitution to HUD of \$134,224.	Successful Prosecution
10/24/2017	A referral was received alleging that a New York grantee might have misused CDBG funds when they made mortgage payments for a structure on private property using the Section 108 Loan Guarantee Program. The investigation determined that the grantee did not violate any program rules or regulations. The investigation was administratively closed.	Allegation Unsubstantiated
10/5/2017	A referral was received from a former employee of an IT contractor alleging that he had been terminated following a "protected disclosure" of misconduct. The investigation did not establish a causal relationship between the alleged "protected disclosure" and an adverse personnel action. The investigation was administratively closed.	Allegation Unsubstantiated
3/1/2018	A referral was received from a housing authority alleging that Housing Choice Voucher Program applicants purchased fraudulent vouchers from individuals who may or may not be associated with the housing authority. It was alleged that applicants paid between \$450 to \$1,000 to obtain housing vouchers. The allegations were unsubstantiated. The case was declined for prosecution. The investigation was administratively closed.	Prosecution Declined



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/16/2018	A referral was received alleging that a HUD Employee misused government time in that they were working for an outside business while on government time. The HUD Employee admitted misusing government time and equipment. As a result, administrative action was taken against the subject by HUD.	Employee Administrative Action
11/14/2017	A referral was received alleging that an individual applied for and obtained a \$10,000 HUD funded disaster assistance grant. These funds were received for a damaged property address (DPA) in NJ that was not the subjects primary residence at the time of Hurricane Sandy. Eligibility requirements for the grant states that homeowners must have owned and occupied the DPA as their primary residence at the time of the storm in order to qualify. The OIG, working jointly with state law enforcement, confirmed that the DPA was not owned by the subject at the time of the storm. The subject was charged with Theft and other charges and subsequently entered into a Pre-Trial Diversion program for repayment of the \$10,000 in HUD funds.	Successful Prosecution
11/1/2017	A referral was received alleging that an individual applied for and obtained a \$10,000 HUD funded disaster assistance grant. These funds were received for a damaged property address (DPA) in NJ that was not the subjects primary residence at the time of Hurricane Sandy. Eligibility requirements for the grant states that homeowners must have owned and occupied the DPA as their primary residence at the time of the storm in order to qualify. The OIG, working jointly with state law enforcement, confirmed that the DPA was not owned by the subject at the time of the storm. Additionally, the subject fraudulently received approximately \$23,800 in FEMA disaster funds. The subject was charged with Theft and other charges and subsequently entered into a Pre-Trial Diversion program. The OIG determined the loss to HUD to be \$10,000.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/1/2018	<p>HUD OIG received information alleging that a housing authority committed financial fraud, failed to report child abuse within its properties and that management abused their authority by firing housing authority employees without justification. It was further alleged that the housing authority neglected to adhere to HUD Rules and Ethics. HUD OIG did not find any evidence to substantiate allegations that housing authority officials violated HUD rules. Coordination was done with the local police department and they did not have any reports filed or cases initiated involving child abuse allegations. A housing authority employee admitted to helping with a mayoral campaign in 2013, however, this employee stated she was not coerced by anyone to work on the campaign. This case was declined for prosecution and was subsequently closed.</p>	<p>Prosecution Declined</p>
10/3/2017	<p>A referral was received alleging that a Section 8 Housing Choice Voucher Program (HCVP) landlord resided in a subsidized unit that they also owned/rented to their girlfriend. The investigation corroborated the allegation and determined that between August 2009 and August 2015, the landlord collected approximately \$82,000 from a HUD funded housing authority. The former landlord pled guilty and was sentenced to 10 years incarceration; all but 37 days were suspended, and was ordered to pay restitution to HUD in the amount of \$10,000.</p>	<p>Successful Prosecution</p>
10/2/2017	<p>A referral was received from a local Housing Authority (HA) alleging that a Housing Choice Voucher Program (HCVP) participant failed to report ownership of a second property in addition to the property for which she was receiving subsidies, a violation of HCVP regulations. The investigation confirmed the HCVP participant owned another residential property. The HA terminated the HCVP participant's program participation. The matter was presented for prosecution but declined.</p>	<p>Prosecution Declined</p>
10/23/2017	<p>A referral was received by a law enforcement partner alleging that a federal grant recipient filed false Hurricane Sandy damage claims for a property located in NJ, in order to receive disaster assistance from the Housing Resettlement Program (RSP) and the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) programs. The investigation corroborated the allegation that the damaged property was not their primary residence during Hurricane Sandy. The recipient pled guilty and was sentenced to 12 months Probation and ordered to pay restitution of \$72,163.14.</p>	<p>Successful Prosecution</p>

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/7/2017	<p>A referral was received from a federal law enforcement partner reporting an alleged real estate fraud scheme involving foreclosed properties and a realtor. The investigation determined that from December 2013 to March 2015, the realtor identified vacant foreclosed Federal Housing Administration (FHA) and conventionally-insured properties then falsely represented to potential purchasers that they were authorized to sell the properties when they were not. The realtor kept the proceeds from the illegal property sales. The realtor provided some of the purchasers with fictitious agreements of sale and other sale supporting documents, such as deeds. A total of \$751,082.49 in stolen funds from the illegal sale of six FHA and other non FHA-insured properties were converted by the realtor and others for personal use. The realtor was sentenced in U.S. District Court to 51 months incarceration, 36 months supervised release and ordered to pay \$65,000 in restitution to the victims.</p>	Successful Prosecution
12/4/2017	<p>A referral was received alleging that a HUD employee falsified medical documents in an attempt to utilize the Voluntary Leave Transfer Program (VLTP), administered by HUD. The investigation determined that the HUD Employee did not defraud the VLTP. It was also alleged that the HUD Employee failed to obtain the proper approval to participate in the Emerging Leaders Program and failed to report their work status to their first line supervisor. This allegation was also unsubstantiated. Various records and e-mail correspondence confirmed that the HUD Employee's supervisors were aware of their whereabouts during the time in question. The facts of this investigation were presented to the U.S. Attorney's Office for the District of Columbia, for the potential prosecution. However, the case was declined. In addition, the case was referred to the Office of Chief Procurement Officer (OCPO) Washington, DC, for any action deemed appropriate. The OCPO office decided not to take administrative action against the employee.</p>	Employee Administrative Action

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/27/2017	<p>HUD OIG received information alleging that a landlord/owner in the Housing Choice Voucher Program (HCVP) submitted a false lease to a Public Housing Authority to conceal a "side payment" arrangement with the assisted tenant in excess of the approved rent for the unit. The landlord subsequently counseled or encouraged the tenant to lie to HUD OIG investigators about the arrangement. A False Claims Act civil settlement was negotiated and the landlord pled guilty to charges of Witness Tampering as a result of the investigation.</p>	Successful Prosecution
11/20/2017	<p>A referral was received alleging that an employee in HUD's Real Estate Assessment Center (REAC), was abusing their position by preparing income tax returns during official duty hours. The anonymous complainant further alleged that the employee had been granted a reasonable accommodation (RA) to work exclusively from home, due to a medical condition. This investigation could not substantiate that allegation of abuse of official time made by the anonymous complainant, and the United States Attorney's Office subsequently declined criminal prosecution of this matter. The OIG was able to confirm that the employee was granted a RA to work from home due to a documented medical condition. The OIG investigation also discovered that the employee was regularly forwarding REAC financial data to his personal email account to facilitate printing the financial data for review. The OIG provided the REAC with its report of investigation, which resulted in the counseling of the employee by REAC management about refraining from forwarding REAC financial data outside secure HUD systems.</p>	Prosecution Declined Employee Administrative Action

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/27/2017	<p>A referral was received alleging that an investor purchased a property using a “sweat equity purchase agreement” from a FHA Home Equity Conversion Mortgage (HECM) borrower. The investor recorded the deed transferring property ownership approximately fourteen months after the purchase. The investigation determined the investor violated no laws or regulations relating to the allowable time period(s) that a deed can be filed. The investigation could not substantiate if the investor conspired with the HECM borrower to submit false information on the borrower’s HECM loan application. The investigation determined that the HECM borrower failed to notify the mortgage servicing company that they sold their property. The HECM borrower also failed to notify the mortgage servicing company that they moved out of the property during the term of HECM loan. The terms of the borrower’s HECM loan required them to notify the mortgage company if they moved or sell their property. This matter was presented and declined for prosecution.</p>	Prosecution Declined
11/3/2017	<p>A referral from a New Jersey law enforcement agency alleged that an individual applied for and obtained \$160,000 in HUD-funded disaster assistance grants. These funds were received for a damaged property address (DPA) in NJ that was not the subject's primary residence at the time of Hurricane Sandy. Eligibility requirements for the grant state that homeowners must have owned and occupied the DPA as their primary residence at the time of the storm in order to qualify. The OIG, working jointly with state law enforcement, confirmed that the DPA was not owned by the subject at the time of the storm. Additionally, the subject fraudulently received approximately \$30,200 in FEMA disaster funds. The subject was charged with Theft and other charges and subsequently pled guilty and was ordered to pay \$190,213.83 in restitution and sentenced to 60 months’ probation. The OIG determined the loss to HUD to be \$160,000.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/27/2018	<p>A referral was received alleging that a HUD manager held a real estate salesperson's license and was actively working as a real estate agent, in violation of Title 5 Code of Federal Regulations § 7501.105. Title 5 CFR § 7501.105 prohibits HUD employees from employment with a business related to real estate, to include real estate brokerage, management, and sales. The investigation determined that the manager had held an active real estate salesperson's license since November 2007. The employee acted as a real estate agent for two property sales and six property lease transactions. The outside employment was not reported to the employee's supervisor or to HUD's Office of General Counsel. This matter was presented but declined for prosecution. The results of the investigation were referred to HUD management for whatever administrative action they deemed necessary. HUD management suspended the employee without pay for a period of 4.379 days.</p>	Employee Administrative Action
11/15/2017	<p>A referral was received from a local housing authority board member alleging that the housing authority executive director had misappropriated HUD funds through the use of an affiliated entity. HUD OIG's investigation determined that the involved entity did not receive HUD funds. During the course of the investigation, it was alleged that officials of the same housing authority may have steered a contract to a favored vendor. HUD OIG's investigation into those allegations revealed circumstantial evidence, which suggested that individuals may have conspired to manipulate the procurement. When HUD learned of the allegations, they disallowed the use of HUD funds to pay for the contracted services and told the housing authority to conduct a new procurement. The new procurement awarded the contract to a different firm. Due to the fact that no HUD funds were used and the suspect entity no longer held the contract, the case was declined for criminal prosecution.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/5/2017	A referral from a local Housing Authority (HA) alleged that a Housing Choice Voucher Program (HCVP) Landlord, continued to accept Housing Assistance Payments (HAPs) on behalf of his HCVP tenant who was incarcerated and no longer occupying the subsidized unit. The OIG investigation determined that landlord received HAPs on behalf of the tenant from June 2015 until August 2016, knowing that the tenant was incarcerated and no longer living in the unit. The landlord failed to inform the HA that the tenant was not occupying the unit, and rented the unit to another tenant while continuing to receive the HAPs. The landlord was criminally charged and ordered to pay the full restitution of \$17,710.00 to the HA.	Successful Prosecution
3/14/2018	HUD OIG initiated this investigation after proactively reviewing a sex offender registry and determined that an offender was the Head of Household of a unit at a HUD subsidized multifamily property. The offender admitted to not disclosing his registered sex offender status on his application for housing assistance. The offender was criminally charged and ordered to repay \$4,996.00 to HUD in lieu of prosecution.	Successful Prosecution
3/1/2018	A referral was received from a law enforcement partner involving a Housing Choice Voucher Participant. It was alleged that an individual diverted a vulnerable adult's funds in excess of \$1,200,000 for their own personal use. The subjects were sentenced and ordered to serve 5 years in jail and 5 years supervised release upon their release. They were also ordered to pay a restitution of \$60,000 to the victim's estate.	Successful Prosecution
10/5/2017	A referral from a New Jersey government agency alleging that an individual applied for and obtained \$74,000 from a HUD-funded disaster assistance grant. These funds were received for a damaged property address (DPA) in NJ that was reportedly not the subject's primary residence at the time of Hurricane Sandy. Eligibility requirements for the grant state that homeowners must have owned and occupied the DPA as their primary residence at the time of the storm in order to qualify. The OIG, working jointly with state law enforcement, could not substantiate the allegations in this case. This matter was referred to HUD for administrative action, if appropriate, and the case was administratively closed.	Allegation Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/12/2018	A referral was received from the HUD Quality Assurance Division alleging that a loan officer created fraudulent documents and made false statements in the creation of a HECM loan for a family member. The HECM loan had been paid off, as a result there was no loss to HUD. This matter was administratively closed.	Referral to HUD
3/15/2018	A referral was received from a local Housing Authority (HA) that alleged a landlord was renting a subsidized property to an immediate family member, in violation of the HA Housing Assistance Payment (HAP) contract. The investigation corroborated the allegation and the landlord was subsequently sentenced in State District Court to 12 months probation and ordered to pay restitution of \$8,366 to the local HA.	Successful Prosecution
3/1/2018	HUD OIG initiated a proactive effort wherein they cross checked addresses found on the Virginia State Police's (VASP) Sex Offender Registry (SOR) against addresses that receive HUD Public Housing assistance. Referrals to pertinent housing authorities resulted in the termination of assistance for twenty-four Housing Choice Voucher Program (HCVP) participants due to registered sex offenders residing within the HUD assisted units. HUD OIG referred eight sex offenders to the VASP for potential false statements made on sex offender registry re-certifications. The investigation determined HUD paid approximately \$530,666 in assistance payments to participants that were ineligible as a result of allowing a registered sex offender to reside within their assisted units. In twenty of the terminations, the head of household did not disclose to HUD that the sex offender was residing within the unit. In the remaining four instances, the sex offender was listed on HUD paperwork as residing within the unit. In these four instances, the sex offender failed to report his status as a registered sex offender.	Successful Prosecution
11/21/2017	The OIG initiated this investigation after receiving a referral from a New Jersey law enforcement agency. This case was referred to another HUD OIG region since they were already working an investigation involving the subject in this case.	Referral to HUD
1/11/2018	A referral was received alleging that a HUD manager was stalking another HUD employee. In addition, it was alleged that this same HUD manager was having members of their assigned staff conduct personal favors for them, on and off duty. The investigation did not substantiate the allegations and was closed.	Allegation Unsubstantiated



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/26/2018	A referral by a local Housing Authority alleged that a Section 8 tenant may have concealed his marriage to his landlord. The investigation confirmed the allegations, and confirmed that the tenant and landlord previously owned the property together, but the tenant quit claim deeded his interest in the property prior to signing a lease agreement with the housing authority in order to conceal his relationship with the landlord and ownership interest in the property. The tenant and landlord were charged in US District Court and pled guilty to Theft of Public Funds. The tenant was sentenced to 5 months' incarceration followed by 24 months' probation, and the landlord was sentenced to 36 months' probation and ordered to pay \$81,825.95 in restitution to HUD.	Successful Prosecution
2/2/2018	A referral was received alleging that a local construction company defrauded the VA and HUD by obtaining fraudulent Performance and Payment Surety Bonds for projects. The VA project (parking garage) was contracted out for \$6.9 million which was never finished by the construction company. The investigation revealed the bonding company's business locations are "shell" addresses. To date, two housing authorities contracted with the construction company. Seven individuals were prosecuted and over \$3,900,000 in restitution was ordered by the court.	Successful Prosecution
3/30/2018	HUD-OIG's Office of Audit conducted an audit of a Section 232 Residential Care Facility in Florida, and discovered what appeared to be unsupported expenditures in violation of the facility's regulatory agreement. The investigation revealed over \$350,000 in unsupported or ineligible expenditures, and the facility defaulted on its Section 232 mortgage, causing a loss to HUD of approximately \$4.8 million. Criminal prosecution was declined by the US Attorney's Office, however, the former owners of the facility entered into a civil settlement with the US Attorney's Office for \$48,000.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/19/2017	A referral from HUD's Quality Assurance Division alleged investors recruited straw buyers to purchase properties as their primary residences as well as paying the straw buyers kickbacks for use of their credit. The investigation yielded three individuals involved in the fraudulent transactions. Two of the 3 individuals were indicted and pled guilty. One subject was sentenced to serve 12 months and 1 day in Federal Prison, 3 years of supervised release and ordered to pay \$90,000 in restitution. The other subject was sentenced to serve 12 months and 1 day in Federal Prison, 36 months of supervised release and ordered to pay \$206,152.71 in restitution.	Successful Prosecution
3/26/2018	An investigation was conducted to address a local news report concerning tenant complaints about backed up sewage water in bathrooms, bug infestations, leaks in roofs, busted water pipes in ceilings, mold and mildew buildup, and unserviceable heating and air conditioning units. The investigation was unable to prove the Project ownership committed any criminal violations by submitting a certification to the Department regarding the property's physical condition, relative to safe, decent, and sanitary housing at the Section 8 subsidized Project. Although the investigation did substantiate some of the information received, the matter was ultimately declined for prosecution.	Prosecution Declined
2/16/2018	A referral from a Housing Authority (HA), alleged that an executive director misappropriated funds by operating a personal catering business. The investigation determined that the executive director did not embezzle funds in the capacity of an executive director. The investigation was presented to the United States Attorney's Office but was declined for prosecution. Based on the above information, no further investigation was warranted and the case was closed.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/2/2018	A referral from HUD alleged an Executive Director (ED) was stealing Housing Authority supplies and the ED was conducting improper procurement activities and change orders relating to a housing project. The investigation was unable to identify any procurement impropriety associated with the contracts and the project has been completed and the units are on-line servicing the residents. Based on the above information, no further investigation was warranted and the case was closed.	Prosecution Declined
2/6/2018	A referral by a local Housing Authority (HA) alleged that a Housing Choice Voucher (HCV) Program tenant was a co-owner of the property for which the HA was paying HCV subsidies. The investigation confirmed the allegations and revealed the landlord and tenant were sisters. The HA paid the subjects over \$46,000 in HCV subsidies to which they were not entitled. The tenant and landlord pled guilty and were sentenced to 10 years' probation and ordered to pay \$46,630 restitution to HUD.	Successful Prosecution
2/16/2018	A referral from HUD's, Office of Field Policy and Management, relayed information that all staff who were employed at a housing authority were terminated. The part-time technician of the housing authority was arrested for terroristic threatening of the housing authority maintenance supervisor. The referral alleged that the executive director was aware that the part-time technician was trading housing authority equipment in exchange for drugs. The investigation determined that the executive director was in a sexual relationship with the part-time technician. The director knowingly hired the technician even though the social security number that was supplied was false. Further investigation determined that the part-time technician was receiving social security benefits under their true identity. It was also determined that the executive director was paying the technician while he was in jail and in the hospital. The executive director claimed the board had approved salary increases when in fact they did not. The executive director also used housing authority funds to purchase food, prescriptions, and other items that were not authorized. The part-time technician pled guilty to Theft of Government Funds, Social Security fraud, and Aggravated Identity Theft and was sentenced to 42 months in prison.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/18/2017	A referral from the Miami Beach Community Development Corporation (CDC) alleged that an unknown individual had improperly accessed the CDC's bank accounts with Bank of America and initiated a transfer of approximately \$20,000 from a HOME project account to the CDC Operating Account. Then three fraudulent checks were drawn on the CDC Operating Account and cashed in Baltimore, Maryland. The Miami Beach CDC's Operating Account was made whole by the financial institution. The matter was presented for prosecution but declined. Based on the above information, no further investigation was warranted and the case was closed.	Prosecution Declined
2/26/2018	A referral from a Housing Authority employee alleged that a former administrator of a Housing Authority may have abused the sick leave policy, placed families in the public housing program in violation of federal regulations and housing authority policy, and used the housing authority eviction attorney for their own personal real estate attorney, which is a conflict of interest. The investigation determined that the administrator did not abuse the sick leave policy, did not place family members in subsidized housing as alleged, and did not use the housing authority attorney for personal uses as described in the complaint. Based on the above information, no further investigation was warranted and the case was closed.	Prosecution Declined
3/12/2018	A referral was received alleging that a landlord, involved with the Housing Choice Voucher Program, was renting to his mother. The landlord and his mother were terminated from the Housing Authority Section 8 program. The matter was presented for prosecution but declined. Based on the above information, no further investigation was warranted and the case was closed.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/16/2018	<p>A referral from another law enforcement partner alleged a former Chief Financial Officer (CFO) for an HMO had misappropriated the HMO funds, specifically receiving kickbacks off the HMO contracts and misusing the HMO credit cards for personal gain. The former CFO was initially hired by the HMO as an Auditor and then promoted to Chief Accountant, then Controller, and then CFO. The CFO was dismissed from the HMO for unacceptable personal conduct and making unauthorized purchases with the HMO credit cards. The HMO is funded by both HUD and HHS. The CFO was sentenced to 42 months incarceration, 36 months supervised release, and ordered to pay \$738,100 to the HMO and to IRS.</p>	Successful Prosecution
2/13/2018	<p>This investigation was opened parallel to another HUD OIG investigation to record investigative activities in the State of Florida. All activities conducted under this case have been incorporated into the parallel case and this case was administratively closed.</p>	Administratively Closed
11/2/2017	<p>A referral from HUD's Quality Assurance Division (QAD) alleged property flipping associated with an FHA-insured mortgage sold in a short sale for \$68,000. The investigation revealed that the purchaser at short sale resold the subject property on the same day for \$85,000, an increase of \$17,000. Due to the rapid resale of the subject property, it appears that the mortgagee did not receive the best or highest offer at short sale. The purchaser of the aforementioned short sale also purchased another FHA-insured property and sold that one in the same day as well. Both transactions for the same day flips involved the same settlement agency and the purchaser's mother was involved in both transactions as a real estate agent assistant/short sale coordinator. In both of the aforementioned transactions, no violations of HUD's Pre-Foreclosure Sale program rules were identified. The case was presented to the United States Attorney's Office and the case was declined for prosecution. Based on the above information, no further investigation was warranted and the case was closed.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/26/2017	During proactive case development, it was identified that a mortgage loan processor originated a loan for a borrower using falsified financial information. The loan processor utilized bank statements from the borrower that appeared to be altered. After further investigation, it was determined that the borrower did not hold a bank account at the bank that was used to qualify them for the loan. The loan processor pled guilty to 4 counts of 18 U.S.C. 1014. The loan processor was sentenced to 30 days incarceration to be followed by a period of 3 years supervised release and ordered to pay a judgment of \$11,292.45. The loan processor agreed to be debarred for 3 year's as part of the plea agreement.	Successful Prosecution
11/16/2017	A referral from a Housing Authority (HA) alleged the former Client Services Director made unauthorized personal charges on the PHA credit card on a regular basis between the period of 2014-2016. The investigation determined that the former employee did use the HA credit card for personal use and the investigation revealed a total loss of approximately \$90,000. The former employee was sentenced to 10 months in federal prison followed by 3 years probation.	Successful Prosecution
12/6/2017	A referral was received alleging that a Borrower applied for an FHA Loan and, during the process, the borrower received a gift letter in the amount of \$15,000 from a relative. After closing on the FHA property, the borrower was arrested for living in and operating a marijuana grow house. The investigation was unable to determine any criminal violation committed during the purchase of the FHA insured property. Based on the above information, no further investigation was warranted and the case was closed.	Allegations Unsubstantiated
2/22/2018	A referral from another federal law enforcement partner provided information alleging that a former federal government employee was residing in a Multifamily complex that receives rental subsidy from HUD and did not truthfully report their income during the application process. The investigation corroborated the allegations and the former federal government employee was sentenced to 24 months incarceration and 1 year of supervised release.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/25/2017	Information was received from an article published by a local online periodical alleging that a HUD-subsidized multifamily apartment complex was billing HUD for vacant Section 8 units. It was further alleged that the management company was aware of this fraudulent billing to HUD. The manager was terminated from employment for failure to perform their duties as a manager. The investigation was unable to substantiate allegations of false claims knowingly submitted to HUD. Based on the above information, no further investigation was warranted and the case was closed.	Allegations Unsubstantiated
1/10/2018	A referral from a Housing Authority alleged a subsidy program recipient reported and submitted fraudulent income documents to obtain Section 8 Housing Choice Voucher program assistance. The investigation determined the recipient had been on the program for many years and falsely reported marital status as well as family member employment incomes. The recipient was terminated from program participation and repaid \$9,272 to the Housing Authority.	Prosecution Declined
2/16/2018	A referral from a Housing Authority (HA) alleged that an employee of the HA embezzled and misappropriated funds by utilizing HA credit cards to make unauthorized purchases. The investigation determined that the employee was not authorized to utilize the HA credit cards to make unauthorized purchases. The employee was sentenced in U.S. District Court to 24 months of probation with 180 days on home confinement, 40 hours of community service, \$100.00 special assessment fee and \$36,604.88 in restitution.	Successful Prosecution
10/16/2017	A civil referral from the Department of Justice alleged that a mortgage company may have knowingly originated and submitted fraudulent home loans to HUD and Fannie Mae. The investigation determined that the mortgage company did not knowingly originate and submit fraudulent home loans. Based on the above information, no further investigation was warranted and the case was closed.	Allegations Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/24/2017	<p>A referral from a federal law enforcement partner alleged that a mobile home seller with an in-house FHA-approved lender engaged in fraudulent conduct in order to qualify borrowers for loans and sell them mobile homes. Allegations included misrepresenting borrower credit scores in order to charge higher interest rates, adjusting prices of homes solely for the use of down payment assistance or loan rate discounts, and use of subject controlled third parties to pay off borrower debts in order to make the borrower appear more credit worthy by underwriting standards. The investigation revealed that the seller and lender have training and policies which demonstrate compliance with the Dodd-Frank Act regarding fair lending, as well as policies regarding pricing and seller concessions that are compliant with regulations. The investigation revealed no evidence corroborating initial allegations. Based on the above information, no further investigation was warranted and the case was closed.</p>	<p>Allegations Unsubstantiated</p>
1/10/2018	<p>A referral from the HUD Quality Assurance Division alleged that a Loan Officer had mishandled several loan transactions. The initial investigation revealed the questionable handling of the loan officer's mother in law's townhome purchase; however, it failed to corroborate wrong doing on behalf of the loan officer. Based on the above information, no further investigation was warranted and the case was closed.</p>	<p>Allegations Unsubstantiated</p>
2/12/2018	<p>A referral from HUD alleged a landlord requested sexual favors on several occasions from a housing choice voucher program participant in lieu of money for repairs. The investigation failed to corroborate the allegation; however, this matter was referred to the Office of Fair Housing and Equal Opportunity, HUD, for any action they deem appropriate.</p>	<p>Referral to HUD</p>



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/10/2018	A referral was received alleging that the former Executive Director of an out of state Housing Authority (HA), who had been previously convicted of embezzling funds from the HA, was now working for a local PHA in Florida. The investigation revealed that the former Executive Director pled guilty to Theft of Public Funds in May 2015 and was hired by a local PHA in Florida in May 2017. The investigation also revealed that the former Executive Director disclosed the prior conviction on her application for employment at the HA. This matter was declined for prosecutorial consideration; however, it was referred to HUD for any remedy they deem appropriate.	Referral to HUD
2/23/2018	This case was proactively developed through the Neighborhood Watch and Single Family Data Warehouse systems. The queries identified a lender with an 11.35% seriously delinquent and claim ratio, which was an abnormally high ratio when compared to other similarly-sized lenders. Further investigation revealed that, despite the high delinquency rate, there were few insurance claims filed with HUD and there was insufficient nexus to establish venue in this Region. This investigation was administratively closed.	Administratively Closed
10/16/2017	A referral was received that alleged a reprisal termination by the Executive Director of a local Housing Authority. The Complainant did not cooperate with OIG during the course of the investigation. The allegations could not be substantiated and the investigation was closed.	Allegations Unsubstantiated
2/5/2018	This matter was opened based upon an article from a local newspaper which reported that tenants associated with a Section 8-funded property may be living in unsafe conditions due to on-going construction and/or renovations at the property. The investigation revealed that tenants had been evacuated from the buildings at different times due to Hurricane Irma as well as a scheduled major construction project. The investigation also revealed possible duplicate payments of HUD Section 8 Housing Assistance Payments and FEMA Transitional Shelter Assistance for some tenants. This matter was referred to HUD OIG's Office of Audit to identify any duplicate payments and to quantify the loss to HUD.	Referral to HUD

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/23/2017	<p>A referral from the HUD, Homeownership Center, alleged that the buyers (husband and wife) of an FHA insured property used a fraudulent employer when applying for an FHA insured mortgage in 2007. The pay stubs did not reflect the appropriate FICA and Medicare tax deductions at the 7.65% level. The borrowers actually refinanced the property and received more than \$100,000 in proceeds. In 2010, the borrowers sold the property via a short sale and failed to adhere to the rules and regulations. The sale was not an arms-length transaction and the end buyer was a close friend of the borrower's father. The husband and wife were charged in state court with Financial Institution Fraud. The wife pled and was sentenced to 2 years probation. The husband pled and was sentenced to 2 years incarceration.</p>	Successful Prosecution
12/27/2017	<p>A referral from the HUD OIG Hotline alleged that a single borrower was a straw buyer for multiply FHA Loans in the local area. The borrower applied for an FHA loan to purchase a property but it was discovered at the closing that the borrower had several outstanding loans. The loan application was denied, however, another lender requested the FHA number to be transferred to them and the loan was subsequently approved. It was later discovered that the borrower's sister was also involved in the scheme, in which, she provided false employment information, inflated income, understated liabilities, falsely indicated she would be occupying the property as a primary residence and falsely stated she owned no other properties in the last three years. Two other individuals were involved, one a loan officer, in which they created loan applications which knowingly contained false information including employment, assets, and liabilities, as well as residency requirements. All were convicted and their sentences ranged from probation to incarceration.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/26/2018	<p>A referral was received alleging that three individuals with ties to numerous real estate transactions allegedly used strawbuyers and false appraisals to obtain properties. Various documents allegedly showed these individuals used their ownership in a real estate office, title company, and management company to obtain and produce numerous fraudulent loans. This group of individuals aligned themselves with another prominent real estate family in which both groups found individuals to facilitate the fraud. These associates ranged from loan officers to appraisers to people recruiting buyers. Three individuals were charged with multiple counts of wire fraud and were sentenced to incarceration and ordered to pay restitution. These individuals were responsible for the fraudulent origination of 23 loans that totaled more than \$7 million in mortgage loans. In addition to these individuals being charged, a branch manager of a title company used her position to make fraudulent disbursements to different individuals and corporations to obtain money for herself. She was charged, pled and was sentenced to 2 years' probation and ordered to pay \$167,880.56 in restitution.</p>	Successful Prosecution
10/20/2017	<p>A referral from a mortgage company alleged a single family mortgage fraud scheme pertaining to fraudulent loans involving at least three FHA insured mortgages. Straw buyers were used to obtain the mortgage loans with employment that could later not be verified and bank statements that appear to have been created. Loan applications and/or W-2 forms were faxed from a number belonging to a credit company. Seven (7) individuals were indicted and sentenced. Individuals include property managers, a landlord, a borrower, a loan officer, and a recruiter. Sentences range from 2 years probation to 2 years in federal prison with restitution approximately 1.3 million.</p>	Successful Prosecution
12/11/2017	<p>A referral was received that alleged numerous recipients of the Housing Choice Voucher Program were simultaneously receiving emergency assistance from FEMA. Specifically these tenants received numerous disaster assistance checks from FEMA claiming they were displaced by natural disasters in the Chicago area. While receiving FEMA assistance, the tenants continued to receive HCV assistance. The investigation resulted in thirty-one individuals being prosecuted for fraud and over \$100,000 being ordered in restitution.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/15/2018	<p>A referral from HUD's Quality Assurance Division alleged that an investor participated in a short sale property "flopping" transaction involving an FHA insured home in Indiana. It was further alleged that the investor purchased the FHA insured home from a major bank in a short sale transaction through their LLC and then sold the home to another buyer on the same day for considerable profit. The investor allegedly concealed information from the bank, thereby defrauding the Bank and FHA. The allegations could not be substantiated and the case was declined for prosecution.</p>	Prosecution Declined
2/2/2018	<p>A referral by a law enforcement partner alleged that an individual is fraudulently collecting housing assistance payments (HAP) as a landlord for a property located in a city in Illinois. It is believed that the individual follows sovereign citizen ideals and a review of the deeds recorded with the County for the aforementioned property indicate filings consistent with those of sovereign of freeman ideology. This individual's property was foreclosed on by a local bank on June 23, 2008, with a Judicial Sales Deed occurring on January 9, 2009. As a result of the foreclosure, the ownership of the property was transferred from this individual to a Home Loan corporation. However, this individual continued receiving HAP payments as a landlord from April, 2008 to present. The landlord was acquitted during a bench trial and subsequently this matter was closed.</p>	Prosecution Declined
12/5/2017	<p>A referral from the HUD homeownership center (HOC) alleged that a borrower and co-borrower provided multiple false statements when obtaining their FHA insured loan in August 2008. Specifically, the indictment alleges that a loan officer at a mortgage company engaged in a mortgage fraud scheme utilizing falsified loan documents. The loan officer assisted in selling his brother-in-law's property to 2 borrowers who did not qualify for an FHA insured loan. The loan officer assisted these borrowers by providing false employment documents and false income in order to get the borrowers qualified for the loan. The borrowers obtained an FHA insured loan, failed to make any mortgage payments, and defaulted on the loan causing a loss to HUD. The loan officer pled guilty and was sentenced to 1 year in prison and ordered to pay court costs and a fine.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/20/2018	A referral from another federal partner alleged that an employee from a county Recorder of Deeds office had accepted a bribe in exchange for back dating a deed relating to a victim's deceased parents' property. HUD OIG was requested to assist in determining if the county employee(s) would back date the property or otherwise alter, forge or create false documents in exchange for a bribe. The investigation disclosed that a clerk for the county solicited and accepted a cash payment from a cooperating witness in exchange for preparing a fraudulent, backdated quit claim deed for a local property and agreeing to record the deed with the county. The county employee was subsequently charged with mail fraud and wire fraud, pled guilty to mail fraud, and was sentenced to probation and community service.	Successful Prosecution
10/23/2017	A referral from a title company alleged suspicions of fraud concerning several property transactions. Several properties were purchased by an LLC or Corporation from a bank for under \$10,000 and then quit claimed to an individual at a later date. The individuals who purchased the properties were seniors. Within days of the purchase, liens were then filed on the properties in the names of LLC's or Corporations by the same companies/LLC that sold the property to the seniors. One property then had a HECM issued with the lien being paid off. It was later learned that a loan officer and processor originated reverse mortgage loans that contained false information. Two other individuals transferred properties via a quit claim deed to seniors and then filed mechanic's liens on the properties to collect money at the closings of reverse mortgages obtained by the seniors. The case was declined for prosecution and closed.	Prosecution Declined
3/23/2018	A referral from a local Housing Authority (HA) alleged that a regional property manager of a management company was awarding contracts to a contractor whom she allegedly had a personal relationship. The property manager is the manager of several HA owned properties. The contractor is the owner of a painting company. It was further alleged that that the property manager was awarding the contracts to the contractor without following the bidding process and during pre-bid conferences, the contractor always had information about the construction projects that was not available to the other contractors. The case was declined for prosecution.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/23/2018	A referral from the U.S. Attorney's Office alleged a violation of the False Claim Act. Specifically, it was alleged a law firm illegally retained their clients' refunded court costs at the conclusion of foreclosures, thereby causing the holders of the federally insured mortgages to submit mortgage insurance claims that falsely reported the amount of court costs. Investigation determined the law firm did withhold costs and initially agreed to a settlement. However, the United States Attorney's Office declined to intervene when HUD Office of General Counsel did not respond to the U.S. Attorney's Office regarding a settlement agreement.	Prosecution Declined
2/15/2018	A referral from the HUD OIG Hotline alleged that an Indiana company was engaged in mortgage fraud by operating as a down-payment assistance company on multiple FHA insured mortgages. An investigation revealed that the company was providing down-payment assistance to FHA insured purchasers and made it appear the funds were originating from the buyers employer when actually the funds were provided by the seller. The findings of the investigation were presented for civil and criminal prosecution but was declined for prosecution.	Prosecution Declined
12/8/2017	A referral was received alleging that an individual involved in a foreclosure prevention business targeted victims involved with foreclosures in Ohio and Pennsylvania. The victims were solicited by mail and the solicitation included their "HUD Rights." The victims called the number on the post card and spoke to a female who advised them she was affiliated with HUD and would assist getting the victims' property out of foreclosure. According to the victims, the female advised the victims to mail their monthly mortgage payment to a foreclosure company and she would act as a liaison with the lender and would handle the mortgage payment on behalf of the victim. Some victims later discovered the lender never received any of the money that was sent to the foreclosure company and as a result they lost their home. This case was declined for prosecution.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/5/2018	A referral from a local Housing Commission alleged a Housing Choice Voucher tenant and landlord were married and residing in the assisted home together. It was further alleged the couple concealed various sources of income and additional household members. The investigation revealed that the tenant and landlord never disclosed their marriage to the Housing Commission and failed to report multiple income sources from employment, child support, and unemployment benefits. One subject was charged with Welfare Fraud, pled guilty and was sentenced to one year probation and ordered to pay restitution in the amount of \$10,173.00.	Successful Prosecution
2/23/2018	A referral from a local alderman alleged that an individual, through their various organizations, was filing fraudulent deeds with the local county Recorder of Deed's Office for various properties in the Chicagoland area. It was further alleged that this individual illegally took possession of the properties and rented the properties to "squatters." The investigation revealed that this individual was not only renting the properties to squatters, but that he illegally obtained ownership of a bank-owned property and was actually residing in this property himself. The subject also conspired with other individuals known to be part of the Sovereign Citizen movement to file false deeds and cloud the title on six FHA properties. All four individuals were charged in state court and sentenced to incarceration.	Successful Prosecution
11/27/2017	A referral from another federal law enforcement agency alleged a title agency misappropriated loan payoff proceeds for both FHA and conventional mortgages. Specifically, between December 2012 through August 2014, the title agent closed 19 FHA insured and conventionally financed real estate transactions, but failed to pay the prior owners pre-existing mortgages. The title agent was sentenced to 60 months incarceration and ordered to pay \$2.479 million after previously pleading guilty to committing bank fraud.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/31/2017	<p>A referral from the local Attorney General's Office alleged that a center for abused women was fraudulently using monies provided to them by several different government agencies. Specifically, it was alleged that the director and her daughter directed employees to fill out false counseling forms to account for counseling hours the center is paid for but never conducted. The director and her daughter were charged with multiple counts, including financial institution fraud, loan fraud, wire fraud, forgery, and using charitable assets for personal use. The bookkeeper, who also served as the payroll clerk, was also charged for receiving multiple unauthorized payroll checks from the women's center. The Attorney General's Office claims the two women submitted false documents to the state to "obtain grant funding to provide fictitious counseling services to domestic violence victims." They are also accused of using false documents to get a \$100,000 loan to fund a salon. All three pled and were sentenced to probation.</p>	Successful Prosecution
12/27/2017	<p>A referral from a local Housing Commission alleged that a Housing Choice Voucher recipient was not residing in their assisted unit and was sub-leasing the unit to another individual. It was further alleged the tenant was married to their landlord and allegedly had a child in common. An investigation confirmed the initial allegations and both were charged and pled guilty to Theft of Public Funds. The landlord was sentenced to Pretrial Diversion and the tenant was ordered to serve three years' probation. Both subjects were ordered to pay restitution in the amount of \$64,839.00.</p>	Successful Prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/23/2018	A referral from a local prosecutor's office alleged that a book keeper involved with a local Economic Development Corporation received HUD subsidy payments as a landlord in connection with 3 development corporation voucher recipients. The investigation revealed that the book keeper and her husband owned rental property which received HUD SNAP payments through the development corporation against HUD regulations. It was further learned that there were no internal policies or controls which prevented employees from participating in HUD programs. Several program participants were interviewed to include the corporation's HUD fund specialist. Although the specialist falsified program application information to enroll individuals who did not meet the "homelessness" criteria, no evidence was found that she personally profited in the form of kickbacks. The case was presented for prosecution but declined.	Prosecution Declined
10/24/2017	A referral from a local police department alleged that subsidized housing tenants passed counterfeit checks and defrauded the Housing Choice Voucher Program (HCVP) by providing false information on annual recertification's. Investigation determined a HCVP tenant failed to accurately report household composition on annual recertifications and received \$15,207 in Housing Assistance Payments they were not entitled to receive. The tenant was placed on Pretrial Diversion and ordered to pay \$7,500 in restitution.	Successful Prosecution
1/31/2018	A referral from a city inspector alleged fraud involving a Section 8 Landlord/Owner and a Section 8 tenant. It was believed that the landlord had been residing with the tenant for approximately four years. This case was declined for prosecution.	Prosecution Declined
12/13/2017	A referral was received by a County Community Development Administrator regarding possible fraud involving a former county employee. It was alleged that the former county employee falsified documents to show the environmental review was completed when in fact it was not done. HUD requires the county to complete and submit environmental reviews on each grant prior to the county committing HUD Community Development Block Grant funds. The case was declined for prosecution.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/30/2017	A referral from a local Housing Authority alleged that a Housing Choice Voucher Program (HCVP) recipient and their mother were residing in a property that they owned. At some point later in the investigation, the agents learned that the same HCVP recipient was also a subsidized tenant at a public housing site under an alias name. Although no information was found that this individual subleased the public housing unit, this “double-dipping” continued for more than five years. The agents obtained identification that showed the HCVP recipient used multiple identities to receive not only housing subsidy but also Social Security benefits. The loss to the government was over \$300,000. The HCVP recipient was arrested and charged in state court with theft and forgery and was sentenced to incarceration.	Successful Prosecution
10/18/2017	A referral from a local Housing Authority alleged that a Housing Choice Voucher Program (HCVP) recipient was married to and cohabiting with her husband, who was also the property landlord. The investigation revealed that the HCVP recipient was in fact married and the landlord was her husband. She purposely hid this information from the housing authority by the use of an additional Social Security number for reporting requirements. She also failed to disclose her income and that she was employed during this time. Both husband and wife were charged in state court with theft and state benefits fraud. They both pled and were sentenced to probation.	Successful Prosecution
1/5/2018	A referral from the HUD OIG Hotline alleged a mayor misused HUD Community Development Block Grant (CDBG) funds and appointed political supporters to positions of influence. The investigation could not substantiate the allegations. The matter was declined for prosecution.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/2/2018	<p>HUD OIG received a referral alleging a conflict of interest between a Sovereign Indian Tribe and a pseudo-tribal entity and that the pseudo-tribal entity received a contract to construct elder cottages on tribal land using HUD Native American Housing Development Block Grant funds and Native American Community Development Block Grant funds. In addition, it was alleged that the project was not appropriately bid out and that the pseudo-tribal entity unfairly received the contract. Further allegations stated that the former director of the tribal Development office, retired and took on a full-time position with the pseudo-tribal entity shortly after they were awarded the contract in excess of \$5,000,000. Additional allegations were received from law enforcement agencies concerning contractors within the Tribal Housing Authority misusing HUD grant funds for their own gain involving several non-HUD approved construction projects. As a result of the investigation the contractor pled guilty and was sentenced to six months of home confinement, restitution of \$5,810.10 and four years of probation for his role in embezzlement of HUD funds.</p>	Successful Prosecution
3/13/2018	<p>HUD OIG received a referral from a Housing Authority alleging that an owner/landlord was receiving Housing Choice Voucher (HCV) program funds as landlord and rented a unit to his mother and his sister. Documents also show that the home owner/landlord may be residing at the HCV funded unit as well. The investigation determined that the owner/landlord rented the HCV funded unit to his mother and sister, a violation of the HCV contract. The owner landlord received approx 5 years of HCV payments he was not entitled. The case was presented and declined prosecution.</p>	Prosecution Declined
1/29/2018	<p>HUD OIG received a referral from another federal law enforcement agency alleging that the seller of a single family home did not disclose the presence of lead based paint to the purchasers during the sale in 2014. The investigation determined that the real estate agent failed to provide lead paint hazard warning notice. The real estate agent was ordered to pay a \$1,000 fine and \$53,326.07 in restitution to the family after pleading guilty to a misdemeanor violation of failing to provide lead paint hazard warning notice.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/24/2017	HUD OIG received a referral from a U.S. Attorney's Office alleging a violation of the False Claim Act regarding low-income housing. The investigation determined a violation did not occur as the HUD rules cited were not in effect at the time contracts were entered into. The civil complaint was dismissed and prosecution was declined.	Prosecution Declined
3/2/2018	HUD OIG received a referral from a public housing authority alleging that a Section 8 Housing Choice Voucher Program Participant and landlord were involved in a dispute regarding the condition of the participant's unit. The landlord alleged that the participant operates a for profit company on the internet. Housing authority records reflect that the participant only reported Social Security Disability income. The matter was presented for prosecution but was declined.	Prosecution Declined
12/20/2017	HUD OIG received a referral from a contractor who alleged a company was awarded a HUD funded, no-bid contract for lead testing and abatement based on a friendship with a State employee. The investigation failed to show evidence of impropriety regarding the State employee. The case was declined for prosecution.	Prosecution Declined
11/15/2017	HUD OIG received a referral from a local Housing Authority that alleged an employee of the housing authority embezzled approximately \$5,600 worth of tenant rent payments during most of 2016. More specifically, some of the tenant's rent payments were not reflected in the authority's computer system, despite copies of rent receipts showing rent payments were made. The investigation disclosed that there were discrepancies between the Tenant Accounts Receivable Transaction Reports and payments reflected in the tenant rent receipt book. The investigation was unable to substantiate the allegations. The case was declined prosecution.	Prosecution Declined
3/2/2018	HUD OIG received a referral from a Public Housing Authority alleging that an owner and tenant participating in the Housing Choice Voucher Program violated their Housing Assistance Payment Contract by entering into an undisclosed side agreement wherein the tenant agreed to pay the owner a total monthly rent of \$1,400.00, which exceeded the approved contract rent of \$1,035.00 by \$365.00 per month. The matter was presented for prosecution and was declined.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/20/2018	HUD OIG received a referral from a Director of a Non-Profit alleging contract violations and fraud regarding another local Non-Profit that was executing services as a sub-grantee. The investigation determined that the referring Non-Profit was operating without a contract and that a conflict of interest may have existed between two parties. The matter was presented for prosecution and declined.	Prosecution Declined
1/4/2018	HUD OIG received a referral from a public housing authority alleging that a former employee embezzled the proceeds from the washer and dryer fund. It was estimated the former employee embezzled \$9,651 in funds. Investigative findings were presented for prosecution and was declined.	Prosecution Declined
3/20/2018	HUD OIG received a referral from a law enforcement agency alleging money laundering through the purchase of a single-family home. Specifically it was alleged proceeds from the sale of illegal drugs were used to purchase the home, assisted by a real estate agent in pooling money from multiple sources in order to conceal the source of the funds. The realtor allegedly received a kickback of \$2,000 for his role in the transaction. The investigation determined that numerous sources pooled funds together in order to purchase the property from HUD. More specifically, cash from narcotic sales in the amount of \$88,300 was used to fund the transaction. This case was worked jointly with another law enforcement agency. The matter was presented and was declined prosecution.	Prosecution Declined
12/20/2017	HUD OIG received a referral from a public housing authority alleging that a Housing Choice Voucher (HCV) recipient had an unauthorized person residing in their assisted unit and failed to report the total household income. The investigation determined that the unauthorized tenant had substantial income and the HCV recipient failed to report the income as required. The tenant was charged, pled guilty to Larceny by False Pretenses, and was ordered to serve a two year delayed sentencing, provided the defendant completes restitution payments ordered in the amount of \$11,374.	Successful Prosecution
12/5/2017	HUD OIG received a referral from a tenant alleging multiple violations against a property management company for an apartment complex. These allegations range from falsification of tenant files through lack of proper service by contracted security company. The case was presented for prosecution but was declined.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/29/2018	HUD OIG received a referral alleging that the management agent at a senior apartment complex embezzled tenant's rent payments and those of 150 other tenants, and management entered a tenants unit without permission. The tenant stopped paying rent after they learned they were being evicted for non-payment of rent, but has copies of money orders showing payment was made. The tenant's eviction was upheld in housing court. Investigation was unable to substantiate the allegations and the case was declined prosecution.	Prosecution Declined
1/30/2018	HUD OIG received a referral from a project based Section-8 management agent alleging that a tenant provided false information on annual recertification's. The investigation determined that the tenant failed to disclose employment income and received \$15,680 in housing assistance payments they were not entitled. The tenant was sentenced to three years community control and ordered to pay \$10,677 in restitution after pleading guilty to committing a theft.	Successful Prosecution
3/13/2018	HUD OIG received a referral from an anonymous source alleging that a project based section-8 tenant failed to disclose the death of their spouse. The investigation determined from November 2011 through June 2017, the tenant failed to report income received from the deceased spouse's supplemental security benefits and received \$38,510 in housing assistance they were not entitled and \$48,163 in fraudulent social security payments. The tenant was sentenced to two-years probation and was ordered to pay \$86,673 in restitution after pleading guilty to theft of government funds.	Successful prosecution.
12/7/2017	HUD OIG received a referral alleging that a Housing Authority Executive Director (ED) used a housing authority vehicle for personal use, assigned a housing authority vehicle to a new employee as part of their compensation package, awarded a \$50,000.00 contract to a company without receiving any competitive bids, falsified a timesheet involving his Executive Assistant when she was hospitalized, and signed off that the employee worked a 40 hour week when in fact, the employee was in the hospital. The matter was presented for prosecution and was declined.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/15/2018	HUD OIG received a referral from HUD alleging that a Housing Authority misused their capital funds to purchase a vehicle for the city government in which the Housing Authority resides. An investigation confirmed the initial allegation occurred but took place outside the Statute of Limitations for such an offense. The matter was presented for prosecution and was declined.	Prosecution Declined
11/30/2017	HUD OIG receive a referral from a realtor alleging that a lender paid residential home appraisers less than what is reasonable and customary in the industry. The investigation revealed that the realtor was unable to produce evidence to support the allegations. This matter was declined for prosecution.	Prosecution Declined
11/30/2017	HUD OIG received a referral from an anonymous source alleged that their were multiple Section 8 tenants who had unauthorized live-ins that are gainfully employed and have not notified the housing authority of these events. The matter was referred to the responsible housing authority for any action they deemed appropriate. This matter was administratively closed.	Referral to HUD
1/26/2018	HUD OIG received a referrral alleging that a mortgage company underwrote loans it knew did not comply with governmental loan requirements and knowingly and falsely certified to HUD and VA that the loans it submitted for FHA insurance and VA insurance met the government's requirements. Several examples of the mortgage company's fraudulent conduct include: improperly paid commissions to underwriters for each loan approved; pressured employees to approve ineligible loans; coached borrowers on how to submit information; utilized a management override policy to approve loans; inflated borrowers' income; failed to obtain bank statements for both, borrowers and gift donors; and excluded borrowers' debt obligations. This matter was referred to HUD departmental staff for any action they deemed appropriate and was administratively closed.	Referral to HUD

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/16/2018	<p>HUD OIG received a referral alleging that a Housing Authority Executive Director (ED) provided loans to people that could not repay them. The ED would then provide these people employment at the housing authority and took a portion of their pay in order to repay the loans. The ED allegedly used the housing authority credit card for personal use and he was reimbursed for bogus housing authority travel claims. The investigation revealed that the ED provided loans to a person, who later worked temporary jobs for the housing authority. This person was required to pay the ED from his housing authority proceeds. In addition, it was determined that the ED paid himself housing authority funds by way of issuing bank checks for alleged accumulated sick leave and annual leave. The ED was also reimbursed for travel that was not related to housing authority business and he used housing authority credit cards for personal use. The ED was indicted for 18 U.S.C. 641, Theft of Government Property.</p> <p>The case was later dismissed due to the discovery of new evidence in the ED's favor.</p>	Case Dismissed



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/5/2017	<p>HUD OIG received a referral from a law enforcement agency alleging that a Mortgage company and its affiliated companies, along with its employees, and owner, violated provisions of the False Claims Act. The investigation revealed that the company directed branch managers and others to sign false certification to HUD on the Branch Certifications forms stating that the branch fully complied with all HUD/FHA requirements. HUD prohibits the practice of allowing branch managers to assume financial responsibility for their branches. However, it was the company's policy to require branch managers to enter into contracts for leases and services directly, thus assuming liability. The company's leadership signed false certifications, which were submitted to HUD, certifying that they had complied with HUD/FHA requirements for an adequate quality control program. The investigation resulted in a civil jury verdict against the company, its affiliated company's and its president/owner for its misrepresentation in connection with the FHA program. The federal judge elected to treble the jury's verdict and impose penalties for violations of the False Claims Act (FCA) and the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA). The total judgment was \$298,498,325. The case also resulted in a settlement with the former Vice President of the company, which agreed to pay \$25,000 and to be removed from participating in the FHA program.</p>	Successful Prosecution
11/20/2017	<p>HUD OIG received a referral from an anonymous source alleged that a director of a city housing department, which receives HUD CPD funds, was paid a bribe. Supposedly, the director was given a portion of the funds that was paid to a consultant for the purchase of two properties. There was approximately \$4.4 million dollars provided to the city project from local bond money. The investigation revealed there were no HUD funds involved with the city project. There was no evidence found to substantiate the allegations that the director received kickbacks. The case was presented for prosecution but was declined.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/20/2017	HUD OIG received a referral from members of a public housing authority board alleging that a former Executive Director (ED) misused HUD funds. The investigation revealed that the ED used housing authority funds to purchase numerous lunches, gym membership, personal auto repairs, and a four wheeler. The ED was sentenced in US District Court to 6 months of incarceration and ordered to pay restitution in the amount of \$49,021.	Successful Prosecution
3/15/2018	HUD OIG received a referral from alleging that a Section 8 tenant allowed other people to reside in her subsidized unit without advising HUD or the apartment complex that she was incarcerated. The investigation determined that the Section 8 tenant was incarcerated for about 2 years and received \$14,000 in housing subsidies that they were not eligible to receive. The Section 8 tenant pled guilty in state court and was sentenced to court ordered fines and fees. The Section 8 tenant was terminated from housing assistance.	Successful Prosecution
1/9/2018	HUD OIG received a referral from a law enforcement agency alleging that a non-profit corporation was misusing grant funds and employees were accessing funds for personal expenditures. The entity received HUD funds as a sub-grantee of the state. The investigation determined that employees had paid for personal expenses such as entertainment tickets, cruise ship expenses, and family cell phone bills. As a result, an individual was sentenced to 13 months incarceration, 6 months home detention after incarceration, and ordered to pay \$84,308.00 in restitution.	Successful Prosecution
10/2/2017	HUD OIG received a referral from HUD's Quality Assurance Division alleging that the owner of a Mortgage Assistance Relief Service had taken mortgage payments and did not send the payments to the intended lender. The investigation determined that the owner misled numerous victims into paying monthly "mortgage payments" that were never provided to their lenders, and were in addition to their upfront fee. The owner told the victims that they needed to make the mortgage payments in order to show "good faith" to the lenders and to remain in the loan modification process. The owner spent the victims' monies on personal expenses such as car, house, and child support payments. The owner was sentenced in state court to five months incarceration and ordered to pay restitution of \$41,725.05 back to the victims.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/19/2017	<p>HUD OIG received a referral from the Government National Mortgage Association (Ginnie Mae) that provided notice to the Office of Inspector General that it had initiated default proceedings against a Home Mortgage Servicing Corp. (Servicer) due to its inability to meet its pass-through obligations. Specifically, the Servicer provided notice that it would no longer be able to provide the principal and interest payments to its security holders as required by the Guaranty Agreements. Servicer's chairman provided notice to Ginnie Mae that he would not meet its pass-through of principal and interest payments to its security holders according to the terms of the Guarantee Agreements. As a result, GNMA terminated the Servicer's ability to issue securities and terminated its rights in the existing pools. At the time of the default, the Servicer had active loans with a remaining balance of approximately \$48,000,000. Prior to default, Ginnie Mae had been working with the Servicer to sell off its portfolio. The remaining loans were severely delinquent. The servicer or one of its predecessors originated half of its total remaining loans. One of the chairman's companies that originated the loans, was sued by the Government for failure to comply with HUD regulations. In that case a jury reached a civil verdict in favor of the Government. The matter was declined criminal prosecution.</p>	Prosecution Declined
12/22/2017	<p>HUD OIG received a referral from a state agency alleged that a Housing Choice Voucher recipient failed to report their marriage and spouse's income. The investigation revealed that the husband was incarcerated when the two were married and for several years thereafter. After his release from prison, the husband rented his own apartment and they subsequently divorced. The case was declined by the local district attorney office.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/11/2018	<p>HUD OIG received a referral from a US Attorney's Office alleging that a mortgage company, an FHA Direct Endorsement lender, had a higher than industry average default rate; paid underwriters, loan officers, and loan processors financial incentives on closed FHA-insured loans; and failed to self-report fraudulent or material deficient loan originations to HUD for several years. The investigation revealed that the mortgage company violated the False Claims Act by submitting FHA insurance claims and /or certifications wherein the mortgage company falsely certified to the Government that it had complied with FHA origination, underwriting, and quality control requirements. The government reached a settlement agreement with the mortgage company to pay \$11,692,149.00 in order to resolve allegations of False Claims.</p>	Successful Prosecution
11/14/2017	<p>HUD OIG received a referral from a public housing authority alleging that a participant in their Housing Choice Voucher Program did not disclose information surrounding an unauthorized occupant and failed to report true household income. The investigation revealed that the participant and her common law husband conspired by providing false financial information and not disclosing their household composition to the housing authority and other state agencies during the application for assistance and recertification of benefits from 2013 through 2016. The unreported household income resulted in payments and benefits that she was not qualified to receive. The participant was sentenced in U.S. District Court to 48 months of probation and ordered to pay \$35,263 in restitution.</p>	Sucessful Prosecution
12/19/2017	<p>HUD OIG received a referral from a law enforcement agency alleging that the Executive Director of a Community Outreach Service directed his staff to falsify volunteer's signatures on timesheets in order to get CDBG reimbursements. In addition, there were allegations involving double billing. The investigation was unable to substantiate the allegations. The matter was presented for prosecution and was declined.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/8/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that an individual attempted to obtain a loan for \$108,000 to pay for delinquent property taxes using 5 properties as collateral that he did not own. The investigation revealed that the individual had fraudulently deeded 26 foreclosed and abandoned properties worth a combined \$18 million dollars in order to take over control to rent out or sell the properties to unsuspecting real estate investors from 2014 through 2017. The individual was able to successfully sell 4 properties including a FHA insured home and rent out most of the single family homes in his inventory. The individual used the proceeds of the sales and rent monies as income and purchased several luxury vehicles. The individual was sentenced in state court to 120 months confinement.</p>	Sucessful Prosecution
2/5/2018	<p>HUD OIG received a referral from a law enforcement agency alleging that a Housing Choice Voucher Program (HCVP) recipient did not report Social Security benefit earnings to their Housing Authority. The HCVP recipient also did not report their marriage or spouse's income. In addition, the HCVP recipient failed to inform the Housing Authority of the familial relationship she had with the live-in aid. The investigation corroborated allegations. The HCVP tenant was sentenced in U.S. District Court to 36 months probation and ordered to pay \$143,714 in restitution.</p>	Sucessful Prosecution
3/1/2018	<p>HUD OIG received a referral from HUD alleging that an Attorney may have been fraudulently billing a Housing Authority for questionable work. The investigation determined that the Attorney was reportedly working under a questionable contract with the Housing Authority which was signed by the former Executive Director who had passed away. The matter was presented for prosecution and was declined.</p>	Posecution Declined
11/27/2017	<p>HUD OIG received a referral from a law enforcement agency alleging that the former Director of a HUD Multi-Family Section 8 Senior Citizen Housing Complex misappropriated federal funds. The investigation revealed that the Director failed to pay the mortgage on the complex for a two year period, failed to prepare work orders to support maintenance work performed, and did not maintain a minimum balance in the reserve account as required. However, no information indicating criminal misconduct was found. The matter was presented for prosecution and was declined.</p>	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/28/2018	HUD OIG received a referral from HUD alleging that a housing corporation misappropriations federal funds during the construction of a \$2.6 million, 36 unit affordable family apartment complex. The investigation revealed that most of the funds provided were spent on cost associated with the apartment complex. The matter was presented for prosecution and was declined.	Prosecution Declined
3/28/2018	HUD OIG received a referral from HUD alleging that an individual purchased a FHA foreclosed single-family residence did not occupy the property as a primary residence and offered the property for rent shortly after the purchase settlement. The investigation determined that the individual that purchased, did occupy the residence. This matter was declined for prosecution.	Prosecution Declined
12/5/2017	HUD OIG received a referral from a city councilman alleging that an Executive Director (ED) of a housing authority was involved in awarding no-bid contracts, and attempted to remove a housing authority board member who blocked the ED from awarding contracts to a questionable contractor. The investigation was unable to substantiate the allegations and this matter was administratively closed.	Allegations Unsubstantiated
1/8/2018	HUD received a referral from an anonymous source alleging that a Housing Authority Executive Director and a Maintenance Supervisor routinely bought new appliances for housing units, even though the older appliances were in working condition. Once the appliances were replaced, they sold the older appliances for cash. The referral also indicated that once a year during the holiday season, the two of them gathered housing authority scrap metal and sold it to scrap yards for cash. The investigation was unable to substantiate the allegations and this matter was administratively closed.	Allegations Unsubstantiated
11/7/2017	HUD OIG received a referral from a law enforcement agency alleging that the former manager of a HUD subsidized Multifamily apartment complex created false invoices and paid "ghost" employees for work never performed, converted to personal use a portion of tenants' cash rent payments and laundry mat proceeds, and made personal purchases of groceries and other items using the apartment's line of credit accounts. The investigation corroborated the allegations. The property manager was sentenced to 18 months incarceration, 3 years of supervised release, ordered to attend substance abuse counseling as well as pay restitution of \$52,241.69 to the HUD subsidized Multifamily complex.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/23/2018	HUD OIG received a referral from a HUD after a housing authority executive director responded to the request, but did not provide the requested documents. The investigation determined that HUD's concerns are administrative and not criminal. The housing authority Board meets infrequently, the housing authority has a lack of segregation of duties due to staffing, and it appears the housing authority's business is conducted in an unorganized manner. This matter was administratively closed.	Administratively Closed
11/17/2017	HUD OIG received a referral from a law enforcement agency alleging that a roofing contractor failed to pay a roofing supplier for materials which resulted in the roofing supplier issuing an intent to file liens against numerous properties and homeowners including 11 FHA insured homes. The intended liens against the properties had a potential to create a cloud of the title that could affect the overall performance of the loans and subsequent sale of the home. The investigation revealed that contractor never intended to pay the shingle supplier after he began having financial troubles because of a gambling habit that he had developed in 2016. The contractor came up with a plan to deceive the homeowners and shingle supplier by blaming all his financial troubles on a defective shingles problem that prevented homeowners from paying the entire agreed upon contract price. The intended liens never affected the FHA insured homes or other properties and no claims were filed by the lenders involved. The matter was declined for prosecution.	Prosecution Declined
1/30/2018	HUD OIG receive a referral from an anonymous source alleging that an apartment manager was committing fraud by charging market rent to low income tenants, forcing tenants to sign new contracts, and raising rent every renewal period. The investigation reviewed rent rolls, contracted rents, housing assistance payments, tenant portion payments, rent policies, and interviewed tenants who were receiving housing assistance. The investigation failed to substantiate the allegations. This matter was administratively closed.	Allegations Unsubstantiated
2/28/2018	HUD OIG received a referral from an anonymous source alleging that a tenant falsely reported household income while receiving HUD subsidized rent. The investigation revealed that the tenant failed to disclose income from employment with the Social Security Administration. The complex is a mixed income HUD funded development receiving Low Income Housing Tax Credits. The investigation corroborated the allegations. The former tenant was sentenced to probation for a term of 36 months.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/30/2017	<p>HUD OIG received a whistleblower hotline complaint from a former data analyst (WB) of a non-profit organization. The WB alleged he was terminated as a result of reporting his finding that the non-profit organization was collecting HUD funds from the sub-grantee and the In-House Recovery Program (IHRP) for the same individuals. Pursuant to 41 U.S.C. § 4712. The investigation determined that the case doesn't meet the guidelines of a Whistleblower Protection Act violation. The WB's employment was not terminated as a result of disclosing potential misconduct and waste of funds. Specifically, through interviews conducted and documents reviewed during the investigation, there is clear and convincing evidence that the WB was terminated as a result of poor work performance and failure to follow directions from his supervisor in regard to the tasks he was assigned. In addition, the two programs alleged in the allegation received no HUD grant funds, and the Homeless Management Information System (HMIS) data for the two programs was not used for reimbursement of funds.</p> <p>Further, there was no protected disclosure.</p>	<p>Allegations Unsubstantiated</p>
1/23/2018	<p>HUD OIG received a referral from an individual alleging that a registered sex offender was living without authorization in a Section 8 apartment with the head of household. The investigation revealed that the unauthorized tenant was a lifetime registered sex offender, with an extensive criminal history that lived with the head of household for about a year. HUD regulations at 24 CFR §5.856, §960.204(a)(4), and §982.553(a)(2) prohibit admission to a housing assistance program if any member of a household is subject to a state lifetime sex offender registration requirement. The case was referred to the administering housing authority, which terminated the head of household's Section 8 voucher.</p>	<p>Referral to Grantee</p>



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/29/2017	<p>HUD OIG received a referral from a whistleblower complaint alleging that the complainant was terminated by a Housing Authority (HA) as a result of his documented report of a verbal threat made to him by a tenant. The complainant stated that he was terminated for allegedly sleeping, but the HA had no proof. During the investigation multiple attempts to contact and/or interview the complainant were unsuccessful. A criminal history check revealed that the complainant had an active warrant for his arrest, which could be a reason for the lack of return contact. The complainant was not an employee of the housing authority, or a grantee receiving Federal funds from HUD. The complainant was employed as a security guard through a company contracted by the housing authority. The complainant did not file a grievance with the grantee managers, which are "covered" persons or offices. The complainant claimed he was terminated in reprisal for his disclosure. The investigation determined that the complainant was terminated by the contracted company for failure to appear for work. Since the complainant was a contract employee, he was not terminated by the grantee organization. Based on the above three findings, the Complainant did not make a prima facie case that reprisal had occurred.</p>	Allegations Unsubstantiated
11/20/2017	<p>HUD OIG received a referral alleging that an FHA insured borrower filed false unemployment claims in other persons' names and received those benefits. In addition, it is alleged that this borrower provided false information in order to obtain an FHA insured mortgage. The investigation corroborated the allegations. The borrower pled guilty and was sentenced to 75 months imprisonment and was ordered to pay \$894,315.99 in restitution.</p>	Successful prosecution.
11/7/2017	<p>HUD OIG received a referral from a local law enforcement agency alleging single family loan origination fraud. The investigation corroborated this allegation. The investigation resulted in a conviction due to the falsification of documents and the court ordering the payment of fines to HUD.</p>	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/12/2017	HUD OIG received a referral involving the awarding of a block grant to a village in the amount of \$248,550 to address a state of emergency that was declared due to a 2010 winter storm. The grant was intended to assist with costs for identifying and making repairs to approximately thirty-two (32) homes and three (3) public buildings damaged due to an extended power outage throughout the community resulting from the December 2010 storm. The investigation corroborated the allegations. Two members from the village pled guilty to using the funds for their own personal gain. One member was sentenced to 5 years probation and ordered to pay \$14,855.51 and the other member was sentenced to 8 months of imprisonment and ordered to pay \$69,563.	Successful Prosecution
11/20/2017	HUD OIG received a referral from a law enforcement agency alleging that a Section 8 tenant may have been involved in benefits fraud. The investigation confirmed the defendant received more HUD benefits than warranted. The the defendant was convicted and ordered to pay restitution in the amount of \$12,659.	Successful Prosecution
10/10/2017	HUD OIG received a referral that an FHA borrower with the assistance of two others provided false employment information in order to obtain an FHA insured mortgage. The borrower was a straw borrower and the two people assisting resided in the residence. The investigation corroborated the allegations. The borrower pled guilty and was sentenced to 2 months incarceration. The first co-conspirator pled guilty and was sentenced to 6 months incarceration. The second co-conspirator pled guilty and was sentenced to 17 months confinement, issued a fine of \$11,356 and ordered to pay restitution in the amount of \$78,410.25.	Successful Prosecution
11/8/2017	HUD OIG received a referral alleging that an executive director of a housing authority made personal purchases with program funds on the housing authority's credit card. Among the items alleged to be purchased with program funds were personal groceries, hardware store items, kitchen cabinets, and a \$150 range, all for his personal home. The case was presented and declined for prosecution.	Prosecution Declined
10/30/2017	HUD OIG received a referral from a law enforcement agency alleging that they had been unable to receive housing assistance a tribal organization because the tribal administrator and general manager had been stealing the grant money provided to a village for housing projects. The investigation was unable to substantiate the loss or misuse of HUD funds. The case was administratively closed.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/6/2017	HUD OIG received a referral concerning a data match involving information maintained from the National Center for Missing and Exploited Children and HUD's data base for housing recipients. HUD's database indicated that a Head of Household, was an alleged abductor of two minor girls ages 14 and 15. The subjects were charged but the charges were later dismissed by the prosecutor.	Case Dismissed
1/16/2018	HUD OIG received a referral from a city that individuals and or contractors were submitting false documents to get reimbursed with Community Development Block Grant Disaster Relief funds. The matter was presented for prosecution and was declined.	Prosecution Declined
1/16/2018	HUD OIG received a referral from a city that individuals and or contractors were submitting false documents to get reimbursed with Community Development Block Grant Disaster Relief funds. The matter was presented for prosecution and was declined.	Prosecution Declined
1/16/2018	HUD OIG received a referral from a city that individuals and or contractors were submitting false documents to get reimbursed with Community Development Block Grant Disaster Relief funds. The matter was presented for prosecution and was declined.	Prosecution Declined
12/29/2017	HUD OIG received a referral from a local law enforcement agency alleging that a Section 8 participant was in the U.S. illegally since 1984, yet was on SSI and receiving Medicaid assistance. The individual was confirmed to be Housing Choice Voucher recipient and has been under the program since 1998 with an estimated loss of \$100,000. The case was presented for prosecution and declined.	Prosecution Declined
11/28/2017	HUD OIG received a referral alleging embezzlement on the part of a president of neighborhood association. The investigation was unable to substantiate the allegations. The case was declined prosecution.	Prosecution Declined
3/28/2018	HUD OIG received a referral alleging disruptive behavior on the part of a HUD employee. The employee had other involvement with law enforcement that was not related to their employment. As a result of the investigation, the employee resigned from their position. The matter was declined prosecution.	Prosecution Declined
12/29/2017	HUD OIG received a referral from a housing authority alleging that a tenant was concurrently leasing a low-income rental unit with a two different housing authority's. The matter was declined prosecution.	Declined for prosecution.

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/21/2018	HUD OIG received a referral alleging that an employee for a Community Development Corporation diverted another federal agency and HUD funds into his personal checking account. The investigation confirmed that the subject embezzled funds for personal use and as a result was sentenced to 3 months confinement, house arrest, and ordered to pay \$105,000 in restitution to HUD.	Successful Prosecution
10/30/2017	HUD OIG received a referral alleging that an FHA insured borrower may have facilitated loan origination fraud. The investigation confirmed that the borrower provided false statements related to income in order to obtain the loan. The borrower was sentenced to probation and ordered to pay \$44,800 in restitution to the FHA.	Successful Prosecution
11/6/2017	HUD OIG received a referral alleging numerous problems with tenant files along with the property owner potentially stealing money from HUD. HUD terminated the contract with owner. The investigation failed to corroborate the allegations. The case was administratively closed.	Allegations Unsubstantiated
3/30/2018	HUD OIG received a referral alleging that an owner/Section 8 landlord (owner) committed bank fraud and deeded properties to tenants to mask his ownership of the property. The investigation corroborated the allegations. The owner was sentenced to 4 years probation and ordered to pay restitution in the amount of \$56, 679 including \$16,220 to HUD.	Successful Prosecution
1/25/2018	HUD OIG received a referral from a Hotline complaint alleging that management employees of a housing authority steered contracts to a construction company and conspired with the construction company to over charge the housing authority for work. The investigation could not corroborate the allegations. The investigation was declined prosecution.	Prosecution Declined
10/10/2017	HUD OIG received a referral from a former county employee alleging that he was terminated from his employment with Jefferson County because he reported Uniform Relocation Assistance Act violations and conflict of interest issues in regards to HOME and CDBG contracts. The investigation was unable to substantiate the allegations and was administratively closed.	Allegations Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/2/2017	HUD OIG received a referral alleging that county personnel committed violations of the Uniform Relocation Assistance Act and conflict of interest issues on projects funded with HOME, CDBG, LIHTC and FHA-insured funds. The investigation was unable to substantiate the allegations and was administratively closed.	Allegations Unsubstantiated
12/29/2017	HUD OIG received a referral from a housing authority alleged that errors were discovered involving residents paying half the rent that was due because of an error, also no action taken by staff on verifications of employment for tenants, and other administrative errors. The errors were reported to the housing authority. The information was referred to HUD OIG audit.	Referral to HUD OIG Audit
10/10/2017	HUD OIG received a referral from a former tenant alleging that a housing authority evicted the him based on false testimony and documents. The tenant filed additional complaints with other governmental agencies. This matter was declined for prosecution.	Prosecution Declined
12/15/2017	HUD OIG received a referral alleging that an individual passed two counterfeit checks from a housing authority's bank accounts. The investigation confirmed that the subject passed two counterfeit checks. The individual was sentenced to probation and ordered to pay restitution to the housing authority.	Successful Prosecution
11/13/2017	HUD OIG received a referral alleging that a Section 8 landlord was charging Section 8 tenants monthly rental rates that were above the approved Housing Assistance Payment (HAP) Contract rental rate. This matter was declined for prosecution.	Prosecution Declined
12/6/2017	HUD OIG received a referral alleging that an executive director of a grantee organization receiving grant funds manually created financial reports and provided rent payments that were never received. The investigation failed to corroborate the allegations and was administratively closed.	Administratively Closed
12/6/2017	HUD OIG received a referral alleging that an executive director of a grantee receiving grant funds was manually creating financial reports and providing rent payments that were never received. The investigation failed to corroborate the allegations and was administratively closed.	Administratively Closed
12/12/2017	HUD OIG received a referral alleging that a HUD employee had images of nude women displayed on their computer screen. The employee received a formal reprimand.	Employee Administrative Action

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/28/2018	HUD OIG received a referral from a former employee alleging other employees of the community organization swapped grant fund codes or inflated work hours in order to obtain reimbursement for work done on projects that had low fund levels and fabricated survey results to qualify for a housing grant. This matter was declined for prosecution.	Prosecution Declined
3/16/2018	HUD OIG received a referral alleging that a registered sex offender was living in a Section 8 unit. The investigation confirmed the individual was a registered sex offender and not eligible to live in the subsidized unit. This information was referred to the PHA for administrative action and as a result the individual was evicted. The case was administratively closed.	Admininstratively Closed
3/7/2018	HUD OIG received a referral from HUD alleging that a group of real estate professionals originated FHA-insured loans containing false employment information and the used straw buyers. The investigation determined that three real estate professionals and a tax preparer facilitated a fraudulent loan origination scheme. The defendants were charged, pled guilty, and were sentenced. In aggregate, the defendants were ordered to serve 48 months of incarceration and ordered to pay restitution of approximately \$6.4 million.	Successful Prosecution
1/12/2018	HUD OIG received a referral from a law enforcement agency alleging that two companies involved with the dissemination of HUD CPD HOME program funds were involved in a scheme involving fraudulent billing. The investigation corroborated the allegations which led to the indictments of four individuals, two of whom fled to the U.S.A. The other two individuals were sentenced to probation.	Successful Prosecution
1/26/2018	HUD OIG received a referral from a law enforcement partner alleging that a company was involved in a scheme to defraud people whose mortgages were in financial distress, by falsely claiming they would modify their loans. The scheme included FHA insured homes that were in the foreclosure process. The scheme also involved falsely obtaining the title to properties and then selling them to people who purchase the homes using FHA insured mortgage loans. The investigation corroborated the allegations and led to the prosecution of 10 individuals. The primary defendant was sentenced to 200 months incarceration, ordered to pay \$141,000 in restitution, and forfeited property valued at \$500,000. The other subjects received various jail terms and probations.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/12/2018	HUD OIG received a referral from another government agency alleging fraud and misuse of VA and HUD funds by a company president of a HUD CPD sponsored grantee. The investigation determined there to be malfeasance on behalf of the company president and she admitted to wrongdoing. The prosecution was declined.	Prosecution Declined
12/21/2017	HUD OIG received a referral from a county auditor alleging that a local nonprofit withheld and misappropriated approximately \$680,000 in county and city home sales proceeds. The investigation determined that the nonprofit had used the HUD NSP funds for non-NSP related expenses in order to keep themselves solvent. The county and city opted to settle with the nonprofit for the repayment of missing funds, in lieu of prosecution.	Prosecution Declined
12/18/2017	HUD OIG received a referral alleging that a Section 8 landlord leased a home to her daughter, who was a Section 8 tenant, in violations of HUD Section 8 program. The investigation substantiated the allegations and both mother and daughter were charged and pled guilty to theft. They were sentenced to 48 and 72 days incarceration, 36-month probation, and ordered to pay restitution in the amount of \$81,828.	Successful Prosecution
12/21/2017	HUD OIG received a referral alleging that a Section 8 tenant failed to provide accurate and complete information about household income and assets. The investigation disclosed that the Section 8 tenant had received approximately \$1.5 million from international monetary transfers from a Middle-East country. In addition, the Section 8 tenant owned and operated several businesses, and had maintained a secondary residence outside of his Section 8 unit. The Section 8 tenant was indicted and pled guilty to theft and false statements, and was sentenced to 6 months in prison, 3 years of probation, and \$85,353 in ordered restitution.	Successful Prosecution
10/16/2017	HUD OIG received a referral alleging that the owners of a HUD-funded healthcare facility made falsely supported withdrawals from the project's operating account and were not directing rental proceeds to the monthly mortgage payments in violation of HUD rules. The investigation revealed that HUD's Departmental Enforcement Center (DEC) was aware of the issue and were working towards an administrative remedy for aforementioned issue. The investigation did not reveal any indicators of fraudulent activity and it was deemed that an official referral to the DEC for administrative action was appropriate.	Referral to HUD

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/15/2017	HUD OIG received a referral alleging that a realtor used a strawbuyer to purchase a home under the FHA program. The investigation was unable to substantiate the allegations and as a result the matter was administratively closed.	Administratively Closed
12/5/2017	HUD OIG received a referral alleging that a Section 8 tenant sublet his unit while he was living in another city with his children's mother. The investigation corroborated the allegation. The tenant was indicted, pled guilty and was sentenced to 12 months and 1 day in prison, 3 years of probation, and ordered to pay restitution in the amount of \$194,754.00.	Successful Prosecution
10/24/2017	HUD OIG received a referral alleging that an FHA borrower was not living in their FHA-insured residence. The investigation was unable to substantiate the allegation and as a result was administratively closed.	Administratively Closed
10/24/2017	HUD OIG received a referral from a law enforcement agency to assist in assessing potential violations of FHA requirements involving newly constructed housing developments. The investigation failed to identify any FHA properties, as a result the matter was administratively closed.	Administratively Closed
3/8/2018	HUD OIG received a referral from a housing authority wherein it was alleged that a Section 8 Rental Assistance Program participant was underreporting his earned income and renting from a relative, his uncle, in violation of program rules. The investigation corroborated the allegations, which resulted in the participant being charged with one count of Fraudulent Schemes and Artifices and one count of Forgery. The defendant pled guilty and was sentenced to three years probation and ordered to pay restitution of \$50,627 to the housing authority.	Successful Prosecution
1/17/2018	HUD OIG received a referral from a law enforcement agency alleging that a sex offender registrant had reported that he was living with his mother, who might be receiving housing assistance. The investigation corroborated the allegations, as a result the program recipient was terminated from the rental assistance program. In addition, the former program recipient was convicted for grand theft and sentenced to time served and probation.	Successful Prosecution



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/7/2018	HUD OIG received a referral regarding a whistleblower allegation from a city employee. The Whistleblower allegation was investigated and later discontinued after the complainant retained an attorney and filed a civil suit on her own. The complainant also made an allegation of potential fraud in the city programs. The additional complaints of fraud were also investigated. No evidence was found to conclude that criminal activity took place, therefore the case was closed.	Allegation Unsubstantiated
11/21/2017	HUD OIG received a referral alleging that a HUD grantee was not paying sub-contractors for the development of a HUD-insured property. Several witnesses were interviewed and grantee payments were analyzed. Investigative findings were presented but the case was declined prosecution.	Prosecution declined
12/21/2017	HUD OIG received a referral from a whistleblower alleging that a housing authority retaliated against her for disclosing information to HUD OIG. The investigation concluded that the housing authority may have taken steps that could be construed as retaliation. The Whistleblower settled a civil settlement with the housing authority and the whistleblower protection act complaint was withdrawn.	Administratively Closed
11/21/2017	HUD OIG received a referral alleging a familial relationship between owner, landlord, and the Section 8 tenant. The investigation resulted in all parties being charged and all were found guilty of fraud and perjury. The landlord/owner was ordered to make restitution to the housing authority in the amount of \$52,000. All three defendants were sentenced to serve 36 months probation.	Successful Prosecution
12/21/2017	HUD OIG received a referral alleging that the acting executive director of a housing authority failed to follow procurement and hiring policies. The investigation was unable to substantiate the allegations and the matter was administratively closed.	Allegations Unsubstantiated
2/13/2018	HUD OIG received a referral alleging that a self-employed participant in HUD's Section 8 rental assistance program was concealing earned income from the administering housing authority. The investigation determined that the participant earned income from a real estate sale that was not reported to the housing authority. Investigative findings were presented to the housing authority for possible administrative action. The housing authority held the position that it would not consider the income from the sale unreported due to the one-time nature of the earnings. As a result, no administrative action was taken and this case was closed.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/6/2017	HUD OIG received a referral alleging that a HUD subsidized Section 8 landlord was extorting Section 8 tenants for sex and various sex acts when those tenants were unable to pay their portion of their monthly rent. The landlord, who owns several buildings wherein there are multiple Section 8 tenants and manages other Section 8 residential apartments on behalf of other owners, was also allegedly distributing illegal drugs (methamphetamines), unlawfully carried a firearm, and allowed for the storage of unlawful/unregistered firearms at or around his HUD-subsidized Section 8 properties. The investigation was unable to substantiate the allegations as a result this matter was administratively closed.	Administratively Closed
1/25/2018	HUD OIG received a referral alleging that a Section 8 tenant was housing an unauthorized occupant who was subject to a lifetime registration as a sex offender. The investigation confirmed that the tenant was housing an unauthorized occupant, however, the housing authority had taken administrative action and removed the tenant from the Section 8 program. Due to the fact that the housing authority had already completed administrative action it was determined that the case be closed with no further investigation warranted.	Administratively Closed
1/25/2018	HUD OIG received a referral from a law enforcement agency alleging that a family was purchasing several homes, thought to be FHA insured, even though their collective reported income did not seem to support the ability to make such purchases. The investigation determined that none of the subject properties were FHA insured. Since there was no nexus to HUD, this case was closed with no further investigation warranted.	Allegation Unsubstantiated
1/12/2018	HUD OIG received a referral from a law enforcement agency requested assistance in locating a possible HUD program participant who was alleged to have committed various criminal activities. The investigation was unable to identify any viable leads, as a result this matter was administratively closed.	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
11/28/2017	HUD OIG received a referral from a law enforcement agency alleging that a Section 8 program recipient was obtaining federal rental assistance using an identity that belonged to someone else. The investigation determined that the Section 8 recipient was using a stolen identity to receive federal benefits from multiple federal agencies. This former participant was subsequently charged, pled guilty, and was sentenced to 16 months incarceration and ordered to pay \$48,600 in restitution to the housing authority.	Successful Prosecution
1/16/2018	HUD OIG received a referral alleging that a HUD employee improperly backdated a trip report that caused problems with a housing developer. The investigation determined that HUD staff had received permission from HUD Office of Legal Counsel regarding this matter. HUD OLC indicated that the staff did not act improperly when dealing with the developer. This matter was administratively closed.	Allegation Unsubstantiated
10/31/2017	HUD OIG received a referral alleging that a senior HUD official granted two separate 40 hour time-off incentive awards, the subject was not an employee of the HUD official who granted the time off award, and the time-off awards violate the HUD incentive award policy. It was also alleged that the time-off awards appear to be a "bribe to a union official to try and get concessions from the union on contract negotiations". The investigation revealed that the subject was awarded two 40 hour time off awards, to which he was not entitled. The time off awards and the process by which they were awarded were contrary to HUD's time off award policy and were valued at \$6,083.20. This matter was presented for prosecution and was declined.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/12/2018	<p>HUD OIG received a referral alleging that an employee mismanaged the HUD purchase card program and funds for the physical inspection Reverse Auction Program (RAP) and violated the Anti-Deficiency Act. It was further alleged that the subject had not complied with merit promotion protocol and had engaged in discriminatory promoting practices. The investigation determined that the subject did not mismanage the HUD purchase card program and funds for the physical inspection RAP. The investigation further determined that the subject did not fail to comply with merit promotion protocol or engage in discriminatory practices. Although the investigation did not find any evidence to suggest that an ADA violation occurred, the allegation regarding the ADA violation was referred to the Office of Special Counsel, HUD OIG, Office of Audit, and the HUD, Office of Chief Financial Officer, per protocol, for action deemed appropriate. No prosecutorial coordination was conducted as no criminal wrongdoing was identified during the course of this investigation.</p>	Administratively Closed
12/11/2017	<p>HUD OIG received a referral alleging that an employee was working for a large city municipality and was heavily involved in the city's Voluntary Compliance Agreement (VCA) that may violate this individual's post-employment restrictions. The investigation did not reveal evidence to substantiate that the subject or any of her CPD subordinates had any direct participation with the VCA, other than as a monitor. This matter was presented for prosecution and was declined prosecution.</p>	Prosecution Declined
10/31/2017	<p>HUD OIG received a referral alleging that from 2015 through 2016 HUD officials destroyed official HUD records, without authorization. The investigation revealed that records were prematurely destroyed. The investigation could not determine the identity of the individuals that completed the forms that authorized the destruction. The investigation established that the subject prematurely approved the disposition. No prosecutorial coordination was conducted as no criminal wrongdoing was identified during the course of the investigation.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/29/2018	<p>HUD OIG received a referral alleging that in December 2015 a former employee used a HUD OIG account to conduct a search via Lexis Nexis (a subscription based searchable database). The former employee had resigned from HUD in March 2012. The investigation corroborated the allegations. In addition, it was determined that database administrators failed to terminate the former employees access to Lexis Nexis. The investigation was presented for prosecution, however, the matter was declined.</p>	Prosecution Declined
10/31/2017	<p>HUD OIG received a referral alleging that an individual was instructed, via email, not to share specific documents with HUD OIG, due to non-compliance issues. It was further alleged that subject retaliated against GNMA employees and forced employees to sign false representations. The investigation did not establish any evidence to suggest that the subject forced the complainant to sign the management representation letter. This investigation did determine that signing the MLR was part of the complainants duties and responsibilities. The investigation did not identify any GNMA employees that were retaliated against for identifying errors within the FY15 financial statements. No prosecutorial coordination was conducted as no criminal wrongdoing was identified during the course of the investigation.</p>	Administratively Closed

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/5/2017	<p>HUD OIG received a referral that the complainant was retaliated against, in violation of the Whistleblower Protection Act, based on information that she provided to a housing authority Board. Specifically, the complainant alleged that when she reported that the former executive director for a local housing authority falsified housing inspections and attempted to submit the false information to HUD for payment, she was retaliated against by her superiors. The complainant stated that the Director of PIH slandered her name, failed to remove the "interim" status from her title, delayed compensation to her, placed her in a hostile work environment, and terminated her employment with the housing authority. This investigation determined that as a result of the information provided by the complainant in May 2016, the ED was terminated from the ED position. In February 2017, the complainant was terminated by the housing authority after serving as the interim ED for approximately nine months. However, the reason for the termination was based on financial and performance, not on the information that the complainant provided about the violations.</p>	Administratively Clos
3/12/2018	<p>HUD OIG received a referral of a whistleblower complaint alleging reprisal after the complainant identified instances of intentional misapplication of Generally Accepted Accounting Principles (GAAP) to HUD OIG. It was further alleged that the complainant was given a poor performance review based on fabricated facts, and was placed in complete isolation by not being included on emails or in meetings. The complainant was ultimately terminated on March 3, 2017. The complainant claimed her poor performance review and termination were retaliation by management. The investigation determined that there is clear and convincing evidence that the complainant would have been terminated during her probationary period regardless of the protected disclosures.</p>	Administratively Clos
1/30/2018	<p>HUD OIG received a referral alleging that a subject received two \$10 parking tickets issued by the city and on both occasions the subject went downtown to appeal the tickets. The complainant alleges that the subject had been "rude and abusive" to the staff on both occasions however, on the most recent occasion the subject threatened to "cuff any patroller issuing him a ticket for obstruction of justice". No prosecutorial coordination was conducted as no criminal wrongdoing was identified during the course of this investigation.</p>	Employee Administr

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
2/21/2018	HUD OIG received a referral from agency manager stating that an employee was incarcerated for violation of probation. Also, according to the information received, the subject was released on bond that same day. No further action was taken regarding this matter. The case was administratively closed to file.	Administratively Closed
10/31/2017	HUD OIG received a referral that an individual may have violated the conflict of interest statute by steering Choice Neighborhood Grants to her former employer. The investigation determined that the individual did not steer grants to the two companies alleged and established that the subject does not have current financial interest in the former employer. No prosecutorial coordination was conducted as no criminal wrongdoing was identified during the course of this investigation.	Administratively Closed
1/30/2018	HUD OIG received a referral from a HUD OIG employee alleging that their agency issued laptop computer containing personally identifiable information was stolen from their personally owned vehicle. The employee made a report to law enforcement of damage to their vehicle, which was consistent with a vehicle break-in. HUD OIG referred the case to the United States Attorney's Office, however, the matter was declined for prosecution. Disciplinary action was taken against the HUD employee for failure to safeguard the security and confidentiality of records. This matter was presented for prosecution, however, prosecution was declined.	Prosecution Declined
12/14/2017	This was a proactive matter created to assign a select few of auditors as agents in order for them to have edit access to future investigations in the Case Management Investigative Subsystem.	Administratively Closed
12/20/2017	HUD OIG received a referral requesting assistance on a civil loan origination investigation. The lender was selected as part of a larger initiative focused on large scale, nationwide FHA loan originators with high default/claims rates. During the investigation OIG performed quality control reviews of FHA loans selected through statistical sampling, conducted document analysis, interviews, and email review. The lender entered into a settlement agreement with the Federal Government to pay \$65 million in a combined settlement amount. \$19.5 million was attributed to this affiliate.	Successful Prosecution

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
12/20/2017	HUD OIG received a referral requesting assistance on a civil loan origination investigation. The lender was selected as part of a larger initiative focused on large scale, nationwide FHA loan originators with high default/claims rates. During the investigation OIG performed quality control reviews of FHA loans selected through statistical sampling, conducted document analysis, interviews, and email review. The lender entered into a settlement agreement with the Federal Government to pay \$65 million in a combined settlement amount. \$45.5 million was attributed to this affiliate.	Successful Prosecuti
12/19/2017	HUD OIG received a referral from HUD alleging that false information was contained on HUD-1 Settlement Statements. The investigation determined that 7 loans contained false information on the HUD-1 settlement statements. The findings of this investigation were referred to the HUD for consideration for proceedings under the Program Fraud Civil Remedies Act of 1986 ("PFCRA"), 31 U.S.C. §§ 3801-3812. A referral was also made to the to a prosecutor for consideration under the False Claims Act, 31 U.S.C, § 3729. This matter was declined prosecution.	Prosecution Declined
12/19/2017	HUD OIG received a referral from HUD alleging fraudulent verification of deposit (VOD) identified during a routine review. The investigation did not reveal indications of altered VODs, but underwriting deficiencies were identified. Investigative results were presented to a prosecutor and was declined.	Prosecutino Declined
12/20/2017	HUD OIG received a referral alleging that HOPWA funds were being misused to provide rental assistance for undocumented immigrants. The case was declined for prosecution. A referral memorandum was issued to HUD related to Special Needs suggesting that HUD clarify whether Illegal-Undocumented immagrants are eligible for assistance under HOPWA.	Referral to HUD
12/27/2017	HUD OIG proactiviely identified a FHA loan originator for investigation, based on their high default/claim rate. The investigation revealed that roughly 25% of the 150 early payment default loans contained material underwriting failures. These findings would make the individual loan level certifications false. Additionally, a review of Quality Control practices and procedures revealed significant deficiencies supporting the assertion that the lender's annual certifications are false. Both situations support a False Claims Act case. This matter was presented for prosecution, and was declined.	Prosecution Declined



DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/25/2018	HUD OIG received a referral from HUD OIG Audit alleging that a lending company ceased doing FHA business and the principals started working under another name and separate FHA ID. The investigation identified deficiency with 28 loans. The findings were presented to a prosecutor that deferred to HUD in taking action.	Administratively Closed
1/30/2018	HUD OIG received a civil referral alleging that numerous large scale direct endorsement lenders as well as FHA Servicers were violating a wide variety of FHA regulations. The investigation could not substantiate the allegations. The matter was declined for prosecution.	
1/3/2018	HUD OIG received a referral alleging from HUD alleging that findings reported in monitoring letters of at least six grantees for the past three years have been administratively adjudicated in a manner that does not follow normal procedure. Many of the monitoring letters reported allegations that all of the grantees engaged in financial irregularities that rise to the level of criminality and should have been referred to HUD OIG at the time the irregularities were discovered by HUD monitoring staff. The investigation determined that the costs were unallowable based on the parameters of the grant. This matter was presented for prosecution and was declined.	Prosecution Declined
1/3/2018	HUD OIG received a referral requesting OIG assistance on a lender with a high default rate. The investigation determined that the lender failed to comply with FHA requirements for the origination of single-family mortgage loans. The lender did not conduct the quality control audits required by HUD on certain closed and early payment default loans, and it made or caused the submission of false claims for insurance proceeds concerning mortgage loans insured by FHA that did not qualify for FHA insurance. The subject entered into a settlement agreement with the Federal Government to pay \$1.025 million.	Successful Prosecution
1/9/2018	HUD OIG received a referral alleging that individuals conspired to take control of the complainant's company and fraudulently used the company as a pass through to obtain over \$3 million in HUD grant funds from a city, for work to be performed and that the subject parties were committing Davis Bacon violations. The investigation determined that the Davis Bacon aspect of the case were address through oversight activities. The complainant filed a voluntary dismissal of the complaint.	Allegation Unsubstantiated

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
3/30/2018	HUD OIG received a referral from HUD alleging that the owners/operators of two multi-family projects were using project funds in violation of the Regulatory Agreement. The allegations detailed the use of funds for personal expenditures, excessive salaries, and in support of non-HUD insured facilities. The investigation determined that the projects' accounting services were being provided by an unlicensed accountant representing herself as a CPA in good standing. The owner and management agents entered into a settlement agreement with the Government to pay \$510,000.	Successful Prosecuti
12/20/2017	HUD OIG received a referral alleging that a FHA direct endorsement lenders engaged in the widespread operation of “net branches” violation of HUD regulatory guidance by knowingly encouraged these branch activities and falsely certified compliance with HUD’s regulations on branch operation. The investigation reviewed all of the allegations regarding violations of HUD regulations in both the original and amended complaints. During the investigation, the complainant voluntarily dismissed their case. Due to voluntary dismissal and the inconclusive results of the investigation, this matter was administratively closed.	Allegation Unsubst
1/5/2018	This investigation was opened to record Forensic Auditor work time and can be merged with a parallel OI investigation. All relevant work product from this investigation was made available to OI and will be continued under the parallel case. This case is being administratively closed.	Administratively Clos
12/20/2017	HUD OIG initiated a proactive matter to determine whether an FHA Direct Endorsement Lender approved loans that did not meet the underwriting requirements. The investigation determined that the lender knowingly submitted or caused to be submitted to HUD, false claims for FHA insurance for some loans that were ineligible for FHA insurance, submitted false annual certifications, and submitted false individual loan certifications. The lender entered into a settlement agreement with the Federal Government to pay \$1.67 million.	Successful Prosecuti
10/4/2017	HUD OIG initiated an investigation to determine if a parcel of land encumbered by a Land Use Agreement was developed in violation of the agreement. The investigation revealed indications that the agreement was breached, however couldn't conclusively establish culpability. This case was declined for prosecution.	Prosecution Declined

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
1/4/2018	HUD OIG received a referral from OIG Audit alleging that a management company received inappropriate and unsupported housing assistance payments for tenants who lacked properly executed and documented tenant eligibility forms, tenant eligibility forms were not properly signed or dated and housing assistance payments were made for unoccupied units. This investigation was opened to record Forensic Auditor work time in support of OI case. All relevant work product is maintained therein. This case is being administratively closed.	Administratively Clos
1/30/2018	HUD OIG received a referral from HUD alleging FHA loan violations. The investigation determined that the lender failed to meet quality control standards, failed to report material findings, failed to properly monitor 203(k) loan administration, and failed to meet numerous origination/underwriting standards. All loans were indemnified by the lender ultimately protecting FHA from future harm.	Referral to HUD
1/5/2018	HUD OIG received a referral from a complainant alleging abuses within HUD's Manufactured Housing programs. The complainant claimed that ineligible homes manufactured prior to HUD's program oversight of safety standards, were being processed for FHA insurance. After extensive research and interviews, the investigation could not identify situations other than one loan identified in the complaint. HUD's National Servicing Center placed a permanent claim block on the Relator's loan that prevents FHA from paying a claim and preventing the loss of \$55,405.	Referral to HUD
12/18/2017	HUD OIG received a referral from a complainant alleging that a property management company recorded a fake loan in the amount of \$2.5 million as a means to extract project funds when they were otherwise ineligible. This investigation was opened to record Forensic Auditor work time in support of a parallel OI investigation. All relevant work product from this investigation is contained in the parallel case and the investigation will be continued under that case number. This case is being administratively closed.	Administratively Clos
1/30/2018	HUD OIG received a referral containing multiple allegations against a HECM Servicer was consolidated. Future activity will be documented under another case.	Administratively Clos

DATE CLOSED	INVESTIGATIVE DESCRIPTION	DISPOSITION
10/31/2017	This investigation was opened to record Forensic Auditor work time in support of a parallel OI investigation. These cases are being combined with all relevant work product contained in the parallel case file. Future efforts of the investigation will be recorded under that case number. This case is being administratively closed.	Administratively Clos
1/5/2018	HUD OIG received a referral related to a civil matter alleging that a mortgage servicer "failed to solicit borrowers for potential HAMP / FHA-HAMP-type mods before foreclosing or taking other recovery actions." The investigation could not corroborate the allegations. This matter was declined for prosecution.	Allegation Unsubstar

Date Closed	Investigative Description	Disposition
10/2/2018	<p>Information received by HUD-ONAP Alaska from (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C), Telephone Number (b) (7)(C) Email: (b) (7)(C) alleges that The Association of Village Council Presidents Regional Housing Authority (AVCPRHA), had misrepresented contract terms and improperly procured several independent contracts to complete the AVCPRHA new office building located in Bethel, AK. The funding for this project is \$5,000,000 in ARRA Funds (HUD Grant # (b) (7)(C)) and an additional \$5,000,000 loan for the remainder of the construction costs associated with this project. (b) (7)(C) also alleges that AVCPRHA had inflated the cost of materials creating a false pricing scheme and requiring all materials to be purchased through one company, Specialty Supply, Inc. Furthermore, it is alleged that (b) (7)(C) and (b) (7)(C) facilitated a bid-rigging scheme. In addition, (b) (7)(C) indicates that AVCPRHA's (b) (7)(C), (b) (7)(C) has admitted the fraud related to (b) (7)(C) contract with AVCPRHA. Currently, (b) (7)(C) has a lawsuit against AVCPRHA (Alaska Superior Court Complaint number (b) (7)(C)).</p>	All investigative activity complete. Declination from the Federal and State prosecutors. No further action warranted.
10/3/2018	<p>HUD OIG cross-referenced addresses found on Maryland's Public Safety &amp; Correctional Services Sex Offender Registry (SOR) against addresses that receive HUD Public Housing assistance through the Housing Authority of Prince George's County (HAPGC). A referral to the HAPGC resulted in the termination of assistance for two Housing Choice Voucher Program (HCVP) participants due to registered sex offenders residing within the HUD assisted units. The OIG determined HUD paid approximately \$20,961 in assistance payments to participants that were ineligible as a result of allowing a registered sex offender to reside within their assisted units. In one of the terminations, the head of household did not disclose to HUD that the sex offender was residing within the unit. In the remaining instance, the head of household listed the sex offender on HUD paperwork as residing within the unit but did not report his status. HUD OIG determined the approximate loss to HUD to be \$20,961.</p>	Referral to Program Staff / HUD
10/4/2018	<p>This case was referred to the United States Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) by an anonymous compliant who alleged that a Los Angeles Police Department Officer (LAPD) failed to reside in his Good Neighbor Next Door (GNND) property he purchased in June 2016. The complaint further alleges that the officer is renting the GNND property out and receives approximately \$1200 monthly. The investigation determined that the officer is in fact residing in the home, as required per the contract, and that he is not renting-out any portion on the home. The US Attorney's Office declined to prosecute; no crime has been committed. Case closed.</p>	Prosecution Declined.
10/4/2018	<p>The City has a neighborhood stabilization program that uses HUD grants to remodel homes for low income residents. If a resident wants to participate in the program, the city first inspects and assesses the home to identify what needs to be fixed and then establishes a grant amount for which the resident can apply. The resident and city then open up the contract for bids. For two contracts in 2017 (one for \$40,000 and one for \$34,000), the city awarded the contacts to an unlicensed contractor operating. One of the managers of this company is a (b) (7)(C) for the city in question. There are indications that the HUD grant money was awarded to the contractor because the (b) (7)(C) had a relationship with the (b) (7)(C) for the city. Allegedly, the contractor not only failed to comply with the contract, but also failed to obtain the necessary permits to complete the contracted work. As such, the resident or city had to bring in a second [licensed] contractor to complete the work. CPD imposed administrative action against the City of Compton, and the City of Compton is required to repay HUD funds, and other appropriate actions/sanctions were imposed. No further action taken, and this matter is now closed.</p>	Administratively closed.



Date Closed	Investigative Description	Disposition
10/5/2018	On July 2, 2017, this office received Hotline Complaint (b) (7)(C), which alleged that Good Neighbor Next Door (GNND) recipient, (b) (7)(C) purchased the aforementioned property located at, (b) (7)(C), as a rental, and that (b) (7)(C) actually resides at (b) (7)(C) in (b) (7)(C), with girlfriend (b) (7)(C) and his son (b) (7)(C). It is further alleged that (b) (7)(C) never resided in the GNND property.	This case was initiated based on an allegation that a law enforcement officer was not residing in a Good Neighbor Next Door property in violation of rules of the program. Interviews were conducted of witnesses and the officer and investigative findings were presented to HUD's National Servicing Center. Based on the findings, HUD made the determination that the officer did not meet his 3-year sole residency requirement per the program rules and that the initial discounted portion of the HUD-insured mortgage was to be repaid. HUD sent the officer a demand notice for repayment of \$ 82,500. Investigative findings were presented to the USAO and the case was declined for criminal prosecution.
10/5/2018	This matter was referred to the HUD Office of Inspector General by the Federal Housing Finance Agency, who had received a SAR complaint of short sale fraud in Maricopa County. The complainant claimed that two realtors had colluded with two investors to purchase and "flip" homes with mortgages in default. The realtors allegedly entered homes for sale in the Arizona Multiple Listing Service for several hours, only to satisfy the releasing lenders' requirements, then withdrew them without accepting offers and truly marketing them for sale. The cooperating investors then allegedly purchased the properties and immediately sold them for an average price increase of 84%. Preliminary analysis of the four subjects' activities show 37 individual properties in Maricopa County involving both FNMA-secured loans and FHA-insured mortgages. Potential losses to lenders (considering the "flipped" sales price as the true value) exceed \$600,000 and, if substantiated, these allegations could constitute both bank fraud and false statements.	This case was initiated based on an allegation received of short sale fraud. A joint investigation was conducted to address the allegation. Witness interviews were conducted and investigative findings were presented to the USAO. The USAO declined prosecution due to minimal loss to the government and there was not conclusive evidence that mortgage fraud took place. As a result, the joint investigation was closed per declination.
10/9/2018	Received a telephone complaint of a tenant leasing an FHA insured home which is being foreclosed. The tenant has been making monthly rent payments since November 2012 to a local real estate agent.	Case has been decline for prosecution.
10/9/2018	Complaint alleges Opelousas Housing Authority is misusing funds generated through the sale of excess property.	All judicial and administrative actions have been completed.

Date Closed	Investigative Description	Disposition
10/10/2018	<p>EPA- (b) (7)(C) reported that their office received allegations from the Regional Air Pollution Control Agency (RAPCA), Dayton, OH and the Ohio Department of Health (ODH), which had several notifications regarding asbestos abatement submitted by (b) (7)(C) of Cincinnati, OH, that were received well past the completion of the respective asbestos abatement projects. (b) (7)(C) has been submitting notifications from their Cincinnati office where they have a Pitney Bowes postage meter that stamps a date that the postage was paid. The lease/contract agreement between the U.S. Postal Service and federal law requires that mail be placed into the mail stream on the same day that postage is paid/printed. RAPCA has received four notifications from (b) (7)(C) that were between two to six weeks after the project was completed. RAPCA has issued a notice of violation to (b) (7)(C) involving failure to notify on 21 sites prior to the most recent issues. According to RAPCA, (b) (7)(C) position is that the postage paid date is the same as the postmark date and therefore it is RAPCA's problem, not theirs. One of the properties in which (b) (7)(C) provided notification for that was received by RAPCA after the fact and was subsequently demolished was an 8 unit apartment building that RAPCA inspectors found to have ACM contamination in the demolition debris. Potential violations include the CAA NESHAP provisions. It is further alleged that certain inspectors employed by the City of Dayton, namely, (b) (7)(C) and (b) (7)(C) (b) (7)(C) have been awarding federal Troubled Asset Relief Program (TARP) funds to this asbestos abatement contractor by bypassing the bid process. The alleged activity may constitute violations of Title 18 of the U.S. Code.</p>	Administratively Closed.
10/11/2018	<p>(b) (7)(C) (b) (7)(C) of the Center for Women's Issues (CWI) a Sub-Program of the Community Support Programs is alleged to have stolen client(s) monthly rental payments for her personal use. This is a joint investigation with (b) (7)(C) Shreveport.</p>	Investigation completed. Declination noting further at this time.
10/12/2018	<p>(b) (7)(C) allegedly misrepresented his primary residence in order to qualify for the RSP and RREM grant following Superstorm Sandy. (b) (7)(C) received \$103,286.91 in RREM and \$10,000 in RSP for damaged property address DPA: (b) (7)(C). The OIG initiated an investigation after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). A CDBG-DR program participant allegedly misrepresented their primary residence to the State of New Jersey and was awarded \$10,000 in Housing Resettlement Program (RSP) and \$152,953 in Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM), CDBG-DR funds, to which he may not have been entitled to receive. The findings of the investigation were referred and declined for prosecution by the NJ Attorney General Office.</p>	Prosecution declined
10/15/2018	<p>The Regional Counsel's Office for HUD notified HUD OIG that a HUD-owned single family property was sold and the company who conducted the closing failed to remit the proceeds of that transaction. The purchaser applied for a Federal Housing Administration-insured mortgage to finance the purchase. Investigation revealed that during a post-closing review, the lender found indications that the borrower's pay stubs submitted in support of their mortgage were false. Upon this discovery, the lender declined the mortgage and demanded that the title company return the loan proceeds. The title company returned the loan proceeds; however, in the meantime a deed transferring title of the property was recorded. The borrower was in fact unemployed and receiving unemployment compensation at the time of her mortgage application and at the property closing. HUD's Office of Program Enforcement negotiated a \$200,000 settlement with the title company, which made HUD whole and included a penalty of approximately \$10,000. The borrower entered into a 12-month Pre-Trial Diversion Agreement with the U.S. Department of Justice. As long as the borrower abides by this agreement, they will not face prosecution.</p>	Successful Prosecution

Date Closed	Investigative Description	Disposition
10/15/2018	A lender self-report to HUD's QAD alleged its vendor, (b) (7)(C), an Ohio Corporation, requested compensation for grass cutting based on incorrect lot sizes. The lender provided QAD a list of 2,802 FHA-insured loans affected by this issue. After reviewing its entire portfolio, the lender remitted \$558,406 in excess amounts claimed. Prosecution was declined.	Prosecution Declined
10/15/2018	HUD OIG conducted a system-wide investigation into nursing homes across the country where HUD has a financial interest and/or regulator authority. The initial focus will be on matters relating to REAC and matters related to financing. In March 2018, facilities listed on the SFF Monthly Survey Report, and did not show improvement were suggested to the field for further investigation. Investigation determined the Office of Insured Health Care Facilities is actively monitoring and assisting the licensed nursing home facility recover from default and making appropriate payments on the mortgage. Prosecution declined.	Prosecution Declined.
10/16/2018	An Anonymous Complainant alleges that while the East Baton Rouge Parish Housing Authority's legal services contract expired in 2012, the firm continues to represent the HA, and also that (b) (7)(C) were overpaid.	No criminal violation identified. Case declined by AUSA.
10/17/2018	The U.S. Department of Housing and Urban Development, Office of Inspector General (HUD OIG), Office of Investigations, New Orleans, Louisiana received information the (b) (7)(C) of a local housing authority inappropriately utilized a housing authority credit card for personal expenses.	All actions have been completed and documented.
10/17/2018	The U.S. Department of Housing and Urban Development, Office of Inspector General (HUD OIG), Office of Investigations, New Orleans, Louisiana received information from the Louisiana Road Home Anti Fraud Waste and Abuse (AFWA) division. In particular, the AFWA alleged a Road Home recipient received \$139,500 for a property that he owned, but was not living in at the time of Hurricane Katrina.	All actions have been completed.
10/17/2018	Employee of HA alleges that the ED is using HA funds to purchase personal supplies and personnel to perform work on personal property projects on HA time. This case was declined for prosecution.	Allegation was unsubstantiated.
10/17/2018	It is alleged that (b) (7)(C), a HUD Employee in the Multi-Family Office, falsified her Webta when she claimed to be teleworking during the time that she was seen at a 24hr Fitness gym in (b) (7)(C) Texas on December 29, 2017. The witness, another HUD employee, interacted with (b) (7)(C) and exchanged greetings at the 24hr Fitness gym.	All actions have been documented and completed.



Date Closed	Investigative Description	Disposition
10/18/2018	<p>On February 12, 2015, HUD-OIG Hotline received an e-mail from Department of State, (b) (7)(C) (b) (7)(C) alleging possible fraud regarding HUD CPD funding. Attached was a letter from (b) (7)(C) (b) (7)(C) responding to questions regarding his marriage to and immigration application for (b) (7)(C) (b) (7)(C) explained that while he had limited income, he paid for the wedding and their honeymoon in South Africa using money from a \$44,750 payment he received from the "U.S. Department of Housing and Urban Development Office of Community Planning and Development." (b) (7)(C) attached Form-40072, dated April 17, 2012, showing Preservation Partners approving a payment to him for "Rental or Purchase Assistance" for \$44,750.</p>	<p>This case was initiated based on a referral received from a federal agency alleging that a HUD CPD program participant was using federal dollars to pay for personal expenditures, to include the cost of a honeymoon. An investigation was opened to address the allegation and it was determined that the participant used federal funds earmarked for allowable relocation expenses to pay for the personal expenditures. Further review of the rules governing the "relocation" program revealed that there was no language preventing the participant from using to funds to pay for items other than rent. A Systemic Implementation Report was drafted and sent to HUD Program staff with suggestions that the language should be changed to prevent participants from using the federal funds for personal items in the future.</p>
10/18/2018	<p>A complaint was made by CBP Agents that a residence located on the (b) (7)(C) in Calexico, California, is being used to smuggle illegal aliens and narcotics. This area is known as the Projects and CBP believes that the residence is Section 8 unit.</p>	<p>This case was initiated based on an allegation that a HUD Section 8 Rental Assistance Program participant was not reporting income she received from "alien smuggling" activities, resulting in her having benefits paid on her behalf that she was not entitled to. A Joint investigation was opened to address the allegation and evidence was gathered that supported initial allegation. Investigative findings were presented to the District Attorney's Office and the participant was subsequently charged with Fraud Against a Housing Program. The participant plead guilty and was sentenced to 36 months probation and ordered to pay approximately \$ 10,000 in restitution to the housing authority.</p>
10/18/2018	<p>It has been alleged that the subjects may be involved in conflicts of interest, mismanagement and unethical practices within OCIO.</p>	<p>Investigation completed, ROI issued to HUD management and Disposition Report received.</p>

Date Closed	Investigative Description	Disposition
10/18/2018	HUD OIG received a referral from a housing authority after they were made aware of an investigation by a local police department and a subsequent referral to the state bureau of investigation. It was alleged that two subjects may have submitted falsified time records to a housing authority for payment of services not provided. The investigation disclosed that the information on the time sheets were not accurate however the allegations that the services were not provided could not be determined. HUD OIG has referred the subjects for debarment from participating in HUD funded programs.	Case was declined for prosecution and SA completed a fact based debarment request and submitted to DEC.
10/19/2018	Employees observed (b) (7)(C) cutting and pasting what appeared to be signatures onto possible mortgage applications. (b) (7)(C) found clippings and altered documents in (b) (7)(C) office, including what appeared to be FHA loans. (b) (7)(C) contacted SA (b) (7)(C) and Washington Department of Financial Institutions.	All criminal and civil actions are complete, no further investigation is warranted.
10/19/2018	HUD-OIG received a telephone call from a local police department alleging (b) (7)(C) of a local Housing Authority may be giving out Housing Authority work without proper bids or quotes. The facts of the investigation were presented to a prosecutor and it was declined for prosecution. HUD-OIG sent a fact based referral to the DEC for possible administrative action.	HUD as an active review covering deficiencies from the prior (b) (7)(C) and is working on addressing these issues.
10/22/2018	HUD OIG received information that a non profit New Jersey CDBG employee may have steered recipients to a specific contractor. Allegation is unsubstantiated.	Allegation not substantiated.
10/23/2018	HUD OIG received information that HUD Project-Based Tenants did not disclose their true income to HUD. The tenants and co-conspirators also also were involved in committing tax evasion and structuring. Four individuals were arrested and charged. One business entity was charged.	Successful Prosecution.
10/23/2018	(b) (7)(C) is alleged to have falsified loan documents and signatures for FHA and conventional loans while employed at Washington First Mortgage Loan Corp.	No further investigative activity is warranted.
10/24/2018	Information received from GOSR alleging that false documentation may have been submitted in order to receive Hurricane Sandy DR funds	Case referred to CDBG-DR in order to follow-up with GOSR to consider taking administrative action to preclude the continuation of harm of financial loss to the Department.
10/24/2018	A Mortgagor received a loan through the Home Affordable Modification Program (HAMP) for their single-family home and within a short time purchased a parcel of land by allegedly providing false information to qualify for the HAMP. The loans were not HUD or FHA and the investigation was closed.	Administratively Closed.
10/24/2018	HUD OIG received information from GOSR that a CDBG-DR recipient allegedly received funds he was not entitled.	Case being referred to CDBG-DR program staff in order to follow-up with GOSR to consider taking administrative action to preclude the continuation of harm of financial loss to the Department.
10/26/2018	The Gary Housing Authority (GHA) was in receipt of two checks from (b) (7)(C) which is owned by (b) (7)(C). (b) (7)(C) was awarded a contract to rehab some residential units for GHA. (b) (7)(C) gave GHA two Chase cashier's checks totaling \$69,000. These checks were allegedly purchased by (b) (7)(C) because he did not have the proper bond insurance. These checks were to be held as collateral to purchase bond insurance for (b) (7)(C). When a GHA employee attempted to cash the two Chase cashier's checks at a Chase Bank in Merrillville, IN they were told the checks were fraudulent and Chase confiscated the two checks.	The defendant in this case has been convicted and sentenced. No further investigative action is warranted at this time.
10/26/2018	HUD OIG received information that a Superstorm Sandy applicant may have falsified her CDBG-DR grant application. NJ State declined to prosecute.	Prosecution Declined.

Date Closed	Investigative Description	Disposition
10/26/2018	On May 23, 2016, HUD OIG received a referral from the State of New Jersey Attorney General's Office, Hurricane Sandy Task Force, that a CDBG-DR recipient had provided false information on their application about his true primary residence. Prosecution declined.	Prosecution declined.
10/30/2018	(b) (7)(C) received fugitive felon data on March 13, 2017 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Administratively closed as all subjects have been referred for eviction.
10/30/2018	(b) (7)(C) received fugitive felon data on March 13, 2017 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Administratively closed as all subjects have been referred for eviction.
10/30/2018	Complainant alleges that an unauthorized sex offender and a fugitive felon reside at a subsidized unit.	Closed due to all investigative activity completed. Administratively closed to the eviction of subject from PH.
11/2/2018	HUD OIG received a complaint from a local auctioneer alleging that (b) (7)(C) doing business as (b) (7)(C), was perpetrating a short sale scheme in the Bowling Green, Kentucky area. The investigation revealed that (b) (7)(C) a licensed Real Estate Broker operating under the business entity (b) (7)(C) perpetrated a short sale fraud scheme wherein she targeted distressed homeowners and provided false Broker's Price Opinions (BPO) to their lenders. (b) (7)(C) would then purchase the properties through the Pre-Foreclosure Sale (PFS) program using a shell company, and then immediately sell those properties for a profit. During the PFS process, (b) (7)(C) did not inform the lenders that she already had sales arranged at higher prices. She repeated this scheme for no less than 18 short sale transactions. (b) (7)(C) pled guilty in U.S. District Court to False Statements to the Federal Housing Administration and was sentenced to time served, plus 24 months of supervised release. She was also ordered to pay \$175,580 in restitution to the FHA.	Successful Prosecution.
11/2/2018	Following an informal PHX QAD referral, the PHX USAO received a complaint related to the subject company. (b) (7)(C) was monitored for loan performance prior to initiating an official inquiry.	This investigation was initiated based on referral wherein it was alleged that a lender committed fraud against HUD – Specifically, that the (b) (7)(C) entered into agreements with two separate non-profit corporations wherein the company would repay the non-profits for “gifts” provided to customers in violation of HUD rules. Several witness interviews were conducted and indicators of fraudulent activity were found. Investigative findings were presented first to the U.S. Attorney's Office and subsequently to the Attorney General's Office. While both agencies initially accepted the case, both ultimately declined prosecution. The case was then referred to HUD Office of General Counsel for possible PFCRA action.



Date Closed	Investigative Description	Disposition
11/2/2018	Tucson Police Detective (b) (7)(C) contacted HUD OIG to advise that she had interviewed a sex registrant who was possibly living in a Section 8 housing unit. (b) (7)(C) provided a list of Tucson area registrants and a manual comparison to Section 8 records confirmed three registrant residing in assisted units.	This case was initiated based on a referral wherein it was alleged that a HUD Section 8 participant was allowing a registered sex offender to reside in her home in violation of program rules. An investigation was conducted and investigative findings were presented to the U.S. Attorney's Office. The case was accepted and the participant was subsequently charged with Fraud Against HUD for not reporting her accurate household composition. The participant was sentenced to three years probation and ordered to pay approximately \$ 6,800 in restitution. The participant was also removed from the Section 8 program.
11/2/2018	A referral from HUD CPD alleges that a Homeless non-profit organization employee was terminated as a direct result of her reporting the non-profit's (b) (7)(C). The employee alleged the (b) (7)(C) financial misconduct and using requiring the homeless clients to perform sexual favors to receive HUD funded housing. There were several employees interviewed concerning the allegations. The United States Attorney's Office was notified and made aware concerning the allegations of this case. The USAO was also advised they would be notified of any updates as they become available. Former employees were interviewed and the requested documents were received and reviewed to determine validity to the aforementioned allegations. After review of numerous documents and interviews, it was determined the allegations against the (b) (7)(C) was false. The USAO was notified of the findings and the case was declined due to no prosecutorial evidence.	Allegation Not Substantiated
11/2/2018	PIC-NCIC data merge shows a Section 8 tenant in Tucson with an active warrant out of Clayton County, Georgia.	Pursuant to a PIC-to-NCIC data match for active Fugitive Felon arrest warrants was conducted by HUD OIG Headquarters, the findings were issued to Region 9 and the Arizona-based subjects were extracted. Four warrants were identified for further action. Warrant information was shared with applicable law enforcement agencies and housing authorities. The information lead to the apprehension and arrest of four fugitives that were residing in HUD subsidized housing. The related subsidized households for the four defendants were also terminated from the HUD Section 8 program.

Date Closed	Investigative Description	Disposition
11/5/2018	<p>S/A (b) (7)(C) HUD-OIG was contacted by (b) (7)(C), (b) (7)(E) and advised that some of the targets in the (b) (7)(C) contacted the (b) (7)(C) and advised they were going to use his (b) (7)(C) identification for a fraudulent real sale at (b) (7)(C), Illinois. Specifically, the allegations are that (b) (7)(C) may have been involved in closing numerous false loans. It is further alleged that these loans included false bank statements, false employment, and inflated appraisals. On January 12, 2009, Agents from HUD-OIG (b) (7)(C) interrupted the real estate closing that included the (b) (7)(C) and interviewed all parties involved. (b) (7)(C) who was previously involved in a loan fraud scheme and was incarcerated for HUD 203(k) fraud was interviewed and he has agreed to cooperate. According to (b) (7)(C) approximately ten (10) fraudulent loans have closed at (b) (7)(C) with the same group of sellers, buyers, loan officers, and appraisers. Based on the sensitive nature of this investigation and the overwhelming predicate acts that have been established this case should be opened. xx</p>	All judicial actions complete. No further action is warranted. Close Investigation.
11/6/2018	<p>It is alleged that (b) (7)(C) and/or members of (b) (7)(C) used HUD CPD monies to satisfy a mortgage on a personal property located at (b) (7)(C). On or about 2011, (b) (7)(C) received \$455,000 in HUD CPD HOME funding for a project located on (b) (7)(C). The project is currently incomplete. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) initiated an investigation after receiving information an OIG audit concerning HOME program funds. The audit identified a "conflict of interest" issue involving a HOME Project located Western PA. Specifically, the conflict of interest involved a local (b) (7)(C) and a local developer in 2010. U.S. 24 CFR 92.356 prohibits any person who is in a position to participate in a decision-making process, or gain inside information with regard to program activities from obtaining a financial interest or benefit from a HOME-assisted having any interest in any contract, subcontract or agreement during his or her tenure or for 1 year after. The OIG referred the case for civil action which was pursued by HUD's Office of the General Counsel. As a result of the PFCRA action it was determined the local county that administered HUD funds and the developers were liable for up to \$909,533.50 in damages and penalties. This case was successfully prosecuted civilly and was closed by referral to HUD's OGC.</p>	Closed by referral
11/6/2018	<p>The Santa Ana Homeownership Center reviewed 35 FHA loans from The Banc of California and discovered that 27 properties were purchases and 13 of the purchases had gift amounts ranging from \$10,000-\$210,000. It is believed that the gift letters may be fraudulent and/or the borrowers may have arranged to a form of secondary financing thus, a violation of the HUD FHA program. It is requested this case be opened for further investigation.</p>	The case was initiated based on a referral from the HUD Santa Ana Homeownership Center wherein a lender was identified as originating several mortgages that contained questionable gift letter amounts. Pursuant to the referral, witnesses were interviewed for related loans, loan files were reviewed and the status of identified loans were monitored. While the witness/subject interviews and document review did result in indicators of fraudulent activity, none of the subject loans were in claim status; therefore, there was no apparent loss/damage to HUD. As a result, this Investigation was closed.
11/6/2018	<p>Hotline complaint (b) (7)(C) alleges that (b) (7)(C) the (b) (7)(C) (b) (7)(C) of the Puyallup Tribal Housing Authority possibly embezzled approximately \$7,000 while the (b) (7)(C)</p>	All investigative activity is complete. No further investigative activity is anticipated.



Date Closed	Investigative Description	Disposition
11/6/2018	<p>The anonymous complainant alleged that (b) (7)(C) (b) (7)(C) approved and released inappropriate rents and funds to landlords. In addition (b) (7)(C) allowed (b) (7)(C) and (b) (7)(C) housing employees, to take leave without documentation. It was also alleged that (b) (7)(C) allowed relatives and friends of (b) (7)(C) and (b) (7)(C) to received subsidy that they were not entitled to. -----</p> <p>[Un-redacted] The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Region 3 – Baltimore Field Office received an anonymous complaint that the (b) (7)(C) of the Prince William County (PWC), Office of Housing and Community Development (OHCD) committed fraud by allowing PWC-OHCD family members to port their Housing Choice Vouchers (HCV) into the county and, further, that PWC-OHCD employees were inspecting housing, without Housing Quality Standards (HQS) certifications, and approving inflated rents to landlords (Exhibit 1). This investigation did not substantiate the allegations. The investigation determined that the porting of HCV of PWC-OHCD family members were within the regulations. Further, PWC-OHCD uses a software program to establish rent reasonableness calculations that derives comparable rent data from the Multiple Listings Service (MLS) for the real estate area. Therefore, there are safeguards in place to prevent fraudulent activity. There was no loss to HUD. [Redacted] The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Region 3 – Baltimore Field Office received an anonymous complaint that the (b) (7)(C) of a Housing Authority committed fraud by allowing family members to port their Housing Choice Vouchers (HCV) into the county and, further, that employees were inspecting housing, without Housing Quality Standards (HQS) certifications, and approving inflated rents to landlords (Exhibit 1). The investigation did not substantiate the allegations. The investigation determined that the porting of family members were within the regulations. Further, the Housing Authority uses a software program to establish rent reasonableness calculations that derives comparable rent data from the Multiple Listings Service (MLS) for the real estate area. Therefore, there are safeguards in place to prevent fraudulent activity. There was no loss to HUD.</p>	Allegation Not Substantiated
11/7/2018	<p>The US Attorney's Office, District of Nevada, requested (b) (7)(C) a HUD-approved housing counseling agency, be investigated for bank fraud given information discovered pursuant to the (b) (7)(C) (b) (7)(C) is alleged to have failed to report that its principles acted as investors on homes purchased from the NCST, inflated the home values during resale, and failed to report their personal association and financial interest on home closing documents. It is also alleged that the (b) (7)(C) hid profits paid to its principles by falsifying property management fees/invoices by a subsidiary it owns (b) (7)(C). Due to the pending trial of the associated case (b) (7)(C), with possible conflicting judicial concerns, as well as the statute of limitations expiring in January 2019, the USAO declined to further pursue the matter concerning HomeStrong at this time. Case closed.</p>	Prosecution Declined.
11/9/2018	<p>On August 18, 2014, HUD OIG received written communication regarding alleged project based tenant (b) (7)(C). The letter contained allegations that (b) (7)(C) was violating the program by failing to disclose her true family composition and the presence of her boyfriend, (b) (7)(C) at her subsidized residence located at (b) (7)(C). It was further alleged that (b) (7)(C) was declaring no family income, and that (b) (7)(C) earned over \$70,000 a year in income which was not declared to HUD.</p>	Administrative Closing

Date Closed	Investigative Description	Disposition
11/9/2018	This investigation was initiated based on a prior U.S. Department of Housing and Urban Development (HUD) Office of Inspector General (OIG) investigation. Specifically, it was alleged that a HUD approved title agency submitted fraudulent financial reports to the state regulatory agency certifying escrow accounts and other accounts were in order. However, audits obtained from underwriters insuring the title policies depict a different financial overview and raised concerns for financial inconsistencies. Investigation determined the title agent allegedly provided the DOI false and inaccurate documentation in order to maintain their state title license and continue closing for HUD. Prosecution was declined.	Prosecution Declined
11/9/2018	As directed by HQ OPS, this case is being opened to address fugitive felons residing in Public and Section 8 housing.	This case was initiated as a result of a Fugitive Felon Initiative case established by HUD-OIG HQ. This investigation reflected potential leads related to the San Bernardino and Ventura counties of California. After reviewing the lists of potential fugitive felons residing in the areas, it was determined that the viable leads identified would be worked as part of companion FFI investigation opened in the region. No referrals to law enforcement or housing authorities were made and this case is closed with no further investigation warranted at this time.
11/13/2018	HUD CPD Employee, (b) (7)(C) in the New Mexico Office, alleges that (b) (7)(C) (b) (7)(C) had developed a monopoly, regarding the handling of all Safe City Strike Force board-ups and clean-ups of foreclosed/REO properties. The SCSF received CDBG Funds from the City of Albuquerque to administer clean up type services. (b) (7)(C) is alleged to have a conflict of interest as the (b) (7)(C) (b) (7)(C) to the (b) (7)(C)(b) (7)(C) of the SCSF. (b) (7)(C) is alleged to have purposely done poor work on these properties and instructed SCSF to use them for all subsequent work. These subsequent repairs were to be labeled as emergencies as to avoid following procurement procedure for additional bidding. City code enforcement officials stated (b) (7)(C) work was far superior in private sector. In 2013, the SCSF received approximately \$48,121 from the City of Albuquerque. Additional funds were paid by the city for similar type of work, which might not be related to the SCSF.	Case was declined for prosecution.
11/14/2018	Wayne County Deed Fraud Task Force received a complaint from a confidential source stating that (b) (7)(C) and (b) (7)(C) recently sold their home at (b) (7)(C), in a short-sale; however, the (b) (7)(C) continue to live in the home. The source stated that the Real Estate Agent, (b) (7)(C) has brokered other such short-sale frauds. FHA paid a \$77,750.40 claim as a result of the short sale.	All judicial action complete.
11/14/2018	(b) (7)(A), (b) (7)(C)	(b) (7)(C) reduplication error.
11/14/2018	(b) (7)(A)	(b) (7)(C) duplication error.



Date Closed	Investigative Description	Disposition
11/14/2018	<p>On July 13th, 2017, Special Agent (b) (7)(C) received an email from (b) (7)(C) indicating that (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) filed for Whistleblower protection under the National Defense Authorization Act. (b) (7)(C) previously provided information to HUD alleging that (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) misused funds. HUD-OIG opened an investigation into (b) (7)(C) allegations to HUD. (b) (7)(C) indicate that she was terminated from her position as (b) (7)(C) (b) (7)(C) on June 29th, 2017. (b) (7)(C) indicated that she was told by the newly appointed (b) (7)(C) (b) (7)(C) (b) (7)(C) that the reason of her termination was due (b) (7)(C) and the (b) (7)(C) board did not trust her. (b) (7)(C) requested that HUD-OIG investigate the nature of her termination.</p>	<p>After investigating the Whistleblower's complaint and further review from the Office of Legal Counsel (OLC), the decision was made not to pursue this matter. See letter from OLC to complainant for more information. No further investigation is warranted at this time.</p>
11/14/2018	<p>This investigation revealed that the subject of this investigation did employee and pay his wife and stepdaughter as Housing Authority employees and paid them through housing authority checks. The accounts that the checks were written from receive HUD funding. In total, the Housing Authority paid the wife and stepdaughter \$20,345.00 collectively. Additionally, it was found that the subject made purchases on the Housing Authority credit card for airline tickets for both he and his wife without any personal reimbursement back into the affected bank accounts; however, these transactions were refunded for the entire purchase price. This case was declined by the USAO of the Middle District of Florida on October 30, 2018 due to the lack of prosecutable merit. Once Housing Authority Board discovered that the subject had hired his wife and step daughter as employees, they asked him to cease the familial working relationship; which he soon did then after. Misuse of the Housing Authority credit card could not be substantiated as the funds were returned to the credit card as the plane tickets were never utilized.</p>	<p>Prosecution Declined</p>
11/15/2018	<p>U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) received a complaint that the subject allegedly obtained Hurricane Sandy Community Development Block Grant (CDBG-DR) funds that she was not entitled too. According to the complainant, the subject's Breezy Point property was a secondary home; her primary residence was located on Staten Island at the time of the storm.</p>	<p>Allegation was not substantiated.</p>
11/15/2018	<p>Complainant believes the (b) (7)(C) who are working an extra Duty Detail for the (b) (7)(C) H.A. are not truly working the hours they are being paid for.</p>	<p>Investigation closed due to declination by the United States Attorney's Office in the Western District of Louisiana</p>
11/16/2018	<p>The United States Attorney's Office, District of New Jersey requested HUD OIG's assistance regarding a no-bid contract of \$180,000 in the City Paterson, NJ awarded with CDBG funds. Allegation was unsubstantiated.</p>	<p>Allegation was unsubstantiated.</p>
11/19/2018	<p>HUD OIG compared subsidized housing recipient data against the NCIC Wanted Person File. Confirmed hits were referred to the appropriate public housing authority/management agent for possible administrative action. As a result, seventy-five (75) tenants were found to be receiving housing subsidies while having an active warrant or being a fugitive/absconder status, and were referred to management agents for consideration of program removal.</p>	<p>Administratively Closed</p>
11/20/2018	<p>On August 15, 2017, this office received information from the HUD OIG Hotline regarding a registered sex offender named (b) (7)(C) living in federally subsidized housing. It is alleged that (b) (7)(C) is living with HOH (b) (7)(C) at (b) (7)(C). The Hotline also provided a West Virginia State Police Sex Offender Registry. The Registry identifies (b) (7)(C) (DOB: (b) (7)(C) with an address of (b) (7)(C). Hotline #: (b) (7)(C). HUD OIG initiated an investigation based on a Hotline complaint. The complaint alleged that a registered sex offender was residing in federally subsidized housing. The investigation revealed that the registered sex offender was indeed residing in federally subsidized housing, which is unauthorized. The HCV tenant pled guilty to Obtaining Services with False Pretenses in West Virginia District Court and was order to pay \$5,181.00 in restitution.</p>	<p>Successful prosecution</p>



Date Closed	Investigative Description	Disposition
11/23/2018	<p>The investigation was based on an allegation that the email account of the (b) (7)(C) for the Housing Authority of the City of Fort Myers (HACFM) was compromised and caused an improper wire transfer to an account controlled by the subjects. The investigation determined that the (b) (7)(C) email account at HACFM was not compromised, but was "spoofed;" as an unknown suspect used an email address that closely resembled, but was not identical, to that of the (b) (7)(C). The suspect used the "spoofed" email address and directed the HACFM (b) (7)(C) (b) (7)(C) to wire \$14,780 to a specified bank account. The investigation also determined that the bank account receiving the funds belonged to (b) (7)(C) and (b) (7)(C) of (b) (7)(C). At the time, (b) (7)(C) had been going through financial troubles, and his (b) (7)(C) in (b) (7)(C), whom he had never met, told him that she would wire some money in to his account, but he was to take \$7,000 and wire it to her in (b) (7)(C). (b) (7)(C) wired \$7,000 to (b) (7)(C), as requested, and spent the remaining funds on personal expenses.</p>	Prosecution declined.
11/26/2018	Spin-off from (b) (7)(C) to determine criminal liability of subjects.	Case was declined prosecution.
11/26/2018	<p>Investigation into allegations that two participants in the Housing Choice Voucher Program (HCVP) falsely reported their household composition resulted in the termination of their program participation. Findings were referred to the United States Attorney's Office for criminal prosecution. HUD OIG investigation confirmed that two participants in the Pottsville Housing Authority HCVP program falsely reported their household composition to Housing Authority officials, concealing the removal of seven children from the household by Children's Services authorities. Losses to HUD and the Housing Authority exceed \$20,000. The participants were removed from the HCVP.</p>	Referral to Program Staff / HUD
11/27/2018	<p>As part of the Pre-Foreclosure/Short Sale Initiative, (b) (7)(C) found a company in Springfield, Missouri, who appears to be part of a flopping scheme. (b) (7)(C) appeared in numerous same day closings as the B entity. Further investigation revealed that the (b) (7)(C) (b) (7)(C) also owns a real estate company in Springfield, Missouri.</p>	All investigative activity is complete. No further investigative activity is warranted.

Date Closed	Investigative Description	Disposition
11/27/2018	<p>The information below was provided by (b) (7)(C), (b) (5) Springfield, MO: On 03/28/2014, (b) (7)(C) (b) (7)(C) was interviewed. (b) (7)(C) interview was memorialized via (b) (7)(C) to file number (b) (7)(C). (b) (7)(C) provided information about (b) (7)(C) a former employee of (b) (7)(C) who was terminated by (b) (7)(C) on 03/06/2014. (b) (7)(C) began working for (b) (7)(C) in 2010. (b) (7)(C) is currently awaiting sentencing after a (b) (7)(C) guilty plea to a charge of Conspiracy to Commit Bank Fraud and Fraud Against the United States. (b) (7)(C) was a (b) (7)(C) at (b) (7)(C). (b) (7)(C) was terminated by (b) (7)(C) in 01/2007. While employed at (b) (7)(C) (b) (7)(C) embezzled money from (b) (7)(C) by writing checks to himself and depositing those checks into his personal bank account. Initial information indicates (b) (7)(C) began diverting money from (b) (7)(C) in 05/2011. Preliminary analysis reflects that (b) (7)(C) embezzled over \$120,000.00, which can be directly tracked via checks payable to (b) (7)(C). These are (b) (7)(C) checks that (b) (7)(C) wrote out to himself, that were in excess of his legitimate payroll earnings. Additionally, (b) (7)(C) wrote checks off of (b) (7)(C) account which were made payable to (b) (7)(C). Between 12/2012, and 10/2013, approximately \$173,000.00 was directed to the (b) (7)(C) by (b) (7)(C) (b) (7)(C) confirmed that (b) (7)(C) did not engage in any business with (b) (7)(C) and had no obligations to (b) (7)(C). There were payments that occurred between 03/2013 and 10/2013, wherein (b) (7)(C) returned funds to (b) (7)(C) in the amount of \$77,550.00. (b) (7)(C) indicated (b) (7)(C) was the person he knew relative to (b) (7)(C). Both (b) (7)(C) and (b) (7)(C) have a banking relationship with (b) (7)(C). (b) (7)(C) ultimately prepared a (b) (7)(E) relative to (b) (7)(C) activities in relation to (b) (7)(C), as well as (b) (7)(C). (b) (7)(C) noted that (b) (7)(C) submitted rent rolls to (b) (7)(C) which reflected apartment rentals to BC. (b) (7)(C) claimed to have signed contracts with (b) (7)(C) for 18 rental units, for a one (1) year term. When (b) (7)(C) asked (b) (7)(C) about the rental relationship with (b) (7)(C) it was determined that (b) (7)(C) did not have any apartments rented from (b) (7)(C). (b) (7)(C) told (b) (7)(C) personnel he heard (b) (7)(C) assisted (b) (7)(C) with securing a large HUD loan. Open source inquiry produced information that (b) (7)(C) Apartments secured an \$18.2 million loan, via (b) (7)(C), which was financed by Heartland Bank and guaranteed under the Section 223(f) Program of the US Housing and Urban Development (HUD). The loan to (b) (7)(C) was funded on 11/20/2012. Special Agent (SA) (b) (7)(C) Office of Inspector General (OIG) - HUD was contacted regarding details of the (b) (7)(C) financing. SA (b) (7)(C) provided information about the timing of the (b) (7)(C) (b) (7)(C) loan. 1. 11/2011, initial application by (b) (7)(C) assistance. 2. 04/2012, HUD rejects application over various issues, to include occupancy rate. 3. (b) (7)(C) files an appeal for HUD to review. (b) (7)(C) proposal is again rejected, occupancy rate again a cited concern. 4. 06/2012, (b) (7)(C) returns to HUD with the (b) (7)(C) proposal. This time there is a reference</p>	All investigative activity is complete. No further investigative activity is warranted.
11/27/2018	It is alleged that the subject failed to list his Florida address during the purchase of a firearm in Pennsylvania. The subject purchased a firearm utilizing his Pennsylvania driver's license. During the time of purchase the subject was assigned to the Miami field office and living in Florida.	Investigation completed, ROI issued to manager and Disposition Report received.
11/27/2018	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 1, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	All investigative activity has been completed. Administratively Closed.
11/28/2018	Region 9 SA received a referral from local law enforcement gang detective regarding alleged gang members residing in HUD-subsidized Section 8 residences. Based on agency priorities and manpower staffing, none of the identified individuals were presented for prosecution. However, the violations were referred to respective housing authorities for action deemed appropriate. Case closed administratively.	Closed administratively.
11/28/2018	Headquarters Division received fugitive felon data on April 01, 2018, from (b) (5). The information was then cross referenced with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. Subject information was provided to the USMS for action as they deem appropriate. Due to manpower constraints and other investigative priorities, no further action was taken by this agency at this time. Case closed administratively.	Closed administratively.



Date Closed	Investigative Description	Disposition
11/29/2018	QAD referral (b) (7)(C) alleges that the FHA insured loan obtained by (b) (7)(C) was used to purchase the property at (b) (7)(C) and the transaction was closed by (b) (7)(C). The original loan which should have been paid off during the closing shows an unpaid balance. Further information has been obtained by the (b) (7)(C) that they currently have an investigation involving inflated HUD-1 settlement statements from (b) (7)(C).	All investigative activity has been completed, no further investigative activity is warranted.
11/30/2018	On January 13, 2018, (b) (7)(C) was shot in Houston, TX in the parking lot of a local restaurant. (b) (7)(C) died from his wounds on January 20, 2018. (b) (7)(C) was allegedly killed in retaliation for cooperating with law enforcement against (b) (7)(C). According to source reporting, (b) (7)(C) put out a \$50,000 hit against (b) (7)(C) which he communicated through his girlfriend, (b) (7)(C). (b) (7)(C) is currently in federal prison in California, but communicates with (b) (7)(C) through calls, emails and letters. (b) (7)(C) is currently living in subsidized housing she obtained through false statement made on her Housing Authority of New Orleans (HANO) application. (b) (7)(C) allegedly lied about her income.	The U.S. Attorney's Office, Eastern District of Louisiana, declined prosecution of this investigation. Tenant referred to the Housing Authority of New Orleans (HANO) for eviction. Tenant evicted by HANO based on information developed by the case agent. No additional investigative steps necessary so this case should be closed.
11/30/2018	HUD-OIG received information alleging that the amount of subsidies awarded to the developer for a 50 unit project could have been excessive. The total subsidies awarded for the project were as follows: \$3,420,715 HOME funds from a Finance Housing Authority; \$1,704,745 HOME funds from a municipality; and \$12,059,452 Low Income Housing Tax Credits (LIHTC) from a Finance Housing Authority. Additionally, the developer was to obtain a loan in the amount of \$2,185,000 for a total project cost of \$19,369,912.	Matter referred to HUD Program staff for monitoring and consideration of administrative action.
12/3/2018	The reporting Agent received a phone call from a complaint who reported that a (b) (7)(C) were committing fraud against several government programs including the HUD Section 8 Housing Choice Voucher Program, the Department of Agriculture's Food Stamp program and Medicaid. The complainant advised that (b) (7)(C) is employed as a (b) (7)(C) at (b) (7)(C), and lives with (b) (7)(C) at (b) (7)(C) in (b) (7)(C). The complainant said that (b) (7)(C) is the (b) (7)(C) of (b) (7)(C) (b) (7)(C), and even though he lives in the home and works full time, none of his income is reported to the various government agencies from which (b) (7)(C) is receiving assistance. The complaint advised that none of the government agencies are aware that (b) (7)(C) lives in the home. The reporting Agent was able to confirm that (b) (7)(C) is receiving Section 8 assistance at (b) (7)(C) in (b) (7)(C) through the Indiana Housing and Community Development Authority (IHCDA), and only reports that (b) (7)(C) live in the residence. The reporting Agent was also able to confirm that (b) (7)(C) is employed full time as an (b) (7)(C) (b) (7)(C) at the (b) (7)(C) and reports (b) (7)(C) in (b) (7)(C) as his home address to his employer. Based on this, there is sufficient evidence to warrant the opening of an investigation.	All judicial action complete.
12/4/2018	It is alleged that subjects are having improper relationships with contractors/vendors.	Investigation completed. ROI referred to management for action. All disposition reports received.
12/4/2018	HUD PIH received information from (b) (7)(C) (b) (7)(C) of (b) (7)(C), Burlington Housing Authority, Burlington, Vermont, that alleged a possible program participant listed an ad on Craigslist selling his voucher for \$10,000. (b) (7)(C) followed up her initial referral, indicating she responded to the ad using a different email address and received a telephone number to contact the seller of the voucher. Upon searching the phone number (b) (7)(C) (b) (7)(C) determined the number belonged to (b) (7)(C) who resides in one of the authority's RAD PBV units at (b) (7)(C). (b) (7)(C) also advised that (b) (7)(C) was a new program participant as of January 10, 2018, but has been asking a lot of questions recently about moving out and how he would go about receiving an HCV tenant-based voucher.	Investigation completed

Date Closed	Investigative Description	Disposition
12/4/2018	(b) (7)(C), (b) (5)	Closed administratively.
12/6/2018	Significant Raw Data File FY 18 1st Qtr	Closing Raw Data File for FY-18 1st Qtr
12/6/2018	HUD OIG received a telephone call wherein it was alleged that the subject of existing investigation for fraud was also committing housing fraud. The subject is a HUD-subsidized Section 8 head of household. The investigation disclosed sufficient evidence that secured an indictment; however, the charges were subsequently dismissed due to the lack of ability to further prosecute. Case closed.	Closed administratively.
12/6/2018	(b) (7)(C) (b) (7)(C) Ingleside Housing Authority, informed that (b) (7)(C) a public housing tenant, received FEMA assistance after Hurricane Harvey. However, (b) (7)(C) unit sustained no damage from the hurricane. (b) (7)(C) explained that (b) (7)(C) received a hotel and possibly a cash settlement from FEMA. Even though (b) (7)(C) unit was livable, (b) (7)(C) never returned to her public housing unit.	Prosecution declined.
12/6/2018	HUD OIG cross checked addresses found on Delaware's Sex Offender Registry (SOR) against addresses that receive HUD assistance. On September 5, 2018, a referral was sent to the Wilmington Housing Authority (WHA) related to thirteen program participants who receive a HUD subsidy through the WHA and whose address is associated with a registered sex offender. These thirteen program individuals participate in HUD's Housing Choice Voucher Program (HCVP). HUD OIG did not calculate a loss in this case as continued program participation is still under review by WHA for the thirteen program participants that were referred by HUD OIG.	Referral to Program Staff / HUD
12/6/2018	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 1, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	All case referrals have been made to the appropriate housing agency. This case is being administratively closed.
12/7/2018	On February 5, 2018, SA (b) (7)(C) spoke with the Benton County Prosecutor's Office in regard to this case. SA (b) (7)(C) was advised the office is interested in including the \$30,000+ loss related to fraud perpetrated against the Kennewick Housing Authority (KHA) in their case against (b) (7)(C). The loss to HUD resulted from (b) (7)(C) misrepresenting her income and household composition on certifications completed for the KHA.	All investigative activity is complete, no further investigative activity is warranted.
12/10/2018	HUD REO made a referral to HUD - OIG alleging that a HUD contracted closing attorney for the state of Alabama closed on the sale of 15 HUD REO properties and failed to returned the closing proceeds to HUD totaling \$1,090,888.53. The investigation determined that the closing attorney in fact did close 15 HUD REO loans and failed to wired HUD it's proceed after each closing. As a result, closing attorney pled guilty and was sentenced to 37 months federal prison, 60 months supervised release, \$100 Special Assessment, Restitution in the amount of \$1,090,888.53.	Successful Prosecution
12/10/2018	A HUD REAC inspector alleged wide-ranging misconduct by officials of the Baltimore City Housing Authority, including collusion with drug dealers and a scheme to receive funding for vacant or non-existent units. HUD OIG investigation did not substantiate the allegations, and prosecution was prospectively declined for lack of a clear federal crime after the complainant refused to provide further information to investigators. HUD OIG investigated allegations that Baltimore City Housing Authority officials engaged in varied misconduct, including receiving Federal funds for vacant or non-existent units. The allegations were not substantiated by investigation.	Prosecution Declined



Date Closed	Investigative Description	Disposition
12/10/2018	Allegations made that a registered sex offender is residing in HUD subsidized housing.	SAC approved closing of investigation (b) (7)(C) without traditional case opening and case closing documents in light of the fact the case converted due to the Special Agent being on leave. The Special Agent completed a memorandum of activity and referred the allegations to PIH and Framingham Housing Authority.
12/11/2018	A referral from another federal law enforcement agency alleged suspicious activity involving mortgages originated by (b) (7)(C) and its (b) (7)(C) (b) (7)(C). Specifically, alleged suspicious activity was linked to a loan modification Ponzi scheme with potential exposure or losses of \$1.1 million. Investigation supports the allegations that from January 2014 through March 2017, (b) (7)(C) (b) (7)(C) the registered agent and (b) (7)(C) of (b) (7)(C), along with other employees of (b) (7)(C), solicited homeowners to refinance their mortgages. In doing so, (b) (7)(C) allegedly engaged in a payoff remittance Ponzi scheme. Specifically, (b) (7)(C) prior to closing the refinanced mortgage loans, allegedly changed the wiring instructions on the payoff of the original mortgage so the funds would be disbursed by wire transfer into bank accounts which he controlled. As a result, several homeowners were left with two outstanding mortgage loans. To conceal from homeowners that the original mortgage was not paid off, (b) (7)(C) allegedly contacted the original mortgage servicers and changed the borrower's mailing address to a post office box which was controlled by (b) (7)(C). The defendant was sentenced to 41-months incarceration and ordered to pay \$1,229,723 in restitution after pleading guilty to committing wire fraud.	Successful prosecution
12/11/2018	A referral from another federal law enforcement agency alleged a tenant of a HUD subsidized multi-family project may have provided false information on annual housing certifications. The tenant was previously indicted for allegedly taking more than \$100,000 in his deceased aunt's Veteran's Affairs benefits. .	Successful Prosecution
12/11/2018	HUD OIG launched a proactive initiative to address registered sex offenders who were residing in and/or fraudulently receiving public housing assistance. Individuals subject to a lifetime registration requirement under a State sex offender registration program are not eligible to receive public housing assistance. Title 42 U.S. Code 13663(a) and Title 24 Code of Federal Regulations 982.533(a) prohibit lifetime registered sex offenders from being eligible to receive public housing assistance. This investigation determined that there were a number of sex offenders residing in HUD subsidized housing. The facts of this investigation were presented to the U.S. Attorney's Office for the District of Columbia for potential criminal prosecution. (b) (5) Subsequently, this matter was administratively referred to the DC Housing Authority, U.S. Marshall Service, and HUD program office for any action they deem appropriate.	Referral to Program Staff / HUD
12/12/2018	On May 25, 2016, the reporting agent received a referral via telephone call from (b) (7)(C) Housing Choice Voucher Program (b) (7)(C) Colorado Division of Housing, suspected fraud by (b) (7)(C) an employee at Jefferson Center for Mental Health. Allegedly, (b) (7)(C) who is (b) (7)(C) the Shelter Plus Care program for the Jefferson Center, has issued Shelter Plus Housing Vouchers to (b) (7)(C), and another individual, (b) (7)(C) for assisted housing. The Jefferson Center for Mental Health is a 501(c)(3) non-profit community mental health center that serves as a subcontractor for the State of Colorado's assisted housing programs. (b) (7)(C) found that (b) (7)(C) altered the State's waiting list for the Housing Choice Voucher (HCV) program to appear that (b) (7)(C) and (b) (7)(C) and (b) (7)(C) have been on the State's HCV waitlist since 2013 even though they were added by (b) (7)(C) in May of 2016. The amount of the potential loss to HUD has not been determined at this time.	Case was declined for prosecution.

Date Closed	Investigative Description	Disposition
12/13/2018	Reporting Agent was contacted by the U.S. Department of Education-Office of Inspector General referring a case of potential fraud involving HUD Congressional Economic Development Initiative Grants. The recipient of the grants, (b) (7)(C), received several Economic Development Initiative Special Project Grants from HUD.	Case declined for prosecution.
12/13/2018	It was alleged that management at non-profit located in FL was not allocating HUD grant funds correctly, such as staff would only bill their time to one or two cost centers and were told to charge their time to HUD programs even if staff did not work on a HUD program. This case was investigated and the facts of the case was presented to the United States Attorney's Office - Middle District of Florida for possible prosecution. Due to the lack of prosecutable merit, this case was declined for prosecution at this time.	Allegations Not Substantiated
12/13/2018	Complainant alleges that a sex offender is an unauthorized live-in at a HUD-supported residence.	No further investigative activity is warranted. The Housing Authority has been notified.
12/18/2018	(b) (7)(C) placed a submission into Neighborhood Watch citing possible asset misrepresentation on 27 loans that were originated by a now terminated (b) (7)(C) (b) (7)(C) (b) (7)(C). Of the 27 cases found in the referral 23 are active and four are currently delinquent. (b) (7)(C) conducted an internal investigation and found no evidence that anyone other than (b) (7)(C) was responsible for the misrepresentation of the assets in the loan files. (b) (7)(C) allegedly altered asset and bank statements for the borrowers to streamline the approval process. The altered statements were found during a quality control audit conducted by a third party company.	All judicial action complete.
12/18/2018	Oceanside Housing Authority alleges that Housing Choice Voucher recipient, (b) (7)(C) is subleasing her unit to (b) (7)(C) while she resides at another location.	This case was initiated based on a referral that alleged that a HUD Section 8 Rental Assistance Program participant was renting her unit to (b) (7)(C) in violation of program rules. An investigation was conducted and evidence was found to confirm the allegation. Investigative findings were presented to the District Attorney's Office and the participant was charged with Fraud Against a Housing Program. To date, multiple attempts to locate and arrest the participant pursuant to the charge have been unsuccessful. Investigation will be continued once participant is found.
12/18/2018	(b) (7)(A), (b) (7)(C)	Civil prosecution declined.
12/19/2018	HCV recipient (b) (7)(C) has been receiving benefits for a residence owned by (b) (7)(C). The owner of the house has been identified as his (b) (7)(C).	All judicial action complete.
12/19/2018	HUD OIG received referral from federal law enforcement agency. Allegations allege fraud by general contractor and the sub-contractor involved with Hurricane Sandy - NYC Build-It-Back program, for repairs to properties located in Staten Island.	Prosecution declined.



Date Closed	Investigative Description	Disposition
12/19/2018	A referral to the HUD OIG Hotline alleged a tenant of a housing authority sublet the subsidized unit from approximately July 2013 through August 2016, and used the proceeds to purchase a single family home with a FHA insured mortgage.	Prosecution Declined
12/19/2018	(b) (7)(C) visited the Los Angeles HUD OIG office to file a complaint and report wrong doing from the Housing Authority of the City of Los Angeles (HACLA) procurement of legal services. (b) (7)(C) was the (b) (7)(C) for HACLA and was abruptly fired from HACLA on (b) (7)(C). (b) (7)(C) claims he was fired due to reporting of mismanagement of HUD funds to his supervisor and Whistleblowing.	This case was opened pursuant to a Whistleblower complaint alleging mismanagement at a local housing authority. The complainant was terminated by the housing authority and subsequently filed a lawsuit against the agency. As a result, the OIG's Whistleblower investigation was concluded. The substantive complaint regarding misuse of legal funds was referred to the OIG Office of Audit for administrative remedy.
12/19/2018	HUD OIG received allegations of Section 8 by tenants living in Public Housing and Multifamily. The federal prosecutor's office declined two of the investigations. The third investigation resulted in a successful prosecution with restitution to HUD.	Two investigations=Prosecution declined. Third investigation-successful prosecution.
12/19/2018	A referral from the HUD OIG Hotline alleged an unauthorized occupant and sex offender was residing at a Housing Choice Voucher Program (HCVP) unit. Investigation supported the allegations of the unauthorized occupant and further determined unreported income by both the head of household and the unauthorized occupant. However, the allegations related to the sex offender were disproved. The case was declined for prosecution as it did not meet loss amount thresholds. However, the matter was referred to the local PHA for any action deemed appropriate.	Prosecution Declined
12/19/2018	HUD REO division reports that an allegation has been made that an REO buyer who purchased a home as an owner occupant is violating the terms of the purchase. The buyer does not appear to be occupying the home and recently listed the home for sale. HUD sent two certified letters to the REO buyer requesting proof of occupancy; both certified letters were returned unopened.	Prosecution Declined
12/19/2018	HUD OIG received a request for assistance from a law enforcement agency with their investigation alleging that a city employee sexually harassed participants of a HUD funded housing assistance program. It was determine that HUD OIG did not have investigative authority and the matter was referred to HUD for appropriate administrative action.	Referral to Program Staff / HUD
12/20/2018	(b) (7)(C) (b) (7)(C) received fugitive felon data on March 13, 2017, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. This case file will document New Jersey FFI work. New England and New York FFI work will be documented in separate case files.	Administratively closed.

Date Closed	Investigative Description	Disposition
12/20/2018	Complainant alleges that an unauthorized sex offender resides at a subsidized unit. Complainant also alleges criminal activity occurring within the residence.	At the conclusion of this investigation, it was determined that (b) (7)(C) Sex Offender Status did not make him in violation of any HUD regulations concerning Sex Offenders. The information that (b) (7)(C) was residing as an unauthorized tenant with (b) (7)(C) in a HUD funded residence was forwarded to the property management company and program administrator.
12/20/2018	On October 31, 2018, (b) (7)(C) HUD (b) (7)(C) brought a large gun to the Halloween party. at (b) (7)(C). Several employees appeared to be appalled and afraid to speak out.	Case was declined by the U.S. Attorney's Office and no administrative or employee violations occurred.
12/21/2018	A referral from the Franklin County, Ohio Prosecutor's Office alleged an unlicensed individual facilitated a mortgage rescue scam in which troubled mortgagees deeded their property to the individual. Investigation determined from 2009 to 2012, homeowners in financial distress quit claimed their property to trusts controlled by the individual. The deeded properties were advertised for rent with option to purchase. Renters paid the individual an option to purchase fee and monthly rent, with some properties rented through the Housing Choice Voucher Program. From 2011 to 2015, the individual collected over \$1.1 million in rent and option to purchase fees, and used the funds for personal use. None of the properties were FHA insured, FHA paid claims of approximately \$325,600. The individual paid \$28,300 in restitution after being charged with multiple fraud related counts. In exchange, the indictment was dismissed.	Settlement Agreement
12/21/2018	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 01, 2018, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region	All activity complete. No further action warranted. ADMINISTRATIVELY closed.
12/31/2018	A referral was received from Indiana Family and Social Services Administration (FSSA) regarding Indianapolis Housing Agency employee, (b) (7)(C). It is alleged that (b) (7)(C) failed to report accurate wage information in order to receive assistance from FSSA in the form of food stamps, child care assistance and Medicaid. It is also alleged that she forged employee verification forms and submitted false pay stubs for her employment.	All judicial action complete.
1/28/2019	HUD OIG received a complaint from the (b) (7)(C), City of Millville, NJ. The (b) (7)(C) stated that an independent audit was conducted on the CDBG Program and the audit noted numerous findings. A HUD OIG review was conducted and the allegations were unsubstantiated. HUD OIG conducted an investigation and found no evidence of wrongdoing.	Allegations are unsubstantiated.
2/4/2019	Referrals from the HUD Homeownership center alleged several FHA insured loans contained falsified and or conflicting information was used to qualify borrowers for the loans. Investigation determined alleged false statements and fraudulent supporting documentation relating to borrowers income, employment, and credit were present in eleven FHA loans. The false statements and fraudulent documents allegedly allowed the borrowers to qualify for the FHA insured loans for which they otherwise would not have qualified. FHA's losses due to foreclosures equaled \$915,050. Prosecution Declined.	Prosecution Declined



Date Closed	Investigative Description	Disposition
2/4/2019	A referral from a state regulatory agency alleged the (b) (7)(C) of a housing authority awarded grants to family members for services not rendered. Investigation determined that on October 2013 and January 2105, the (b) (7)(C) and two family members certified that training sessions were completed and received approximately \$6,000 in grant funds. However, investigation determined the training was never completed. The defendants were sentenced to a combined 4-years probation and ordered to pay \$17,583 in restitution after previously pleading guilty to theft of government funds.	Successful prosecution
2/4/2019	HUD OIG compared subsidized housing recipient data against the NCIC Wanted Person File. Confirmed hits were referred to the appropriate public housing authority/management agent for possible administrative action. Three tenants were referred to respective housing authorities for consideration of program removal; however, no evictions were reported by the housing authorities.	Administratively Closed
2/4/2019	Colorado Bureau of Investigation requested assistance in locating a fugitive sex offender that was believed to have been issued a Section 8 Voucher.	This complaint automatically converted to an investigation during the 35 day furlough. It has also been declined for prosecution.
2/5/2019	HUD/OIG received information during interview (b) (7)(C) which indicated (b) (7)(C) submitted false claims to HUD related to HECM defaults. A review of QAD-Santa Ana File (b) (7)(C) supported the information.	Case has been adjudicated and monetary payments have been made. No further actions required.
2/5/2019	HUD OIG received allegations from a Public Housing Authority (PHA) that at least two landlords provided false information to the PHA concerning the true rental terms for Housing Choice Voucher Program (HCVP) assisted tenants. HUD OIG substantiated the allegations. Restitution totaling \$29,000 was recovered through state criminal prosecution, and both landlords were referred for administrative action by the Department.	Closed By Referral
2/6/2019	Information received indicated that individuals who had been charged with defrauding the U.S. Departments of Education (ED) and Housing and Urban Development, engaged in a similar scheme at a municipality involving ED programs. From 2010 through 2017, the municipality disbursed more than 4.8 million of HUD funds. The investigation revealed that from 2016 through 2017, the Municipality of Sabana Grande obligated over \$1.2 million in HUD Community Development Block Grant (CDBG) funds for asphalt services without having legally-binding contracts. No evidence of criminal conduct pertaining to the HUD funds was identified. The matter was referred to HUD for consideration of administrative action.	No evidence of criminal conduct identified. Referred to Program Staff.
2/6/2019	HUD OIG initiated this investigation based on a referral from another agency alleging that (b) (7)(C), and other members of condominium association, were illegally acquiring and selling properties within the condominium association's network of properties, some possibly insured by HUD's Federal Housing Administration (FHA). This investigation did not substantiate the allegations. The investigation determined that there were no properties conveyed through the HUD Real-Estate Owned (REO) process obtained by the subjects or their associated entities. Further, the investigation determined that there were no FHA-insured properties obtained by the subjects or their associated entities or in default because of the allegations. The investigation determined there was no loss to HUD.	Closed By Referral
2/7/2019	Complainant alleges that a sex offender is residing in a subsidized housing unit.	Due to the furlough, the case automatically converted to an Investigation. This sex offender complaint has been processed. No further action is required.

Date Closed	Investigative Description	Disposition
2/8/2019	<p>(b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) is alleged to have misappropriated (b) (7)(C) for his personal benefit. Specifically, (b) (7)(C) is alleged to have received kickbacks off (b) (7)(C) contracts and misuse of (b) (7)(C) credit card. (b) (7)(C) was initially employed by (b) (7)(C) as (b) (7)(C). He was then promoted to (b) (7)(C). On June 25, 2013, (b) (7)(C) was dismissed by (b) (7)(C) for unacceptable personal conduct and making unauthorized purchases with (b) (7)(C) credit card. (b) (7)(C) receive funding from HUD and HHS.</p>	<p>This case was a ghost case in (b) (7)(C) and was actually worked under (b) (7)(C) - (b) (7)(C) and is being closed administratively.</p>
2/8/2019	<p>(b) (7)(C) (b) (7)(C) (b) (7)(C) of (b) (7)(C) in Greensboro, NC, allegedly created fake leases under the names of applicants for housing, while actually moving in otherwise unqualified tenants into apartment units. (b) (7)(C) collected subsidy from Greensboro Housing Authority under the Public Housing Operating Fund (Section 9) in the names of the purported tenants, even though they were not living in the units. It is also alleged that (b) (7)(C) kept monthly rent payments made by tenants and deposited them into her personal bank account. Initial loss estimates are approximately \$23,000.</p>	<p>This case was a ghost case in (b) (7)(C) and was actually worked under (b) (7)(C) - (b) (7)(C) (b) (7)(C) and is being closed administratively.</p>
2/8/2019	<p>Per information received from the Greensboro Police Department, (b) (7)(C) (b) (7)(C) (b) (7)(C) for (b) (7)(C), allegedly created false leases in the names of applicants for housing, and actually moved otherwise unqualified individuals into the apartments. (b) (7)(C) allegedly received HUD housing subsidy from the Greensboro Housing Authority for these tenants, even though they weren't actually living in the units. Additionally, (b) (7)(C) allegedly collected monthly rent payments from tenants and deposited the payments into her own personal bank account. Estimated loss at this time is approximately \$23,000.</p>	<p>This case was a ghost case in (b) (7)(C) and was actually worked under (b) (7)(C) - (b) (7)(C) (b) (7)(C) and is being closed administratively.</p>
2/8/2019	<p>On October 25, 2016, the HUD-OIG office was requested to review a preliminary investigation being conducted by DHS-OIG involving possible marriage/visa fraud by a U.S. Customs and Border Protection ( CBP ) Officer. During a review of information provided by DHS-OIG, information was discovered that the CBP Officer may have also defrauded the HUD Good Neighbor Next Door GNND program associated with a property in Moreno Valley, CA. The investigation collected sufficient evidence revealing that the subject violated rules/regulations pertaining to the Good Neighbor Next Door HUD program. After a trial by jury, he was convicted for violation of numerous federal statutes, and was sentenced to serve 18 months imprisonment and ordered to pay restitution to HUD. Case closed.</p>	<p>Successful Prosecution.</p>
2/8/2019	<p>Michigan State Housing Development Authority Housing Choice Voucher (b) (7)(C) (b) (7)(C) reported multiple violations by Housing Choice Voucher recipient (b) (7)(C) (b) (7)(C) further reported that (b) (7)(C) is (b) (7)(C) of (b) (7)(C) the landlord/ owner of record for her subsidized unit (b) (7)(C). (b) (7)(C) advised that there was no request for Reasonable Accommodation and the landlord/ owner has been deceased since February 12, 2010. (b) (7)(C) alleged that the person posing as the deceased landlord is another one of the landlord/owner's (b) (7)(C) (b) (7)(C) (b) (7)(C) reported that Wayne County Register of Deeds documents report that the assisted unit property (b) (7)(C) has been foreclosed on and redeemed at least three times (latest 2015) by the alleged taxpayer (b) (7)(C).</p>	<p>All judicial complete.</p>
2/8/2019	<p>(b) (7)(C) and its associates are allegedly committing mortgage fraud by flipping FHA properties and causing them to go into claim. The attorneys associated to the LLC were previously criminally charged for a similar crime.</p>	<p>Our office recently conducted an investigation based on allegations involving (b) (7)(C) and several properties associated with the entity. The investigation determined that the allegations against the entity were unsubstantiated. Therefore, we are referring the matter for whatever action may be deemed necessary</p>



Date Closed	Investigative Description	Disposition
2/8/2019	HUD OIG compared subsidized housing recipient data against the NCIC Wanted Person File. Confirmed hits were referred to the appropriate multifamily management agent for possible administrative action. Fifty-six tenants were referred to respective management agents for consideration of program removal. One eviction was reported, while ten management agents reported no action would be taken. The remaining 45 referrals went unanswered.	Administratively Closed
2/8/2019	Information provided by (b) (7)(C) San Jose, CA field office alleged that a branch manager of an FHA-approved lender in Campbell, CA, may have engaged in fraudulent loan origination fraud.	Case converted from Complaint to Investigation during the Government shutdown. Case agent intended to close before conversion. Allegations not substantiated.
2/8/2019	Complaint alleges that a registered sex offender is an unauthorized live-in at a HUD-supported residence.	the allegation has been unsubstantiated; therefore, we will be closing this complaint out administratively and referring to programs so they are able to correspond with the housing authority for any actions deemed necessary.
2/11/2019	A referral from the HUD Public and Indian Housing (PIH) division alleged that (b) (7)(C) mishandled housing authority funds while occupying this position. The investigation determined that (b) (7)(C) violated the board contract when (b) (7)(C) was paid to complete contract work for the housing authority. Further, (b) (7)(C) used housing authority funds to pay for his personal (b) (7)(C). The (b) (7)(C) pled guilty to one count of USC 18 666, Theft or bribery concerning programs receiving Federal funds. (b) (7)(C) was sentenced to 12 months incarceration, three years of probation and ordered to pay restitution in the amount of \$21,027.20.	All judicial actions completed and case was referred for admin actions.
2/13/2019	Allegations have been received that alleges that the Muscogee Creek Housing Authority is not following their own procurement rules. In addition, employees have been using MCHA equipment, gas and materials to work on their own houses with the knowledge of the current (b) (7)(C) (b) (7)(C)	Case was declined by the US Attorney's Office.
2/14/2019	HUD-OIG received allegations that officials at (b) (7)(C) Las Vegas were involved in upfront fee schemes by purportedly charging their primarily Hispanic clientele for loan modification services that were never rendered. The allegations also alluded to (b) (7)(C) potentially being involved in a shortsale buy back scheme wherein the clients were charged thousands of dollars and in some cases stripped of their homes after giving (b) (7)(C) power of attorney. Ultimately the investigation resulted in three individuals being prosecuted in state court on multiple counts of fraud. These individuals have also been referred to the Departmental Enforcement Center for potential administrative action. Case closed.	Successful Prosecution.
2/14/2019	On May 13, 2015, HUD OIG SAs met with USPIS, FHFA OIG and HSI SAs to discuss a potential loan modification case involving the business (b) (7)(C) located in Santa Ana, CA. The subject is alleged to have sent target mailings to distressed homeowners across the United States in an attempt to collect 2-3 installment payments between \$1,500 and \$3,500. There are 163 potential victims. The investigation regarding the HUD nexus portion failed to gather sufficient evidence to warrant prosecution; the case was declined by the USAO. Additionally, specific targets were not identified in order to seek any civil or administrative action. Case closed.	Prosecution declined.
2/14/2019	Home Valuation Policy Division (HVPD) suggested that no more than 40 appraisals in a given month could feasibly be completed. HQ OPS ran a report and found that (b) (7)(C) completed 122 appraisals between 9/6/2016 and 11/14/2016.	Investigation complete and case was declined for prosecution.

Date Closed	Investigative Description	Disposition
2/14/2019	This office received information indicating HUD Field Service Manager obtained a copy of a fraudulent lease from occupants of a HUD REO property located in Lakewood, CA. The investigation determined that an individual assumed false ownership of the HUD property, then duped two individuals into renting the property from the subject. Through this office's investigative efforts, in conjunction with HUD OGC, the occupants were removed from the property. The target of the investigation was never located, and prosecution was declined on the occupants. No further investigation warranted at this time. Case closed.	Prosecution declined.
2/14/2019	Immanuel's Nursing Home has appeared on a troubled nursing home list for years. Immanuel's was previously run by a non profit board and (b) (7)(C) who did not understand how to handle the financial side of the business. Over time, and under new management, Immanuel's has worked with HUD to correct these issues brought on from the previous owners. It is still unclear what exact actions were taken by the previous owners that caused such a financial burden on the property.	Investigation complete and case was declined by the U.S. Attorney's Office.
2/19/2019	The investigation revealed the apartment manager allegedly discouraged residents from contacting HUD by publishing the prohibition in a monthly newsletter. Further, the manager discouraged residents from contacting the media regarding their complaints. In one instance, the apartment manager allegedly took administrative action against a resident for speaking with a newswoman. The apartment manager's actions were reported to HUD and HUD intervened. Subsequently, the tenant violation for contacting the News Media was rescinded. Further, the Management Agent posted a clarification notice to the residents that clarifies their protocol for reporting issues to management and that it not a lease violation to contact HUD or the media. A meeting was also scheduled with the residents to discuss and clarify any other issues the residents may have. Further, HUD staff could attend a meeting with residents and management to hear both sides of the story and to provide both parties clarifications about HUD policies that affect them. Prosecution Declined.	Prosecution Declined
2/20/2019	On April 2, 2015 the reporting agent received an email from (b) (7)(C) (b) (7)(C), Colorado Springs Housing Authority, in regards to a possible violation of the Housing Choice Voucher Program (HCV). The complaint alleged that the Head of Household received assistance while residing in a unit owned by a parent of a family member. (b) (7)(C) stated the estimated loss amount to the Housing Authority was approximately \$80,722.	All foreseeable judicial and administrative actions have been completed.
2/20/2019	Applicant is suspected of filing and receiving RSP, RREM and FEMA grant funds for a damaged property address of (b) (7)(C) that may not be his primary residence. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on April 28, 2017, after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the subject applied for and obtained a resettlement grant (RSP) in the amount of \$10,000 along with a grant from the Reconstruction, Rehabilitation, Elevation, and Mitigation program (RREM) in the amount of \$150,000.00. These funds were received for a damaged property address (DPA) Point Pleasant, NJ, that was not his primary residence at the time of Hurricane Sandy. The subject was charged by the State of New Jersey Attorney General's Office with Theft by Deception (second degree) N.J.S.A. 2C:20-4. The subject subsequently pled guilty.	Successful prosecution



Date Closed	Investigative Description	Disposition
2/20/2019	This office is in receipt of information that (b) (7)(C) & (b) (7)(C) reside at their home located at (b) (7)(C), while falsely providing information to obtain HUD low income housing at (b) (7)(C). The complaint alleges that (b) (7)(C) and (b) (7)(C) have been married for over (b) (7)(C) years, and have been residents of Shannon, MS for over (b) (7)(C) years or longer. It is further alleged that (b) (7)(C) & (b) (7)(C) travel throughout the year back and forth between Chicago, IL, and Shannon, MS. It is further alleged that (b) (7)(C) lied to FEMA about losing everything in Hurricane Katrina, which occurred in August 2005. The complaint (dated 11-6-18) states that (b) (7)(C) & (b) (7)(C) were not residing anywhere near Hurricane Katrina. Further, it is alleged that (b) (7)(C) & (b) (7)(C) have never resided anywhere besides Chicago, IL, and Shannon, MS.	The allegations in this case were initially investigated under a complaint. However, due to the furlough between the end of 2018 and beginning of 2019, this case inadvertently converted into an investigation without the appropriate time needed to investigate during the complaint. The allegations were investigated and did not rise to the level of presenting the case to a prosecutor. However, this case was referred to the Chicago Housing Authority for their review.
2/20/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on November 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Per HQ direction FFI cases can be closed once referrals are made.
2/20/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on November 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Per HQ direction FFI cases can be closed once referrals have been made.
2/21/2019	This office is in receipt of information from defendant (b) (7)(C) in regards to (b) (7)(C) (b) (7)(C) (b) (7)(C) of Guaranty Bank which was headquartered in Glendale, Wisconsin. Guaranty Bank was closed by the Office of the Comptroller of the Currency in May 2017. It is alleged that (b) (7)(C) a suspected mob figure, colluded with his friend, (b) (7)(C) (b) (7)(C) to assist him in avoiding foreclosure. More specifically, (b) (7)(C) obtained a Home Equity Line of Credit for \$124,000 from Guaranty Bank on 10/6/2006 for the property located at (b) (7)(C). (b) (7)(C) told (b) (7)(C) that he obtained the HELOC as a result of his relationship with (b) (7)(C) allegedly had connections to and influence over Guaranty Bank's operations or possible loans. The (b) (7)(C) property went into foreclosure in 2009 after the (b) (7)(C) stopped paying their initial mortgage of \$628,000 to National City Bank. On 12/20/2012, the (b) (7)(C) property was sold via short sale to family friend, (b) (7)(C) for \$510,000 indicating it was a non-arm's-length transaction. It is alleged that the (b) (7)(C) currently reside in the (b) (7)(C) property and pay rent to (b) (7)(C). In August 2017, (b) (7)(C) met (b) (7)(C) for breakfast. During this meeting, (b) (7)(C) threatened (b) (7)(C) life and the lives of his family members if he were to proceed with a lawsuit against (b) (7)(C) and (b) (7)(C) related to a previous \$187,000 loan to their cyber security company, (b) (7)(C).	This case was presented to the USAO in the Northern District of Illinois and was declined for prosecution. No further action is warranted at this time.
2/25/2019	In May 2014, HUD OIG, Newark, NJ initiated this investigation based on a referral from the Housing Authority of Bergen County, Paramus, NJ that a Housing Choice Voucher tenant had failed to add (b) (7)(C), to the household composition which resulted in his income not calculated in the tenant's rent subsidy formula. This resulted in their receipt of rent subsidies they were not entitled to received. In December 2017, the tenant was charged with Theft of Government Funds and later pleaded guilty. The tenant was sentenced to eight months home detention, four years of probation and ordered to pay \$122,292 in restitution to HUD. (b) (7)(C) was not charged because HUD OIG was unable to prove beyond a reasonable doubt that he had knowledge the tenants was receiving housing assistance.	Successful Prosecution.

Date Closed	Investigative Description	Disposition
2/25/2019	HUD OIG received a referral from the (b) (7)(C) of Multifamily, Boston, MA and Cornerstone Management that several Roxse Homes (a multifamily project-based development) tenants had circumvented the waiting list. The investigation revealed that the (b) (7)(C) and a (b) (7)(C) had charged a bribe to tenants to place them at the top of the waiting list. Both individuals were charged in U.S. District Court and pleaded guilty to Conspiracy to Accept Corrupt Receipt of Payments. Both collaboratively were sentenced to 48 months incarceration and ordered to pay restitution to the victims.	Successful Prosecution.
2/25/2019	In May 2015, HUD OIG, Newark, NJ initiated this investigation after a proactive data search of the New Jersey Department of Community Affairs database indicated that a Community Development Block Grant-Disaster Relief (CDBG-DR) Recipient and his wife lied about their eligibility when they applied for HUD CDBG-DR Programs administered by the State of New Jersey via Resettlement Grant Program and their Reconstruction, Rehabilitation, Elevation, and Mitigation Grant Program in Bergen County New Jersey. Specifically the recipient and his wife received disaster assistance for a property that they claimed was their primary residence when in fact it was a vacation home which made them ineligible for disaster assistance. The recipients were charged in New Jersey Superior Court for Conspiracy, Unsworn Falsification in the fourth degree and Theft by Deception in the Second degree. In October 2018, the recipients were found guilty of all charges at trial. The recipients were sentenced collectively to five years imprisonment, 50 hours of community service with 36 months of probation and ordered to pay jointly \$187,000 to various federal agencies including HUD.	Successful Prosecution.
2/25/2019	This investigation will be used to track fugitive felons living in Multifamily of Public Housing units that are referred to HUD OIG by other law enforcement agencies	FFI Referrals are complete.
2/26/2019	HUD OIG received a request from the Boston, MA Police Department to investigate the Boston Housing Authority (b) (7)(C) for the Elderly Disabled Housing Division who had submitted false invoices for improper reimbursement of costs which may have been already reimbursed by another Housing Authority. (b) (7)(C) was responsible to oversee the HUD Community Planning and Development grant for exercise and wellness programs and a dental program for the elderly residents. These programs also received funding from non-profits and Foundations which (b) (7)(C) was also responsible for. It was determined that (b) (7)(C) misappropriated approximately \$20,000 and used it for his own personal use. (b) (7)(C) was charged and pleaded guilty to Larceny, Forgery and Uttering for stealing grant money that was intended to benefit senior citizens in Boston. (b) (7)(C) received one year probation and ordered to pay \$12,500 in restitution to HUD and 12,500 to two Foundations.	Successful Prosecution.
2/27/2019	On December 14, 2018, (b) (7)(C) was contacted by (b) (7)(C) (b) (7)(C) who expressed concerns that his (b) (7)(C) (b) (7)(C) (b) (7)(C) had entered into a reverse mortgage (b) (7)(C) without the knowledge of his family. Further, (b) (7)(C) explained that his (b) (7)(C) was blind and deaf, and that the loan documents were signed electronically, even though his (b) (7)(C) does not own a computer	Administrative closure - closed after conversion due to furlough - Insufficient evidence and witness testimony
3/1/2019	(b) (7)(C) (b) (7)(C) stated that during lunch with (b) (7)(C) of the Omaha Housing Authority, (b) (7)(C) (b) (7)(C) (b) (7)(C) gave (b) (7)(C) an envelope approximately 1/2 inch thick and told him to take (b) (7)(C) to dinner. (b) (7)(C) said he has not opened the envelope and immediately contacted SA (b) (7)(C)	One subject of the investigation was prosecuted and another entered into a pretrial diversion program. Both subjects were referred for administrative action. No additional resources should be expended on this matter at this time.



Date Closed	Investigative Description	Disposition
3/1/2019	(b) (7)(C) contacted HUD OIG seeking assistance in investigating (b) (7)(C) for bankruptcy fraud. (b) (7)(C) has been under investigation multiple times by HUD OIG. He is a section 8 landlord and is suspected to be avoiding foreclosures on his rental properties by placing them in others' names (at times without them knowing it via forgeries) and then making false statements on his bankruptcy filings. Furthermore, (b) (7)(C) continued to collect HAPs for properties that would have otherwise been foreclosed. The fraudulent bankruptcy petitions allowed (b) (7)(C) to maintain possession of the houses to which he should not have been entitled, thus the HAPs provided a financial, government-funded benefit to (b) (7)(C) scheme. * This was originally opened as a complaint under (b) (7)(C).	The subjects of the investigation were successfully prosecuted and a referral was made to the DEC. No further investigative resources should be expended at this time.
3/4/2019	(b) (7)(C) and (b) (7)(C) met with HUD OIG and reported that their niece, (b) (7)(C) was committing housing fraud by claiming to be homeless. (b) (7)(C) was allegedly coached by an unknown employee of Northwest Assistance Ministries (NAM) on how to fill out an application and claim to be homeless in order to receive a housing voucher with the Harris County Housing Authority.	The findings of this investigation were referred to the Harris County District Attorney's Office (HCD AO) for prosecution. On February 11, 2019, the HCD AO declined the case after review and referred to a memo issued by the HCD AO to all federal agencies on October 9, 2018, advising that effective immediately the HCD AO will cease prosecuting cases involving theft or fraud as it relates to government benefits and programs. Based on the above information, no further investigation is warranted and this case is closed.
3/4/2019	The Houston Police Department received a complaint the Palomino Place Apartments alleging (b) (7)(C) (b) (7)(C) was subleasing HUD subsidized units to illegal aliens that do not qualify for HUD subsidized housing.	The findings of this investigation were referred to the Harris County District Attorney's Office (HCD AO) in Houston, TX for prosecutorial consideration. On 4/2/2018, (b) (7)(C) and (b) (7)(C) were indicted by the Harris County Grand Jury on one count of felony aggregate theft. The charges were subsequently dismissed upon (b) (7)(C) and (b) (7)(C) making restitution to Palomino Place in the amount of \$1,000 and \$2,400 respectively. The HCD AO decided not to take any action against (b) (7)(C). Based on the above information, no further investigation is warranted and this case is closed.
3/4/2019	The Haverstock/East Aldine Safety Zone is a proactive initiative led by the Harris County Sheriff's Office pursuant to an active injunction at the Haverstock/East Aldine Safety Zone to locate and apprehend wanted subjects and identify gang members prohibited by the injunction from being in the safety zone.	This investigation involved subjects with active felony criminal warrants. The subjects identified were not Haverstock housing participants but were found on the property, therefore no administrative action was taken. Based on the above information, no further investigation is warranted and this case is closed.

Date Closed	Investigative Description	Disposition
3/4/2019	The Denver HOC QAD received an anonymous complaint through the OIG Hotline regarding (b) (7)(C) who purchased a HUD REO (b) (7)(C). (b) (7)(C) bid was received during the exclusive listing phase which is reserved for owner occupant bidding. The complaint stated (b) (7)(C) violated HUD requirements as he was an investor and did not occupy the property.	This case was initially accepted for prosecution on 6/5/2018 by the Harris County District Attorney's Office (HCDAO) but, on 10/9/2018, the HCDAO issued a memorandum to all federal agencies advising that effective immediately the HCDAO will cease prosecuting cases involving theft or fraud involving government benefits and programs. On June 11, 2018, (b) (7)(C) was served with a one year Limited Denial of Participation by the Denver HUD HOC QAD. Based on the above information, no further investigation is warranted and this case is closed.
3/4/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 1, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Fugitive Felon case and all fugitive with active warrants have been referred for eviction.
3/4/2019	HUD-OIG Headquarters Investigative Analyst received fugitive felon data on April 1, 2018 from (b) (5). The analyst subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. Region 9 received the data, and in turned submitted such to respective U.S. Marshals Service Divisions within Region 9 for action they deemed appropriate. HUD-OIG found there to be nothing of a substantive nature that would warrant immediate action by HUD-OIG, in as much as the need to execute any warrants. This matter is now closed in Region 9.	Closed Administratively.
3/5/2019	(b) (7)(A) (b) (7)(A)	(b) (7)(A)
3/5/2019	HUD OIG received a referral from a States Attorney's Office alleging that from January 2011 through February 2017, five speculators defrauded homeowner by acting as a Foreclosure Consultants. The speculator solicited individuals who were seeking assistance with the modification of their mortgage loans, in order to save their homes from foreclosure. The investigation was able to substantiate the allegations. The subjects plead guilty and were convicted to Conspiracy to Commit Wire Fraud, Wire Fraud, Mail Fraud and Aiding and Abetting. The speculators received was sentences anywhere between home detention to 57 months incarceration, three years supervised probation and an ordered to pay \$\$1,113,541.02 in restitution to the victims.	Successful Prosecution
3/5/2019	Foreclosure rescue scam.	Case has been declined for prosecution.



Date Closed	Investigative Description	Disposition
3/5/2019	<p>The complainant sold their FHA insured home located at Brandon, MS and had to pay an additional \$10,000.00 to satisfy the mortgage. Complainant provided the closing attorney with a \$10,000.00 certified check at closing. The closing attorney did not pay the funds to FHA and now HUD is garnishing complainant's wages. The loan has been terminated. The complainant alleged that (b) (7)(C) was pressuring the complainant to foreclose on his FHA insured mortgage. The investigation covered FHA insured mortgages issued by (b) (7)(C) in Mississippi. Numerous FHA files were reviewed and interviews were conducted with FHA insured mortgages borrowers that were issued by (b) (7)(C) and there were no indication that (b) (7)(C) was operating in an unethical manner by pressuring FHA borrowers to foreclose on their mortgages.</p>	Allegations unsupported
3/5/2019	<p>On October 27th, 2017, Special Agent (b) (7)(C) received an email from (b) (7)(C) indicating that (b) (7)(C) (b) (7)(C) filed for Whistleblower protection under the National Defense Authorization Act. (b) (7)(C) previously provided information to HUD-OIG alleging that (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) misused funds. (b) (7)(C) indicate that she was terminated from her position at the (b) (7)(C) on (b) (7)(C), 2017. (b) (7)(C) indicated that (b) (7)(C) (b) (7)(C) was (b) (7)(C) (b) (7)(C) when she was terminated, and she was provided documentation which included a letter informing her of her At Will status as an employee. (b) (7)(C) requested that HUD-OIG investigate the nature of her termination.</p>	The complainant did not produce evidence to support a prima facie case of retaliation under Section 4712. The findings of this investigation were referred to the HUD-OIG, Office of Legal Counsel.
3/5/2019	<p>HUD OIG crossed check addresses received from the a local police department regarding the sex offenders registered in Baltimore City. Thirteen referrals were made to pertinent housing authorities which resulted in the termination of assistance for on Housing Choice Voucher Program (HCVP) participant due to registered sex offenders residing within the HUD assisted units. Two offenders were referred to the local police department for providing a false address on their sex offender registry documentation.</p>	Referral to Program Staff / HUD
3/6/2019	<p>Complainant (b) (7)(C) alleged that two Section 8 tenants, (b) (7)(C) and (b) (7)(C) were maliciously mistreated by their respective Section 8 landlords and the San Antonio Housing Authority staff.</p>	<p>The findings of this investigation were referred to the Bexar County District Attorney's Office, San Antonio, TX, for criminal prosecutorial consideration. On December 13, 2017, (b) (7)(C) was indicted in Bexar County to two counts of Texas Penal Code, Section 32.46 (Securing Execution of a Document by Deception). On March 4, 2019, the case was dismissed by the Bexar County District Attorney's Office. Based on the above information, no further investigation is warranted and this case is closed.</p>
3/6/2019	<p>A Hotline referral alleged a local housing authority did not announce a request for proposal (RFP) for unit turnover maintenance, and the maintenance manager of a housing authority provided provided all unit turnover contracts to one individual company. Investigation determined multiple RFP were announced for unit turnover maintenance and multiple companies were awarded the work based on low bids. The allegations were unsubstantiated.</p>	Allegations Unsubstantiated.

Date Closed	Investigative Description	Disposition
3/6/2019	On October 10, 2018, the OIG Hotline, No. (b) (7)(C), received information from (b) (7)(C), a FHA servicer, regarding possible fraud related to a FHA Loan No. (b) (7)(C), Loan Holder, (b) (7)(C). Specifically, (b) (7)(C) alleged that an incorrect bank routing number was provided during loan liquidation to the sub-servicer, (b) (7)(C), in attempt to pay off the loan. Region 6 received the complaint on February 26, 2019.	The findings of this investigation were referred to the U.S. Attorney's Office, Western District of Texas, for criminal prosecutorial consideration. On March 4, 2019, the case was declined for criminal prosecution, as the attempted loan payoff scheme was unsuccessful and unrelated to the cause of the claim. Further, any dollar loss would be negligible as it would only encompass the financial loss from the delay in the foreclosure process. Based on the above information, no further investigation is warranted and this case is closed.
3/7/2019	On 08/10/2017, HUD OIG received a list from [local law enforcement agency] detectives of 30 residential locations where gang members, probationers, and parolees are listing as their primary place of residence. Of the 30 residential locations, 13 were identified as HUD-subsidized Section 8 residences. Each gang member/probationer/parolee identified at each of the 30 locations are currently on parole or probation for a violent or gang-related offense. Coordination with local authorities lead to the arrest and convictions of five (5) individuals. No further action deemed warranted. Case closed.	Successful Prosecution.
3/7/2019	EPA-OIG referred a complaint that their office had received regarding the use of grant funds to renovate homes that had been purchased by the City of Southfield through tax foreclosures. Specifically, the complaint alleged that City of Southfield (b) (7)(C) formed the (b) (7)(C) to purchase, renovate, and later resell at market rate houses that had been purchased by the City of Southfield prior to public auction. It is alleged that the City of Southfield targeted specific homeowners and denied them due process to reclaim their homes and/or repay their tax bills. The complainant estimated that the members of the SNRI stood to make approximately \$10M-20M from the sale of the homes.	Case declined for prosecution.
3/8/2019	In January 3, 2018, HUD OIG, Newark, NJ received a referral from the State of New Jersey Attorney General's Office (NJAGO), Hurricane Sandy Task Force requesting assistance on a Sandy Homebuyer Assistance Program (SHAP) grant fraud investigation. NJAGO alleged that a recipient had received funds for a five-year non-amortizing forgivable mortgage to purchase a property in Old Bridge, NJ and may own real estate. The SHAP grant does not allow an applicant to own other property. Allegation was unsubstantiated.	Allegation was unsubstantiated.
3/8/2019	It is alleged that during the morning of 10/16/18 badges for a senior agent could not be located. A thorough search was completed however; it is unknown as to their whereabouts.	Investigation completed. ROI submitted to management for action deemed appropriate, disposition report received.
3/8/2019	It is alleged that the (b) (7)(C) for (b) (7)(C) has made inappropriate gestures to the (b) (7)(C) of (b) (7)(C) which were unwelcomed and uncomfortable. Additionally, comments were made by the (b) (7)(C) to the (b) (7)(C) to include yelling at the (b) (7)(C) about administrative operational tasking and unreasonable after hour inquiries and requirements.	Investigation completed. ROI submitted to management and disposition report received.

Date Closed	Investigative Description	Disposition
3/8/2019	Complainant, (b) (7)(C) wrote to the USAO that (b) (7)(C) Address (b) (7)(C) (b) (7)(C) Amarillo, Texas, (b) (7)(C) of the Salvation Army Board of Advisors, has failed to provide or otherwise obstructed the availability of an audit conducted October 16-17, 2018. Complainant also wrote that the Salvation Army received federal HUD funds.	Information was received indicating that (b) (7)(C) (b) (7)(C) of the Salvation Army, obstructed an audit. Numerous attempts to contact the complainant for more details were unsuccessful. HUD advised that although they do provide funds to the Salvation Army, they have not conducted an audit of the agency. The complaint was inadvertently converted to an investigation shortly after the government shutdown which ended on January 25, 2019.
3/11/2019	HUD OIG received information from another Law Enforcement Agency alleging that a non-profit organization located in the Tampa, Florida area had abused their non-profit status by purchasing HUD Real Estate Owned (REO) properties at a discount when, in fact, they were not eligible to do so. The investigation revealed that (b) (7)(C) the (b) (7)(C) of (b) (7)(C), conspired with others to purchase HUD REO properties at discounts which were only available to municipalities and non-profits for the resale of the properties to first time home buyers and low-income buyers. (b) (7)(C) would purchase the properties and then (b) (7)(C) would resell the properties to straw buyers posing as owner-occupants. (b) (7)(C) would then orchestrate the resale of the properties from the straw buyers to investors at significantly higher prices. (b) (7)(C) pled guilty to federal firearms charges and criminal/civil prosecution of the fraud was declined by the U.S. Attorney's Office.	Investigation complete. Prosecution declined.



Date Closed	Investigative Description	Disposition
3/11/2019	(b) (7)(C) a recipient of the Housing Authority City of Los Angeles Section 8 program since 2003 has continuously failed to report accurate information on her annual certifications. District Attorney Investigations Unit reported that (b) (7)(C) believed to be (b) (7)(C) son, is a credit card manufacturer and conducting his business/scheme from the Section 8 unit. Housing Authority records indicate (b) (7)(C) is the only authorized tenant. A review of DMV and/or Accurant records reveal that (b) (7)(C) has been residing in the Section 8 Unit since July 2008. Total loss to the housing authority since 2008 is over \$80,000. Pending search warrant.	This investigation was initiated based on a referral alleging that a participant in the HUD Section 8 program was allowing an unauthorized family member to reside with her and in addition, the unauthorized family member was running a credit card scam from the subsidized unit. A joint investigation with the District Attorney's Office was initiated and evidence was obtained to substantiate the initial allegations. A search warrant was conducted and evidence of credit card fraud was found along with evidence of unauthorized tenancy and unreported income. Investigative findings were presented to the District Attorney's Office and the Section 8 participant was subsequently charged, plead guilty and was sentenced to 1 month incarceration, 26 months probation and ordered to pay restitution to the housing authority of \$ 53,918. The unauthorized tenant was charged, plead guilty and sentenced to 1 year incarceration and 60 months probation.
3/11/2019	On January 5, 2016, SA (b) (7)(C) received a complaint from the HUD OIG Headquarters Operations Division. The complaint alleged that an individual identified as (b) (7)(C) received a HECM loan which required her to occupy the property for the term of the loan. The complaint alleged (b) (7)(C) did not occupy the property and instead rented the property out. SA (b) (7)(C) researched the property and there is a HECM loan active on the property. SA (b) (7)(C) ordered the file in order to review the parameters of the loan.	All judicial and administrative actions have been completed.
3/11/2019	Case was referred by The New Jersey Division of Criminal Justice. A review of the subject disclosed that there are primary residency discrepancies to include the subjects New Jersey Drivers license and voter registration being changed to the damage property address after Hurricane Sandy. Subject also registered her vehicle to a different address other then the DPA in June 2012, prior to Hurricane Sandy, _____The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on August 5, 2016, after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the subject applied for and obtained a resettlement grant (RSP) in the amount of \$10,000 along with a grant from the Reconstruction, Rehabilitation, Elevation, and Mitigation program (RREM) in the amount of \$112,889.57. These funds were received for a damaged property address (DPA) Little Egg Harbor, NJ, that was not his primary residence at the time of Hurricane Sandy. The subject was charged by the State of New Jersey Attorney General's Office with Theft by Deception (second degree) N.J.S.A. 2C:20-4. The subject subsequently pled guilty.	Successful Prosecution

Date Closed	Investigative Description	Disposition
3/11/2019	<p>The McKeesport Housing Authority (MHA) advised OIG that it discovered that Housing Choice Voucher (HCV) tenant (b) (7)(C) failed to declare her receipt of unemployment compensation to the MHA. (b) (7)(C) had been (b) (7)(C) (b) (7)(C) was recently interviewed by OIG and representatives of the MHA and admitted that she failed to disclose her receipt of unemployment compensation to the MHA. The OIG received a referral for investigation from the a Public Housing Agency (PHA) in Western Pennsylvania, wherein the PHA alleged that the subject of this investigation, a Housing Choice Voucher (HVC) program recipient, failed to declare unemployment compensation benefits to the PHA. The subject of this investigation was charged in state court with Theft By Unlawful Taking and subsequently pleaded guilty and sentenced to serve 18 months probation and make restitution to the PHA totaling \$2,500.</p>	Successful prosecution
3/12/2019	<p>It is alleged that subject is having an inappropriate relationship with one of his hired contractors which may result in a potential conflict of interest.</p>	Investigation and ROI completed. Case was declined by the USAO and no administrative findings could be addressed due to the employee and contractor no longer being at HUD.
3/12/2019	<p>It is alleged that subject has committed prohibited personnel practices pertaining to the hiring of the (b) (7)(C)</p>	Investigation completed. Allegations were unsubstantiated and therefore this case was administratively closed.
3/13/2019	<p>During the course of an SID investigation it was alleged that (b) (7)(C) was brought to HUD under an Intergovernmental Personnel Act (IPA) assignment. At the time of this IPA, (b) (7)(C) permanent position was a (b) (7)(C)(b) (7)(C) at the (b) (7)(C), a non-profit developer. It was alleged that while serving on this IPA, (b) (7)(C) was serving on the HUD, Choice Neighborhoods program working group. This may constitute a conflict of interest under 18 USC 208.</p>	Investigation completed. ROI was submitted to management for action and disposition report was received.
3/13/2019	<p>(b) (7)(A), (b) (7)(C)</p>	(b) (7)(C) Error and Duplication. No Further Action required.
3/13/2019	<p>A former public housing authority employee alleged that she had made protected disclosure to the HUD-OIG Audit and Investigations about the mismanagements at the local public housing authority (PHA). The PHA took retaliatory actions against the employee and forced the employee into early retirement.</p>	Investigative Completion and Concurrence from HUD-OIG-OLC.
3/14/2019	<p>Fraudulent documents were discovered by QAD-Atlanta associated with one FHA loan which indication that the Loan Officer participated in the creation of these fraudulent documents, resulting in borrower qualifying for a FHA insure mortgage. The investigation consisted of numerous FHA file reviews in which no fraudulent documents were discovered. FHA recipients interviews, as well as, subject interview and there were no indication that the Loan Officer or the FHA recipients intentionally submitted fraudulent documents that would allow the recipient to qualify for a FHA insured mortgage.</p>	Allegations of fraud unsupported.



Date Closed	Investigative Description	Disposition
3/14/2019	OIG received a referral from NJDCJ alleging that (b) (7)(C) applied for and received RSP and RREM funds for a DPA that may not have been his primary residence. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on May 21, 2018 after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the applicants obtained a resettlement grant (RSP) in the amount of \$10,000 along with a grant from the Reconstruction, Rehabilitation, Elevation, and Mitigation program (RREM) in the amount of \$121,043.18. These funds were received for a damaged property address in Seaside Heights, NJ, which may not have been their primary residence at the time of Hurricane Sandy. The investigation disclosed that the subjects owned and occupied the DPA prior to and during Hurricane Sandy. Consequently, no crime or program violation occurred and the case was declined for prosecution.	Prosecution declined.
3/15/2019	This complaint stems from an investigations referral issued by the HUD-OIG Office of Audit, St. Louis, Missouri. The subjects noted in this referral are the (b) (7)(C) of the ALP Housing Authorities (Anderson, Lanagan, and Pineville) and various HA employees. The audit conducted there in 2015 discovered evidence of theft of HA funds, theft of HA property, fraudulent repair and maintenance schemes, misuse of the HA credit cards, and possible tenant fraud.	The case was referred by HUD OIG Audit. Prosecution was declined by the United States Attorney's Office following an investigation. No additional resources should be expended at this time.
3/15/2019	HUD OIG initiated this matter as a spin-off of (b) (7)(C) (2017 Sex Offender Registry Search - Virginia) after investigating that a Housing Choice Voucher Program (HCVP) participant fraudulently obtained HCVP funds by concealing his status as a lifetime registered sex offender, resulting in a \$26,790 loss to the PHA. A lifetime registered sex offender pled guilty to making false statements to HUD and was sentenced to 6 months home confinement, 3 years probation and \$26,790.00 restitution to HUD.	Prosecution Declined
3/17/2019	A former employee of (b) (7)(C) property alleges that s/he was fired on July 18, 2018, after filing complaints with (b) (7)(C) and (b) (7)(C) on July 16, 2018, regarding false claims of monies owed by tenants. The investigation determined that the complainant does not qualify for whistleblower status ; the allegations for having been terminated were unfounded. Case closed administratively.	Closed Administratively
3/19/2019	HUD-OIG was contacted by (b) (5) regarding a mortgage fraud scheme involving suspected false appraisals, property flipping, and possible fraudulent loan applications. (b) (5) initiated the case based on a complaint from a local appraiser who discovered inflated appraisals for many recent home sales in the same geographic area of Detroit. Further investigation revealed that these homes were purchased by (b) (7)(C) and are subsequently re-sold using mortgages from (b) (7)(C) and title work by (b) (7)(C). (b) (7)(C) is the Notary on many of the sales, and has companies serving as the Realtor. (b) (7)(C) also appears as the Realtor on many of the sales. Several homes have already gone into default within two years of origination.	Case declined by Federal and State prosecutors.
3/19/2019	The Altoona Housing Authority (HA) requested HUD OIG assistance in a Housing Choice Voucher (HCV) fraud investigation. It is alleged that HCV participant (b) (7)(C) failed to report income and provided the HA with a zero income affidavit during the time period in question. (b) (7)(C) was recently charged for defrauding the PA Food Stamp program by failing to provide income information to the state. The HA has suffered a \$10,847 loss to their HCV program. This is a joint investigation with the Altoona Police Department. A Housing Authority (HA) requested HUD OIG assistance in a Housing Choice Voucher (HCV) fraud investigation. It alleged that a HCV participant failed to report income and provided the HA with a zero income affidavit during the time period in question. The HA suffered a monetary loss to their HCV program. The subject was ultimately charged by the District Attorney's Office with Theft by Deception. This is a joint investigation with the a local police department.	Successful prosecution

Date Closed	Investigative Description	Disposition
3/19/2019	(b) (7)(C) HQ, received fugitive felon data on November 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. The matter was referred to Region 9 for action deemed appropriate. The data results was referred to the local Marshals Service, and HUD-OIG participated in the apprehension of one subject and a referral was made to the applicable housing authority. Case closed administratively.	Closed administratively.
3/20/2019	Global Ministries Fellowship (GMF), a faith based organization, owns 61 developments, many of which are Section-8 funded. HUD OIG Office of Investigations Memphis already opened a criminal case on 1/6/2012 against GMF for possible misuse of funds and possible equity skimming - (b) (7)(C) Case Number: (b) (7)(C) On 10/22/2015, HUD OIG Joint Civil Fraud Division (JCFC) received another complaint from HUD's Real Estate Assessment Center (REAC) (b) (7)(C) (b) (7)(C) which prompted the opening of a civil investigation by JCFC for GMF's possible misrepresentation of facts to receive HUD funds as well as attempting to influence HUD officials' actions during their official duties.	This investigation was opened parallel to HUD OIG Region 4's case (b) (7)(C) to record investigative time by JCFC agents for joint case. This case is being closed and any relevant investigative activities conducted under this case will be included in the Report of Investigation for case (b) (7)(C).
3/20/2019	(b) (7)(C) a Housing Choice Voucher recipient has been renting from the same landlord, (b) (7)(C) since at least 2013, but may have also been renting from this landlord prior to 2013 when she was receiving assistance in Denver. There are three in the HCV household and according to the assessors website, the unit has six bedrooms. The Assisted Housing Specialist, noticed that the payee on one of the household member's SSI, (b) (7)(C) co-owns other properties with (b) (7)(C) Also, the Assisted Housing Specialist noticed that the landlord uses the tenant's address as her mailing address for correspondence from MWHS and on the Jefferson County Assessors property listing.	Case was referred to the Housing Authority for whatever administrative action they deem appropriate.
3/21/2019	(b) (7)(C) is alleging that (b) (7)(C) (b) (7)(C) a Maryland residence, might have took out a HECM reverse mortgage on her property and took all of the money. (b) (7)(C) now being foreclosed upon for non-payment of taxes. The OIG initiated an investigation based on a Hotline Complaint received from a FHA insured HECM borrower. The HECM borrower alleged that a family member took out a HECM loan in her name and without her permission. The family member then allegedly embezzled approximately \$120,000 in equity proceeds from the borrowers HECM loan. The family member was charged with theft; however, the Maryland State prosecutors office dismissed the charges after it was determined that testimony from the HECM borrower's other family members undermine the credibility of the HECM borrower.	Case dismissed due to victim credibility issues
3/21/2019	It is alleged that subject (b) (7)(C) has over the past years collected over \$1,000,000.00 in public grants. They both have a non profit which list the (b) (7)(C) as (b) (7)(C) and the subject as a (b) (7)(C). Additionally, it appears that HUD employees are listed as members of the board for the non profit.	This investigation was completed and all allegations were unsubstantiated. A ROI was completed and this investigation was administratively closed.
3/22/2019	Information was obtained through the Bureau of Alcohol, Tobacco, and Firearms of a suspected arson that occurred at a Section 8 property located at (b) (7)(C).	Charges dismissed by USAO-EDLA
3/22/2019	(b) (7)(C) a licensed contractor, entered into contracts to perform work for the Virgin Islands Housing Finance Authority (VIHFA). However, (b) (7)(C) is alleged to have violated provisions of the Davis Bacon Act, and submitted False Claims to the government for payment.	Case Completed with positive outcome.



Date Closed	Investigative Description	Disposition
3/22/2019	While conducting an audit of the Hammond Housing Authority (HHA) the auditor discovered duplicate payments for 13 households within the Housing Choice Voucher Program (HCVP). The auditor requested the HHA to provide supporting documentation for these households. Based on the provided documents, the households ended their participation in the Authority's program in 2012 or sooner and most of the households ported to different public housing agencies and were absorbed into their programs. HHA continued to make payments for the households totaling about \$325,000. The payments were made to what appeared to be eight different housing agencies and three landlords. The three landlords were (b) (7)(C), and (b) (7)(C). HHA believed that the previous HCVP (b) (7)(C) (b) (7)(C) (b) (7)(C) allegedly had the payments direct deposited into her accounts. HHA determined that one of the payments was deposited into (b) (7)(C) personal bank account. The remaining payments were deposited into two other accounts, both located at the same bank account as (b) (7)(C) personal account.	The subject in this case was convicted and sentenced. No further investigative or administrative action is required at this time.
3/25/2019	(b) (5) contacted HUD - OIG regarding HUD Fraud allegations. The complaint was in reference to allegations of fraudulent activities within a local property management company that managed several HUD multi-family properties. (b) (7)(C) of Affordable Housing, allegedly created an environment to fraudulently funnel contracts to the same companies. During the investigation, it was determined there was insufficient evidence to support the allegations. Prosecution was declined.	Allegation Not Substantiated
3/25/2019	HUD OIG received an email that alleged possible bid rigging of CDBG Disaster Recovery Funds administered by the State of South Carolina in 2016. The investigation revealed that a contractor that was hired to consult and write the action plan was allowed to bid and subsequently won the contract to execute the action plan. The investigation did not reveal any wrongdoing by state employees during the course of the competitive bidding process for the procurement contract. According to HUD employees, the action plan was published to the public prior to the bidding thus every potential bidder had the same information to base a proposal on. Allegations were unsubstantiated.	Allegations were unsubstantiated.
3/25/2019	During a proffer with (b) (7)(C) (b) (7)(C) (b) (7)(C) for the Villa Main Apartments located in Port Arthur, Texas, she provided details of fraud allegedly committed by Port Arthur (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) was on contract with Villa Main to provide security. According to (b) (7)(C) (b) (7)(C) (b) (7)(C) submitted documents requesting payment for security shifts (b) (7)(C) knew he did not actually work. Further, (b) (7)(C) (b) (7)(C) notarized documents for the tenant files when the person whose signature he was notarizing was not present.	The findings of this investigation were initially referred to the USAO-EDTX prosecutorial consideration. Upon consideration and review, the USAO-EDTX referred the matter to the JCDA. On March 7, 2018, (b) (7)(C) was indicted in Jefferson County, Texas, to two counts of Texas Penal Code 31.03 (Theft). On January 30, 2019, the cases were dismissed in lieu of (b) (7)(C) surrendering his Texas Commission on Law Enforcement license. Based on the above information, no further investigation is warranted and this case is closed.
3/25/2019	(b) (7)(A)	Repayment in Lieu of Prosecution



Date Closed	Investigative Description	Disposition
3/26/2019	This is a mortgage rescue scheme involving FHA insured mortgages. Once the subjects get control of the homes they rent them out, sometimes to Section 8 tenants. They don't pay the underlying mortgage and the homes are foreclosed.	The subject has been charged, convicted, and referred for administrative action. If and when admin action is taken an R&D will be recorded.
3/26/2019	An anonymous complaint was received from anonymous Public Housing Authority employees alleging that the (b) (7)(C) received excess salaries and benefits via Housing Authority Board manipulation. The investigation did not reveal evidence that supported the allegations. The case was not prosecuted due to the allegation were not substantiated. Based on the above information, no further investigation was warranted and the case was closed.	Allegation Not Substantiated
3/26/2019	This complaint is being opened to follow up on a HQ's proactive initiative targeting nursing homes in New York.	Based on the fact that (b) (7)(C) mortgage was terminated, that any irregularities that might have occurred at refinancing are outside the statute of limitations (mortgage was refinanced over eleven years ago), that HUD's Multifamily Division does not have original or copies of any records pertaining to the refinancing of this mortgage, and that no evidence was uncovered that indicates a Federal crime might have been committed, no further investigation is warranted and this case is administratively closed.
3/26/2019	The Housing Authority City of Los Angeles received an allegation apprising that one of its employees is selling Section 8 certificates for \$4800 (cash), and has given a family member a Section 8 certificate.	This case was initiated based on a referral received from the housing authority wherein it was alleged that an employee was selling Section 8 rental assistance vouchers to individuals to circumvent established waitlist and receive illegal proceeds. Several witnesses and alleged victims were interviewed. No evidence was found to substantiate the initial allegation. Due to fact no evidence of criminal wrongdoing was found, presentation was not made to prosecuting office.
3/26/2019	Super Storm Sandy Recipient received both RSP and RREM financial assist (HUD funded programs) after claiming primary residence was damaged by the storm. It is alleged that the Recipient actually resided at another residence at the time of Super Storm Sandy.	Allegations unsubstantiated.
3/27/2019	(b) (7)(C) a Section 8 recipient has been accused of (b) (7)(C) (b) (7)(C) and not reporting (b) (7)(C) in order to receive Section 8 Housing Assistance Payments (HAP).	Case was dismissed by the Collin County DA.

Date Closed	Investigative Description	Disposition
3/27/2019	OIG received referral from Law Enforcement partner indicating a witness may have information related to a contractor rehabbing HUD funded projects. Complainant alleges possible overbilling by a General Contractor working on Public Housing Projects that are being converted for HUD's Rental Assistance Demonstration Program. The investigation was not able to substantiate allegations that the construction and property management companies, purposefully violated compliance and contractual terms, blueprints, or statements of work, relative to the RAD project in accordance with project plans and quality standards. The investigation was not able to substantiate allegations that the property management company intended to destroy structural property to influence change orders with the intent to overcharge HUD for work that was not needed.	AUSA declined to prosecute the case and allegations unsubstantiated.
3/27/2019	It is alleged that subject was hired by PIH Real Estate Assessment Center (REAC) approximately 9 months ago. However, HUD recently received a derogatory background investigative report. It is alleged that subject may have falsified his hiring/background forms/certifications.	This investigation and ROI was completed. Due to the allegations being unsubstantiated, this case will be closed administratively.
3/27/2019	The (b) (7)(C) purchased the REO property located at (b) (7)(C) on June 8, 2017. On September 28, 2017, the (b) (7)(C) sold the REO subject property, less than 4 months after they purchased it, to (b) (7)(C) for \$275,000. (b) (7)(C) & (b) (7)(C) realized a gross profit of \$55,000 on the resale of the property they had purchased from HUD, after having certified it would be owner-occupied for at least twelve months.	Subject has reached settlement agreement with HUD. No further action necessary.
3/27/2019	HUD-OIG received information regarding a Section 8 tenant who is believed to be involved in food stamp trafficking.	This case was initiated based on a referral received from another federal law enforcement agency wherein it was alleged that a HUD Section 8 Rental Assistance Program participant was engaged in the illegal selling of federal food stamps for profit and not reporting the income to the housing authority. Witness and subject interviews were conducted and investigative facts obtained and as a result, the subject participant did confess to selling food stamps. Even though evidence was obtained to conclude that fraud was committed, the potential loss to HUD was deemed to be of minimal impact and prosecution unlikely. Therefore, the investigation was closed with no further investigation deemed warranted and findings were shared with other law enforcement agency to assist their efforts in pursuing charges.
3/28/2019	It is alleged members of (b) (7)(C) are utilizing project funds from (b) (7)(C) for personal use.	Case declined for prosecution.

Date Closed	Investigative Description	Disposition
3/29/2019	HUD OIG received a referral from (b) (5) that the CDBG (b) (7)(C) for the City of Bayonne may have misused funds for personal use and was involved in a bid-rigging scheme with contractors. Ten individuals, including a city employee and multiple contractors, were sentenced in U.S. District Court to a cumulative 106 months incarceration and 216 months supervised release or probation for their roles in a bribery and Community Development Block Grant (CDBG) grant fraud scheme. The convicted were ordered to pay a total of \$1,124,499 in restitution, with \$522,010 of that total returned to HUD. Over a course of three years, the (b) (7)(C) received \$65,000 in bribes in exchange for awarding contractors multiple HUD-funded CDBG rehabilitation contracts, totaling approximately \$426,000. The convicted were also involved in a bid-rigging scheme where several contractors, including a constable, colluded and exchanged fraudulent bids. The (b) (7)(C) then awarded the HUD grant funds to these contractors, despite the fact that the (b) (7)(C) knew the bids were illegitimate and fraudulent.	Successful Prosecution.
3/29/2019	As part of the Sacramento Civil Fraud initiative, Forensic Auditor (b) (7)(C) and Special Agent (b) (7)(C) identified Sierra Pacific Mortgage Company as an FHA lender with a high number of defaults/claims with very few payments made on loans which they originated. Sierra Pacific Mortgage has \$1.9 Million in claims for loans in default in the Sacramento area. The investigation provided sufficient evidence to the civil USAO which resulted in a judicial settlement with Sierra Pacific. Sierra agreed to pay \$3.6 million to the United States, and \$1.9 million was paid directly to HUD. Case closed with successful this civil settlement. .	Successful Prosecution
3/29/2019	A referral from the (b) (7)(C) of HUD, Community Planning and Development (CPD), alleged that a grant recipient was misusing funds and could not show proof of how funds had been spent. The investigation determined that the grant recipient had transferred HUD funds directly to the recipients personal bank account where the money was later spent on personal effects The grantee also misused disbursed funds for various personal and business expenses. Additionally, the investigation disclosed that expenditures claimed in the grant proposal did not exist and the grantee's inability to pay for client housing specifically funded by the grant resulted in the eviction and removal of tenants. The grantee was indicted on 10/18/2017 as a result of this activity and plead guilty to 18 U.S.C. 641 on 09/04/2018. The grantee was sentenced on 03/26/2019 and received 4 months in prison, 8 months home confinement, 3 years supervised release, and is ordered to pay a total of \$234,719.51 in restitution.	Case was successfully prosecuted and ordered restitution to HUD, SA submitted referrals to DEC and subject has been suspended.
3/29/2019	Significant Raw Data File FY 18 2nd Qtr	FY 18 2nd quarter is being closed.
3/29/2019	It is alleged that subject released documentation that contained social security numbers, date of birth and information that should have been redacted prior to delivery.	Investigation was completed. No evidence was found to substantiate the allegation. ROI was completed and this investigation was closed administratively.
4/2/2019	HUD OIG investigated alleged conflicts of interest involving an employee of a housing counseling grantee in Delaware. The employee was terminated during the pendency of the investigation and criminal prosecution was declined.	Prosecution Declined
4/2/2019	It has been alleged that employee was retaliated against and has involuntarily reassigned from her position as a result of bringing issues to the attention of management.	Whistleblower investigation completed. ROI forwarded to OLC for action and dissemination deemed appropriate.
4/2/2019	On August 28, 2018, AIGI Padilla forwarded an anonymous complaint alleging that atmosphere within the HUD OIG, Office of Audit, (b) (7)(C) has been a hostile environment that could potentially expose the office to possible workplace violence. It was further alleged that the (b) (7)(C) within this office had threw a stack of documents at a (b) (7)(C) face narrowly missing (b) (7)(C), as well as certain staff members have attempted to physically assault (b) (7)(C) within this office.	This investigation and a ROI were completed. These allegations were not substantiated. (b) (7)(C) This case was administratively closed.



Date Closed	Investigative Description	Disposition
4/3/2019	Significant Raw Data File FY 18 3rd Qtr	FY19; 3rd Qtr significant/raw data file is closed
4/3/2019	Significant Raw Data File FY 18 4th Qtr	FY 18; 4th Qtr. Significant/raw data file is closed.
4/4/2019	Reporting agent received a referral from NJDCJ alleging that subject applied for and received RSP and RREM grant funds for a DPA that may not have been his primary residence at the time of the storm. _____ The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on July 25, 2018 after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the applicants obtained a resettlement grant (RSP) in the amount of \$10,000 along with a grant from the Reconstruction, Rehabilitation, Elevation, and Mitigation program (RREM) in the amount of \$150,000.00. These funds were received for a damaged property address in Forked River, NJ, which may not have been their primary residence at the time of Hurricane Sandy. The investigation disclosed that the subjects owned and occupied the DPA prior to and during Hurricane Sandy. Consequently, no crime or program violation occurred and the case was declined for prosecution.	Prosecution declined.
4/8/2019	In November 2015, HUD OIG received a complaint from the Governor's Office of Storm Recovery that a CDBG-DR Recipient may have submitted fraudulent information on her Interim Mortgage Assistance application for rental assistance for a damaged home during Superstorm Sandy in Sayville, NY. The DR Recipient was charged and pleaded guilty to Grand Larceny and was ordered to pay restitution to HUD in the amount of \$4,312.	Successful Prosecution.
4/9/2019	Town of Elida, New Mexico, contracted with (b) (7)(C) to build a fire station using 2014 CDBG funds. (b) (7)(C) hired (b) (7)(C) to put in the doors at the fire station and submitted an invoice and release of lien to the town of Elida once work was completed. (b) (7)(C) was paid by the town on 2/8/2017. (b) (7)(C) contacted the town to complain about non payment for work. The town stated they did pay (b) (7)(C) was to pay (b) (7)(C) stated they did not receive any payment and that they did not sign a release of lien. In addition, the (b) (7)(C) listed employee was not even an employee of theirs. The town researched the public notary and determined that they notary was not current with the Secretary of State in New Mexico. The town has attempted to reach (b) (7)(C) but has not been successful. (b) (7)(C) was determined to have paid (b) (7)(C) \$30,000 but is still missing approximately \$18,619 of their payment.	Investigation pursued criminal, civil, and administrative charges. Subjects entered into a Settlement Agreement with HUD as a result of the investigation.
4/9/2019	Based on a previous HUD-OIG referral for administrative action relating to a closed IG matter (b) (7)(C), the HUD Office of General Counsel (OGC) proposed a debarment of (b) (7)(C) (b) (7)(C) based on his federal conviction for violation of 18 U.S.C. Section 4 (Misprision of a Felony).	This case was opened to report outstanding debarment action related to previously closed case. As a result, no further action is warranted and this case is closed.
4/10/2019	(b) (7)(C) was identified as a potential subject in the original GoSection8 Case. (b) (7)(C) potentially scammed HUD Participants who were looking to transfer their housing voucher to a property he claimed to own on the website. Allegedly, after dealing with (b) (7)(C) the participants would lose their vouchers as (b) (7)(C) did not get them into any house and their voucher expired. (b) (7)(C) charged participants various fees for applications and deposits.	Subject was charged with non-HUD related offensive and is a long-term fugitive from justice. Because of this, the case will be handled by the Tarrant County District Attorney's Office.
4/10/2019	In January 2017, HUD OIG received a referral from the New York State Governor's Office of Storm Recovery (GOSR), alleging a CDBG-DR Recipient had fraudulently applied for and received \$321,336 through the New York Rising Home Recovery Program (HRP), and \$24,000 in Interim Mortgage Assistance (IMA) payments pertaining to her property in Freeport, NY. GOSR alleged the recipient falsified documents when she claimed the damaged property was her primary residence when information indicated that her primary residence might have been in Georgia. HUD OIG was unable to definitively determine that the recipient lived in Georgia during the storm and was unable to substantiate the allegations.	Allegation Unsubstantiated.

Date Closed	Investigative Description	Disposition
4/10/2019	A referral from another law enforcement agency alleged a Housing Choice Voucher Program tenant allegedly failed to report income and household members during annual certifications. The investigation confirmed the allegations and the tenant was sentenced to 5-years community control and ordered to pay \$81,127 in restitution to the housing authority and the department of job and family services.	Successful prosecution.
4/10/2019	HUD OIG received information that alleged (b) (7)(C) a technology contractor, fraudulently charged the New Jersey Department of Consumer Affairs (NJDCA) for services no rendered under its contractor paid for using Community Development Block Grant – Disaster Relief Funds. NJDCA contracted (b) (7)(C) to deliver a fully functional information technology solution, which would allow the agency to quickly deploy its Block Grant Disaster Recovery program to assist state residents impacted by Hurricane Sandy. The New Jersey State Attorney General's office declined to prosecute this matter since the investigation was not able to substantiate the allegation.	The New Jersey State Attorney General's office declined to prosecute this matter since the investigation was not able to substantiate the allegation.
4/10/2019	(b) (7)(C), (b) (5)	The U.S. Attorney's Office has indicated that they are only pursuing charges on non-HUD related offenses.
4/11/2019	HUD OIG investigated potential false statements by a Housing Choice Voucher participant relating to the participant's prior criminal history and employment. Prosecution was declined by the United States Attorney's Office and administrative action was taken against the participant by the relevant Public Housing Authority.	Prosecution Declined
4/12/2019	HUD-OIG received an anonymous complaint alleging the subject stole another's identity and then used the same stolen identity to apply for and received an FHA insured loan in North Carolina.	All criminal actions completed and subject referred to DEC for administrative actions.
4/15/2019	On 07/24/2018, HUD OIG SA discovered a Section 8 head of household who was also (1) subject to lifetime registration as a sex offender, (2) is in violation as a sex offender in California, and (3) is currently a fugitive wanted for felony absconding from Oregon (Washington County Parole & Probation). The investigation resulted in the subject being indicted by a Federal Grand Jury, in the Central District of California, and subsequently convicted and sentenced. Case closed.	Successful Prosecution.



Date Closed	Investigative Description	Disposition
4/16/2019	<p>(b) (7)(C) and (b) (7)(C) (b) (7)(C) of (b) (7)(C) allegedly converted funds for personal use and failed to complete repairs on homes following Hurricane Sandy. (b) (7)(C) and (b) (7)(C) contracted with 22 homeowners; 18 of which were awarded Reconstruction, Rehabilitation and Elevation Mitigation grants by the NJ Division of Community Affairs. The OIG initiated an investigation after receiving information from the NJ DCJ that a contractor had defrauded multiple Hurricane Sandy homeowners out of HUD disaster assistance funds. The owners of two construction companies were sentenced in state superior court to Theft by Failure to Make Required Disposition of Property Received. One owner was sentenced to 7 years in state prison while the other was sentenced to 5 years of probation. The two were ordered to pay \$620,691.38 in restitution to 23 victims, and \$56,000 and \$53,000 in state tax restitution respectively, with one of the owners ordered to forfeit her Tiffany &amp; Co engagement ring. The contractors also received a civil judgement of \$1,350,645.68 for the fraud committed. Both companies received a \$250,000 anti-profitteering penalty and forfeiture of assets due to the fraud. Finally, both owners were issued a permanent prohibition from operating a home elevation or contracting business in the state of New Jersey. Between 2013 and 2015, the two contracted with homeowners awarded the Rehabilitation, Reconstruction, Elevation, and Mitigation Program (RREM) grant following Hurricane Sandy and performed minimal or no work.</p>	Successful prosecution
4/16/2019	(b) (7)(C), (b) (5)	No further investigative activity is warranted. Investigation has been declined for further action.
4/16/2019	Received (b) (7)(C) from complainant (b) (7)(C) alleging she had been fired from (b) (7)(C) after advising residents to contact to the City Code Enforcement Division regarding the living conditions within many of the units. (b) (7)(C) provided the names of two additional employees, (b) (7)(C) and (b) (7)(C) who were also fired.	Complainant did not wish to file a whistleblower complaint. Did so in error. Declined by (b) (7)(C) HUD-OIG Legal
4/17/2019	<p>This matter is predicated based on information received from FHFA-OIG, who received a referral from Freddie Mac. Freddie Mac conducted an investigation following a self reporting of potential mortgage fraud about a broker in Orange, CA who may be engaging in a mortgage scheme. Freddie Mac identified 19 loans originated by (b) (7)(C) (b) (7)(C) and (b) (7)(C) of (b) (7)(C) with a pattern of falsified income and asset documentation. In addition, Fannie Mae has also completed a review identifying the same patterns of income and asset misrepresentations. Three loans reviewed by Fannie Mae were identified as HUD/FHA loans. The following entities and individuals are purported contributors to this mortgage fraud scheme: (b) (7)(C)</p> <p>(b) (7)(C) his matter has been accepted by the Orange County District Attorney's Office - Real Estate Fraud Unit.</p>	This case was initiated based on a referral from another federal agency alleging a mortgage company was involved in loan origination fraud. A joint investigation was initiated and several FHA insured loans were reviewed and indicators of fraudulent activity were found. Investigative findings were presented to the District Attorney's Office. The DAO declined prosecution based on the potential low loss amount to HUD. Even though there were likely fraudulent loans originated, there were no claims paid to date. Based on the above, the case was closed as a result of the declination for prosecution.

Date Closed	Investigative Description	Disposition
4/22/2019	On September 1, 2016, Special Agent (SA), (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO received an email from (b) (7)(C), (b) (7)(C) (b) (7)(C) Aurora Housing Authority in regards to allegations of three former tenants of the Willow Park apartments who allegedly had a significant amount of unreported income.	All foreseeable judicial and administrative actions have been completed.
4/22/2019	On September 1, 2016, Special Agent (SA), (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO received an email from (b) (7)(C), (b) (7)(C) (b) (7)(C) Aurora Housing Authority in regards to allegations of three former tenants of the Willow Park apartments who allegedly had a significant amount of unreported income. (b) (7)(C) was one of them.	All foreseeable judicial and administrative actions have been completed.
4/22/2019	On May 1, 2017, HUD OIG SA (b) (7)(C) HUD OIG SA (b) (7)(C) and Atlantic County Prosecutors Office (ACPO) (b) (7)(C) met with (b) (7)(C) (b) (7)(C) reported the following: (b) (7)(C) (b) (7)(C) (b) (7)(C) is not accepting offers that are above asking price for homes that are listed for sale. (b) (7)(C) alleges (b) (7)(C) and other real estate agents are playing games with home sale transactions. (b) (7)(C) identified (b) (7)(C) as a home that was sold, but the seller is still living in it. The buyer (b) (7)(C) (b) (7)(C) never moved into this property. (b) (7)(C) identified another home, (b) (7)(C), as involving a seller who signed a bank affidavit requiring him to move, but the seller still lives in the property. (b) (7)(C) is a property that is a rooming house. However, (b) (7)(C) believes the purchase of (b) (7)(C) was more likely FHA financed. (b) (7)(C) believes there is a mortgage rescue scheme going on. The OIG initiated an investigation after receiving allegations that a real estate agent manipulated real estate sales transactions and conspired with FHA buyers to misrepresent their primary residency information on FHA loan applications and mortgages. The OIG investigation did not determine that the real estate agent manipulated sales transactions. However, the OIG determined two FHA borrowers failed to reside in their properties, as required by the FHA program. The FHA borrowers told the OIG that the real estate agent knew that they were not going to live in the properties. The real estate agent denied all of these allegations. The NJ State Attorney General's Office declined to prosecute this matter because of the minimal dollar loss and lack of evidence.	Prosecution declined.
4/22/2019	This case was previously opened under (b) (7)(C). (b) (7)(C) was contracted to perform elevation work after Hurricane Sandy as part of the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) Program. However, multiple victims have reported that the funding was paid to (b) (7)(C) without the work being completed. The OIG initiated this investigation at the request of the NJ Division of Criminal Justice. It was alleged (b) (7)(C) was accepting RREM program funds to perform rehabilitation work to damaged properties in the aftermath of Hurricane Sandy but kept the funds and did not perform the work. The investigation determined that some work was performed and the case would be referred as a civil matter to the State of NJ. The NJ AG's Office declined prosecution citing insufficient evidence showing criminal intent.	Closed by Referral / Prosecution declined.
4/22/2019	This is a proactive investigation, a spin-off from (b) (7)(C). This matter involves sex offenders who reside in the state of Utah with a requirement to register for a LIFETIME and who receive HUD subsidized housing assistance.	SIR was not accepted by HQ.



Date Closed	Investigative Description	Disposition
4/22/2019	(b) (7)(C) (b) (7)(C) tweeted to @HUDOIG, I'm researching @PhilaHsgAuthPHA's plan to hand over (b) (7)(C) and adjacent vacant lot to a CDC that was incorporated less than a year ago and a developer whose cofounder was disbarred in PA and NJ. The OIG received a complaint, via Twitter message, that alleged that a developer was ineligible and community development corporation (CDC) lacked the needed experience to oversee a development project in Pennsylvania expected to receive HUD funds. Although one of the partners in the development company was a disbarred attorney and the CDC was recently incorporated, this did not preclude participation in the project. Investigation determined that the allegations were not criminal in nature and therefore no further investigative activity was conducted and the investigation was administratively closed.	Administrative closure
4/24/2019	HUD OIG and law enforcement partners investigated allegations that a defunct Continuum of Care grantee violated Conflict of Interest standards and misapplied grantee funds. This investigation substantiated the allegation. An apparent conflict was identified, but no accurate loss could be established and criminal prosecution was declined. Administrative referrals were made to the Department to address possible programmatic violations.	Prosecution Declined
4/24/2019	A contractor was reviewing a Housing Authority's banking information in an effort to assist a Sheriff's Department and HUD OIG in an unrelated joint investigation. The contractor reported that he discovered one altered duplicate check and two fabricated checks that had been drawn on the Housing Authority's operating account. The checks totaled approximately \$14,346. The checks were addressed to and cashed by the subject. The Sheriff's Department referred the information to HUD OIG. The investigation revealed the subject received a financial benefit for cashing the checks after being recruited by unknown coconspirators. After pleading guilty the subject was sentenced to five months imprisonment followed by three years probation. He was ordered to pay \$14,346 in restitution to the Housing Authority.	The subject has been charged, pled guilty, and was sentenced. The subject was not a HUD program participant so no DEC referrals were required. All foreseeable actions have been taken so the case is being closed.
4/24/2019	HUD-OIG HQ Operations Division provided a list of alleged Fugitive Felons, who currently live in PIH. The San Francisco Field Office has been given the list to initiate apprehension in the Northern California District.	This case was initiated based on a listing of fugitive felons provided by HUD-OIG HQ that were suspected of residing in HUD subsidized housing. The individual referrals were vetted and results sent to various housing authorities for possible administrative actions. In addition, three felons were identified and arrested as a result of the information. Twenty four administrative referrals were sent. This case is closed pending possible administrative action(s) taken by the various housing authorities.
4/25/2019	The Detroit Police department began an investigation into the theft of utilities by subject (b) (7)(C). It was later determined that (b) (7)(C), (b) (7)(C) were receiving HCV and MSHDA funds.	Case being closed with the knowledge there are outstanding charges for some subjects. The Wayne County prosecutors office has been unresponsive and uncooperative regarding HUD-OIG inquiries over the past 12 months.

Date Closed	Investigative Description	Disposition
4/26/2019	HUD OIG received a referral from HUD Investigations HQ Operations in which fugitive felon data from (b) (5) was crossed referenced with data from HUD's (b) (5) system. This inquiry identified several fugitive felons residing in subsidized housing. The investigation contacted the issuing agency to verify the warrants were active and provided the agency with the felon's current address. Referrals for Eviction were issued for each fugitive Felon still residing in Public and Indian Housing.	Region verified all Fugitive felons with active warrants and still living in HUD Housing and sent referrals to the HA for eviction.
4/26/2019	HUD OIG SA proactively searched for HUD-subsidized Section 8 residential addresses among a list of registered sex offenders. Nine (9) address matches with individuals subject to lifetime registration as a sex offender within the zip code featured in this case. The investigation determined that two (2) of the nine (9) were actual viable investigations and were thus pursued. One subject was later determined to be of elder age, debilitated and in extreme poor health; this subject was not pursued for further judicial action but was referred to the housing authority for action deemed appropriate. The other subject plead guilty to perjury and theft against a housing program of public authority. He was sentenced to three years probation and ordered to pay the Housing Authority of the City of Los Angeles \$34,00 in restitution. This case is now closed.	Successful Prosecution.
4/26/2019	The U.S. Marshal Service requested the assistance of HUD/OIG to determine if non-compliant sex offenders are residing in HUD subsidized housing. These sex offenders are registered in the Bronx or Manhattan who appear to be residing outside of New York or were residing outside New York and have returned violating the Adam Walsh Protection and Safety Act.	HUD/OIG notified the BHA of the lifetime sex offender listed on the household composition. HUD/OIG contemplates no further action on the six non-lifetime sex offenders living in HUDassisted housing, as per Departmental regulatory allowances. This case is being administratively closed.
4/29/2019	(b) (7)(C) of Processing and Underwriting in the Philadelphia HOC reported that 75 HECM and 25 forward mortgages originated by (b) (7)(C) and allegedly appraised by (b) (7)(C) (b) (7)(C) are falsified, according to self-reporting by appraiser (b) (7)(b) (7)(C) reported he not only did not conduct those appraisals, he did not give anyone permission to use his electronic signature. The OIG received a referral from HUD's Philadelphia Homeownership Center Processing and Underwriting Division regarding the potential misuse of a single appraiser's identity was developed by OIG into a case involving an owner of an appraisal company fraudulently using multiply former employees' appraiser identities and electronic signatures to certify hundreds of appraisals for Federal Housing Administration (FHA) Home Equity Conversion Mortgages (HECMs). The owner of the appraisal company, who was also a licensed appraiser himself, inflated the values of some of the properties he wrote and certified appraisals for, in the other appraiser's identities and his own. These fraudulent appraisals were used to originate hundreds of HECM loans. Additionally, this owner/appraiser did not file personal tax returns with the IRS for multiple years of income he made from these fraudulent appraisals. The owner/appraiser was sentenced in U.S. District Court to 34 months imprisonment, followed by 5 years supervised release, ordered to pay \$457,352 in restitution and forfeited \$1,800.	Successful Prosecution
4/29/2019	HUD OIG launched a proactive initiative to assess nursing home and residential care facilities, backed by FHA-insured loans, that may exhibit characteristics of potential equity skimming, based on an internal risk assessment. HUD OIG conducted reviews of recent Real Estate Assessment Center (REAC) physical property inspection scores and conducted on-site visits to verify the information related to these inspections. Further, HUD OIG collected and reviewed the financial status of the targeted properties. This investigation did not substantiate allegations of equity skimming related to the targeted properties.	Closed By Referral



Date Closed	Investigative Description	Disposition
4/29/2019	(b) (7)(A)	Allegations Not Substantiated
4/30/2019	This office is in receipt of information from the United States Attorney's Office, Eastern District of Wisconsin and the City of Milwaukee Police Department, Financial Crimes Unit that (b) (7)(C) (b) (7)(C) has engaged in Section-8 Landlord fraud. More specifically, it has been reported by Housing Choice Voucher Program participants that (b) (7)(C) collects payments in addition to the HAP Contract. Additionally, it has been reported that (b) (7)(C) has approximately \$70 Million of unpaid taxes, and has made false statements on his Chapter 11 Bankruptcy Filing. It has also been alleged that (b) (7)(C) provided false statements in order to receive a bank loan for \$2 Million with the purpose of building a nursing home, and quickly defaulted on this loan.	The defendants in this case were convicted and sentenced. No further investigative activity is warranted at this time.
5/2/2019	HUD OIG NY reports that (b) (5) has a case on a correspondent of M&T Bank, Capital Financial Mortgage, and their title settlement company, Park Avenue Abstract, involving multiple conventional and 4 FHA streamline refinancings that are bad. The scheme involves the settlement company falsely filing that the original liens have been released/paid off, when in fact they have not. M&T bought the bundle of loans that are not insurable or saleable. SA (b) (7)(C) of (b) (5), (b) (7)(C) is working the case. The FHA homes are in NJ and PA. QAD referred one of the loans already included in this case, borrower (b) (7)(C) in QAD (b) (7)(C). The OIG initiated an investigation into co-owners of a loan origination company, an owner of a title company and a Certified Public Accountant who allegedly defrauded numerous lenders into purchasing refinanced Federal Housing Administration (FHA) and conventional refinanced mortgages for which the first mortgages were not paid off at the time of closing, according to the (b) (5). The owners of the loan origination company perpetuated this mortgage fraud scheme by using the escrow funds from future refinanced mortgages to pay off previously refinanced mortgages. This continued until escrow funds from new refinanced mortgages could not satisfy the closings of existing previously refinanced mortgages. Four subjects pled guilty in U.S. District Court to charges including Bank Fraud, Wire Fraud, Filing False Tax Returns and Aiding and Abetting. One of the owners of the loan origination company was sentenced to 60 months incarceration and the other to 18 months home confinement followed by 5 years supervised release. The court ordered over 12.7 million dollars in restitution and over 2.6 million dollars be forfeited by the four convicted subjects in this case.	Successful Prosecution
5/2/2019	In March 2017, HUD OIG received a referral from the Staten Island District Attorney's Office regarding a complaint they received from Wells Fargo bank that (b) (7)(C) submitted fraudulent loan modification applications on behalf of distressed owners/borrowers who were not qualified. (b) (7)(C) charged the borrowers upfront fees and had the borrower sign limited power of attorney which authorized (b) (7)(C) to submit the applications and the supporting documents to the bank. The two owners and an employee were charged and pleaded guilty to residential fraud and/or tax-related charges in the Staten Island Supreme Court.	Successful prosecution.
5/3/2019	A referral from the U.S. Attorney's Office, District of South Carolina alleged that a property management company collected Section 8 rents from the federal government on vacant housing units. The investigation disclosed the property management company previously collected rental payments erroneously; however, once it was revealed, the property management company repaid HUD. The investigation was presented to the U.S. Attorney's Office and was declined due to lack of prosecutorial merit. Based on the above information, no further investigation was warranted and the case was closed.	Allegations unsubstantiated

Date Closed	Investigative Description	Disposition
5/6/2019	In, 2005 the (b) (7)(C) of Public Housing, New York Field Division, contacted HUD OIG to advise of problems occurring in the City of Mount Vernon concerning their receipt of HUD CPD and CDBG grants. Additionally, she advised that Mount Vernon has problems managing their Section 8 Program with possible duplication of HAP payments to Section 8 landlords.	The HUD/OIG originally administratively closed this aged case until the Court ruled on the motions and set a sentencing date or re-trial. This case was re-opened in order to capture the sentencing for (b) (7)(C) and (b) (7)(C).
5/6/2019	HUD OIG received a referral from the Waterbury Housing Authority (WHA), (b) (7)(C), who alleged the WHA (b) (7)(C) misappropriated over \$550,000 of housing authority funds, improperly awarded housing authority contracts, used WHA funds to travel to Florida for a conference and failed to attend the conference, and provided a no-show job to an individual. The WHA (b) (7)(C) placed the WHA (b) (7)(C) on leave and eventually executed a separation agreement between the WHA and the WHA (b) (7)(C). The HUD OIG investigation was unable to substantiate the allegations and the United States Attorney's Office, District of Connecticut, New Haven office, declined criminal prosecution.	Prosecution Declined
5/6/2019	HUD OIG received a referral from the CT United States Attorney's Office with information they received from the City of Middletown (b) (7)(C) alleging misappropriation of HUD grant funds in relation to a lead abatement contractor in the State of CT. The lead abatement contractor received HUD Community Planning and Development grant funds and allegedly failed to pay subcontractors for the work performed. The investigation determined the lead abatement company failed to pay approximately \$27,000 in HUD CDBG funds to two subcontractors for electrical services provided and for lead, asbestos, and mold abatement training services. The HUD OIG investigation did not gather evidence that the abatement company misused the \$27,000 and the CT United States Attorney's Office declined to prosecute.	Prosecution Declined
5/6/2019	HUD OIG received a referral from SBA OIG alleging that SBA Hurricane Sandy Disaster Loan Recipients, who also applied for a HUD Community Development Block Grant - Disaster Recovery Program loan, submitted false documentation and receipts to SBA Hurricane Sandy Disaster Loan to make repairs at their residence from damage caused by Hurricane Sandy. The recipient applied for relief from the SBA Hurricane Sandy Disaster Loan, HUD Community Development Block Grant – Disaster Recovery Program, FEMA and their flood insurance carrier. The investigation determined the recipients submitted false documents and receipts when he applied for and was approved for an SBA Hurricane Sandy Disaster Loan in the amount of \$46,600 for their residence. HUD CDBG denied reimbursement for alleged repairs that were made at the recipients' residence based on the relief received from other government agencies and based on lack of support to claim the damages to the interior of the residence. The Investigation determined that the recipients provided false invoices reflecting new kitchen cabinets, new gutters, and a new roof was installed; however, the work was not completed. The recipients were charged in Connecticut Superior Court with one count of Larceny 1st degree and one count of Forgery 2nd degree. Both recipients plead guilty to the charges, one of the CT Superior Court rendered the case against one recipient nolle prosequi. One of the recipients was sentenced in CT District Court to five years incarceration, execution suspended, and five years of probation, and ordered to pay restitution in the amount of \$21,000 to SBA.	Case to be administratively closed based upon successful prosecution.
5/7/2019	Special Agent (b) (7)(C) (b) (7)(C) Alcohol, Tobacco and Firearms (ATF), Brownsville Field Office requested the assistance of HUD-OIG regarding an investigation on (b) (7)(C) (b) (7)(C) a Brownsville Housing Authority (BHA) public housing tenant. SA (b) (7)(C) informed that (b) (7)(C) is purchasing firearms and the weapons are being sent to Mexico. It is believed (b) (7)(C) (b) (7)(C) do not have legal status in the United States and are residing in (b) (7)(C) subsidized unit. (b) (7)(C) claims to be unemployed but bank records show large deposits in his bank account. SA (b) (7)(C) informed that there is a possibility (b) (7)(C) defrauded the BHA's public housing program.	All investigative steps completed and adjudication in US District Court. Debarment referral was made to the DEC. No further investigation warranted. Case closed.



Date Closed	Investigative Description	Disposition
5/7/2019	According to a known source (b) (7)(C) manufactured homes that may not have been properly inspected prior to being sold into circulation. The homes have HUD plates affixed to them yet according to the complainant could not have passed inspection. The Law Firm represents a client who purchased several homes that were of substandard construction. The firm believes that HUD inspection plates were affixed to the homes without the proper inspection being completed.	Case was declined by the U.S. Attorney's Office.
5/8/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 1, 2018, from (b) (5) (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region	Of the 149 matches referred to the New York office: - 125 pedigree information did not match those living in a Section 8 program. - 9 were not participating in the Section 8 program. - 9 did not have active warrants. - 5 were non-extraditable (referral for eviction letters were mailed to their respective management offices // two were previously referred). - 1 was not a felony warrant. All leads were fully vetted and case is being closed.
5/9/2019	Our office received an anonymous complaint from the HUD OIG hotline alleging that the (b) (7)(C) the (b) (7)(C) and the (b) (7)(C) of a Housing Authority (HA) were using the HA purchasing card for personal expenses such as gas, rehabbing each of their homes. The allegations were substantiated and resulted in successful prosecution.	All foreseeable judicial and administrative actions have been completed.
5/10/2019	In December 2014, HUD OIG received information from the Stoughton Police Department, Stoughton, MA, indicating that Stoughton Housing Authority (SHA) (b) (7)(C) (b) (7)(C) may be conducting contractor work during work hours at the SHA. After conducting an investigation, it was determined that the (b) (7)(C) received additional pay which was not approved by the SHA (b) (7)(C) The United States Attorney's Office, District of Massachusetts declined to prosecute. The (b) (7)(C) resigned from his position.	Prosecution declined.
5/10/2019	MSHDA began an administrative investigation and alleged that tenant (b) (7)(C) has been in violation of HCV program regulations for over 20 years based upon evidence that she may be related to her landlord. MSHDA estimates that over \$50,000 in overpayments were made to landlord (b) (7)(C) through her (b) (7)(C) since 2006.	Successful Prosecution
5/13/2019	This office received a complaint through the HUD-OIG hotline that a sex offender and unauthorized tenant was residing in public housing with their partner. Investigation established that the individual was not a sex offender and was in fact on the household composition for the assisted residence. All allegations were shown to be false. Investigation was administratively closed.	All investigation is complete, allegations were shown to be false, investigation is administratively closed.
5/14/2019	JCFD conducted a system-wide investigation into nursing homes across the country where HUD has a financial interest and/or regulator authority. The initial focus will be on matters relating to REAC and matters related to financing. In March 2018, facilities listed on the SFF Monthly Survey Report, and did not show improvement were suggested to the field for further investigation.	Prosecution Declined
5/16/2019	HUD-OIG was notified by HUD-Audit Atlanta that their office was currently conducting an Audit with of an FHA Insured mortgage associated with HUD's Healthcare Program Sect. 232 in Saltillo, MS which is an assisted living facility. The owners of the facility allegedly used facility funds to pay for personal expenses instead of using the funds to pay the FHA insured mortgage. The facility was in default and in a non-surplus cash position which is in violation of the Regulatory Agreement. The investigation concluded that the owners did-in-fact use funds from the facility for their self gain and the defendants were prosecuted in the Northern District of Mississippi.	All judicial actions completed and subjects referred for administrative actions.

Date Closed	Investigative Description	Disposition
5/17/2019	On 10/22/18, Dallas County (b) (7)(C) (b) (7)(C) Public Integrity Division (b) (7)(C) provided SA (b) (7)(C) the following information. In about April 2018, (b) (7)(C) an employee of the Dallas Housing Authority in Dallas, Texas, filed a complaint with the Public Integrity Division. (b) (7)(C) claimed that an employee of the Dallas Housing Authority, (b) (7)(C) was residing in one of the public housing units and was not authorized to do so. (b) (7)(C) believes there are other Dallas Housing Authority employees misusing their positions in order for (b) (7)(C) and others to reside in various public housing units.	Allegations were unsubstantiated. Case will be administratively closed.
5/20/2019	(b) (7)(C) Office of Audit (b) (7)(C) Region VI, forwarded to (b) (7)(C) (b) (7)(C) a complaint by (b) (7)(C) (b) (7)(C) is a Section 8 recipient, who believes she may have uncovered single family equity skimming at her residence, because she has received notice that the loan is in default, the property is about to be foreclosed, and that she needs to vacate. (b) (7)(C) believes her HCV payments have not been used to pay the mortgage.	Case was declined by the U.S. Attorney's Office.
5/21/2019	The (b) (7)(C) (b) (7)(C) of the Rockland County Office of Community Development alleges (b) (7)(C) (b) (7)(C) (contractor) won a bid to underwrite loans for the HUD Section 108 Loan Guarantee Program. (b) (7)(C) was last paid in December 2014. No contract was awarded and the Rockland County Office of Community Development was not participating in Section 108 loans at the time.	The RCDAO declined to prosecute (b) (7)(C) due to the lack of evidence that a crime, including the filing of false business records or receipt/payment of kickbacks, had been committed.
5/22/2019	HUD OIG, Office of Investigation, received a referral from a United States Attorney's Office in May 2013, indicating the owner of a HUD insured multifamily property filed for bankruptcy in another district, on behalf of the multifamily project. The referral was made in order to investigate possible equity skimming. The investigation revealed a principal of the company executed two consulting agreements with the management company in violation of the HUD regulatory agreements, which amounted to fee splitting. The findings were presented to the United States Attorney's Office which declined to prosecute.	The case was referred to the USAO and declined for prosecution. No further action is required so the case is being closed.
5/22/2019	Property Management at (b) (7)(C), a HUD multifamily, alleged that (b) (7)(C) had submitted false information and documentation for initial and annual certifications to receive subsidies. (b) (7)(C) different dates of birth, different social security numbers, and birth certificates from PA and SC for herself.-----The OIG initiated an investigation based on a referral from a Pennsylvania multifamily property manager which alleged that a tenant had provided false information and documentation for initial and annual certifications to receive rental assistance. Investigation determined that throughout tenancy, the tenant provided conflicting information on applications for housing assistance, including inconsistent dates of birth and birth certificates for tenant from two different states with two different dates of birth. A total of \$51,571.00 in HUD project based Section 8 assistance was paid on behalf of the tenant. Additionally, OIG determined that the same PA birth certificate submitted to the multifamily complex in PA was used by another individual who fraudulently submitted certifications to receive subsidies for a public housing in Delaware. Delaware also terminated subsidies for the other recipient, who received a total of \$5,325.30 in public housing subsidies. This case was referred for prosecution.	Closed by Referral.



Date Closed	Investigative Description	Disposition
5/22/2019	(b) (7)(C) requested assistance from the OIG after (b) (7)(C) received information indicating potential mismanagement, misappropriation, and theft of HUD funds on the part of (b) (7)(C) (b) (7)(C) (b) (7)(C) et al. The OIG initiated an investigation after (b) (7)(C) provided information indicating possible mismanagement and misappropriation of funds on the part of a HUD multifamily housing grant recipient responsible for the development and management of several HUD-funded properties in Pennsylvania. The OIG determined that a former employee of the grant recipient entered a guilty plea to Theft by Unlawful Taking, Theft by Deception, and Forgery after it was discovered that the employee has transferred monies without the knowledge or consent of the (b) (7)(C). The employee was sentenced to 7 years' probation and ordered to pay restitution in the amount of \$119,894.38. This case was closed after the OIG referred its findings to HUD.	Closed by Referral.
5/22/2019	Received a complaint from the NJDCJ task force alleging that (b) (7)(C) group received RREM monies from homeowners and no work was ever completed. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on October 11, 2017 after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that a contractor defrauded homeowners awarded the Reconstruction, Rehabilitation, Elevation and Mitigation Program (RREM) grant following Hurricane Sandy. Numerous RREM participants contracted with this contractor to make repairs and elevate homes in storm-impacted communities throughout New Jersey. The investigation was declined for prosecution as the allegations were unsubstantiated.	Prosecution declined.
5/22/2019	(b) (7)(C) is a Philadelphia Housing Authority Public Housing tenant allegedly not reporting income from performances with (b) (7)(C). The OIG received an anonymous complaint alleging that a Public Housing Program participant failed to report income earned from performances with a musical group. The public housing participant acknowledged that he did not report the income. Additionally, he failed to disclose a homicide conviction on applications for public housing eligibility. The results of the investigation were referred to the Public Housing Authority for appropriate action.	Closed by Referral.
5/22/2019	Complainant alleges that an unauthorized lifetime registered sex offender is residing in a HUD subsidized unit.	Administratively Closed, Sex offender was evicted from the HA before SA could make recommendation for eviction.



Date Closed	Investigative Description	Disposition
5/24/2019	Information received from GOSR regarding the subject who allegedly provided false documents and application to receive disaster recovery assistance for an ineligible property (non-primary residence).	On December 6, 2017, (b) (7)(C) and (b) (7)(C) were arrested based on a criminal complaint filed in U.S. District Court, Eastern District of New York, Central Islip, New York, that charged them with fraud in connection with federally-declared disasters. On April 18, 2018, (b) (7)(C) pleaded guilty to an Information charging him with one count of submitting a false statement to HUD, SBA, and FEMA. (b) (7)(C) is currently awaiting sentencing. (b) (7)(C) accepted a deferred prosecution contingent upon full payment of restitution of CDBG-DR monies received. Of the total \$61,539 restitution amount, (b) (7)(C) has paid \$56,739, to date. All criminal, civil, and administrative sanctions have been considered. The investigation is administratively closed.
5/24/2019	HUD-OIG received a referral from a law enforcement agency alleging that a Section 8, Multifamily Housing, tenant paid a \$25,000 bribe to a property manager to obtain housing. Subsequent investigation failed to produce sufficient evidence to substantiate the allegations. The matter was presented to the United States Attorney's Office, but prosecution was declined based on lack of sufficient evidence and the lack of potential monetary loss. Case closed.	Prosecution declined.
5/28/2019	A review of FHA case number (b) (7)(C) revealed that borrower (b) (7)(C) may have misrepresented her employment income, and fabricated her paystubs and statements to qualify for a home loan. In addition, it appears the the appraiser may have inflated the property value. The property is located at (b) (7)(C).	HUD-OIG received a referral from the HUD Santa Ana Homeownership Center wherein it was alleged that a FHA insured loan was originated with suspected false documentation. An investigation was initiated and evidence was found that the aforementioned loan and several others were fraudulently originated as part of loan origination scheme perpetrated by five loan officers at a lending institution. Investigative findings were presented to the District Attorney's Office and the five loans officers were charged with Grand Theft. All of the loan officers plead guilty to the charges and were cumulatively sentenced to 14 months in prison, 9 years probation and ordered to pay \$ 124,571 in restitution.

Date Closed	Investigative Description	Disposition
5/28/2019	This investigation was initiated in February 2018, after local media reports that the Jacksonville Townhouse Apartments, a 250-unit Section 8 apartment building in Jacksonville, Florida, caught fire. Proactive investigation disclosed that a 250 elderly, multi-family subsidized, high rise apartment complex, located in Jacksonville, caught fire in December 2017, after receiving numerous violations by the local Fire Marshal. The investigation revealed that prior to the fire, the property had been cited for an inoperable fire pump and sprinkler system. Additional evidence was discovered revealing that the Fire Marshal had directed the property manager to maintain a 24/7 fire watch while the fire sprinkler system was inoperable, which the property manager did not do. The property's Owners and Management Agent agreed to pay a \$75,000 civil monetary penalty to HUD. In addition to the settlement, the owners also committed to making over \$500,000 in improvements to the property, including greater accessibility for its elderly residents and additional fire protection measures.	Successful prosecution. All judicial and administrative actions complete.
5/28/2019	In support of this initiative, the JCFD has recently distributed lists of nursing homes that exhibit red flags regarding their risk assessment ratios and other financial categories. This material came to light in a recent nursing home work designed to look at systemic issues within HUD's 232 program.	The investigation is complete and the case has been declined criminally.
5/28/2019	It was alleged that on 7/6/10 HUD, OIG, Office of Audit recovered a laptop computer, belonging to Deloitte & Touche LLP (Deloitte), pursuant to an official investigation/audit. On 8/7/18, Deloitte requested this laptop computer be returned and HUD OIG was unable to locate the property.	Investigation was completed and missing property was located in the possession of the complainant. ROI was approved and case was closed administratively.
5/29/2019	An anonymous complaint was forwarded to HUDOIG from the Miami Dade Department of Housing and Community Development. The complainant stated that Section 8 tenant (b) (7)(C) has not lived at (b) (7)(C), the property listed on her Section 8 rent voucher, in over eight years. The landlord of the property, (b) (7)(C) resides at the property with her mother, (b) (7)(C). (b) (7)(C) is also (b) (7)(C). (b) (7)(C) According to the complainant, (b) (7)(C) impersonates (b) (7)(C) at the annual Section 8 inspection meetings. The investigation confirmed the allegations. (b) (7)(C) was terminated from program participation by the local housing authority. Prosecution was declined by the US Attorney's Office, and the matter was referred to HUD's Departmental Enforcement Center for consideration of administrative action.	Prosecution declined. All administrative actions complete. Case closed.
5/29/2019	A confidential source made contact with the USAO alleging that a fraudulent transfer of a HUD 202 Supportive Housing for the Elderly property (b) (7)(C) took place. According to the confidential source the property was transferred from Miami Dade Teacher Union to Elderly Housing Development & Operations Corp on or around 2014.	Prosecution declined. No further investigative activity warranted.
5/29/2019	On March 29, 2018, SID received information that during a joint operation with the (b) (7)(C) Police Department, a U.S. Department of Housing and Urban Development (HUD), Office of Inspector (OIG), Office of Investigations (OI), (b) (7)(C), special agent was involved in a shooting	Investigation completed. SA was found to have followed all administrative policies. ISP found that SA actions were justified. Case was closed administratively.
5/29/2019	It was alleged that subject released Bank Secrecy Act information to the Utah Division of Real Estate without authorization.	Investigation completed. ROI submitted to manager and disposition report received.

Date Closed	Investigative Description	Disposition
5/29/2019	A complaint from (b) (7)(C) alleged that Merryville Housing Authority (b) (7)(C) (b) (7)(C) lives onsite and sells narcotics from his public housing unit. In addition, it was alleged that the Merryville Housing Authority (b) (7)(C) carries fake urine on his person in order to pass any drug test required for employment by the Merryville Housing Authority.	Louisiana State Police issued (b) (7)(C) a State of Louisiana Summons for possession of schedule I drugs (marijuana) and possession of drug paraphernalia. As a result of the investigation, (b) (7)(C) resigned from his position with the MHA in lieu of termination. Based on the above information, no further investigation is warranted and this case is being closed administratively.
5/31/2019	A referral from local law enforcement was received that alleged an individual was taking possession of HUD REO properties by filing false documentation with the Shelby County Register of Deeds Office, changing the locks on the houses, and moving tenants into the properties. The investigation confirmed the allegation resulting in the successful conviction of the subject.	Successful Prosecution
6/3/2019	A referral from the HUD, Atlanta Homeownership Center, Quality Assurance Division, alleged that a fraudulent Home Equity Conversion Mortgage (HECM) scheme is occurring. The complaint states that private investors are buying foreclosed properties in distressed Atlanta neighborhoods. Seniors are targeted that are currently renting and are told that they can own a home with no money down. To perpetrate this scheme, a company will purchase a home at auction/foreclosure for a minimal price and perform minimal property repairs. The company will execute a Quit Claim or similar deed with the senior to establish a mortgage payable to the company that includes the cost of repairs. The senior will then enter into a HECM mortgage on the property based on an inflated appraisal. The inflated appraisal establishes the equity in the property and provides a means for the company to funnel illicit proceeds from the HECM transaction. The appraiser was indicted on 12/09/2011. The appraiser passed away so legal actions were dismissed on 01/13/2013. The loan officer and investor were indicted on 01/10/2014 and referred for suspension on 01/24/2014. The investor plead guilty for racketeering on 11/20/2018. The investor was sentenced on 11/20/2018 to 10 years of probation; restitution has yet to be determined.	All judicial actions completed and referred for administrative actions
6/3/2019	This office is in receipt of information that (b) (7)(C) (b) (7)(C) the (b) (7)(C) in Chicago, is involved in a mortgage fraud scheme on the west side of Chicago. (b) (7)(C) and his brother (b) (7)(C) have sold multiple properties to straw buyers that are secured by FHA insured mortgage loans. It has been determined that the transactions involve false gift funds, kickbacks to the buyers for purchasing the properties and kickbacks to the loan officer for originating the loans.	The subjects in this case were convicted and sentenced. No further investigative action is warranted at this time.



Date Closed	Investigative Description	Disposition
6/3/2019	<p>The reporting agent was contacted by (b) (7)(C) of The U.S. Department of Housing &amp; Urban Development's Office of Public Housing in Pittsburgh, to advise that (b) (7)(C) of the Housing &amp; Redevelopment Authority of Butler County (HRABC) had been terminated by the HRABC Board, after it received allegations from employees about wrongdoing, waste, abuse and mismanagement by (b) (7)(C). (b) (7)(C) requested that the OIG initiate an investigation regarding the circumstances leading to (b) (7)(C) termination. This OIG initiated this investigation after it received a referral from HUD's Office of Public Housing (OPH). According HUD, a former (b) (7)(C) of the Housing and Redevelopment Authority (HRA) in Pennsylvania was suspended from employment after an employee alleged that the (b) (7)(C) was derelict in fulfilling the duties of his position. A subsequent internal investigation conducted by the HRA identified numerous circumstance in which the (b) (7)(C) engaged in: abuse of leave; abuse of travel; neglect of official duties and conflict of interest. The HRA Board subsequently terminated the (b) (7)(C). The OIG scrutinized the (b) (7)(C) financial affairs to ascertain if the (b) (7)(C) was improperly utilizing his position in the HRA to unjustly enrich himself. The OIG investigation could not substantiate that the (b) (7)(C) committed criminal violations of Federal law. A separate civil investigation of the (b) (7)(C) by the Pennsylvania Ethics Commission (PEC) resulted in the (b) (7)(C) entering into a consent agreement with the PEC, wherein the (b) (7)(C) stipulated to the findings of the PEC and repaid monies to the HRA. The OIG referred the (b) (7)(C) to the DEC for administrative action deemed appropriate and provided the DEC with the consent agreement as part of the referral.</p>	Closed by Referral
6/3/2019	<p>Over the course of approximately 10 years, (b) (7)(C) rented his property at (b) (7)(C) to section 8 recipient (b) (7)(C). It is alleged that (b) (7)(C) lived in the property with (b) (7)(C) during that time and did not disclose his relationship with (b) (7)(C) or that he was living in the property with the section 8 tenant to the Milwaukee County Housing Authority. (b) (7)(C) collected housing assistance payments totaling approximately \$68,000.</p>	<p>The findings of this investigation were referred to District Attorney in the Milwaukee County District Attorney's Office for prosecutorial consideration. After reviewing the records and interviews, (b) (7)(C) declined to charge (b) (7)(C). Based on the declination, no further investigation is warranted.</p>
6/3/2019	<p>Bridgeton Housing Authority (BHA) (b) (7)(C) attempted to embezzle approximately \$22,000 from the BHA bank account. After being caught, (b) (7)(C) returned \$16,000 from the \$22,000. OIG initiated an investigation concerning a (b) (7)(C) who embezzled over \$22,000 from the public housing bank account. NJ county prosecutor charged the (b) (7)(C) with Theft by Deception and Theft by Failure Make Required Disposition of Property. The (b) (7)(C) entered into a three -year Pre Trial Intervention (PTI) program. The (b) (7)(C) paid back approximately the \$22,000 public housing funds as part of restitution and resigned.</p>	Successful prosecution
6/3/2019	<p>Proactively review Delinquent/Defaulted Multifamily properties in Colorado. This case was unable to uncover any viable cases and is being administratively closed.</p>	<p>This was a proactive case to identify delinquent/defaulted multifamily properties in Colorado. We were unable to identify any viable cases. This case is being administratively closed.</p>

Date Closed	Investigative Description	Disposition
6/4/2019	<p>It has been alleged that (b) (7)(C) as (b) (7)(C) of (b) (7)(C), controlled the (b) (7)(C) bank accounts during development and construction and was sole signature on the checks. He or (b) (7)(C) (b) (7)(C) (b) (7)(C) signed for the (b) (7)(C) on the construction contracts. Over \$2.3 million in questioned development and construction period costs has been identified, the majority of which were consulting fees to (b) (7)(C) and affiliated companies or individuals. (b) (7)(C) paid himself consulting fees through (b) (7)(C). Other affiliated companies include (b) (7)(C) also shown as (b) (7)(C), (b) (7)(C) and (b) (7)(C) (b) (7)(C) (b) (7)(C), (b) (7)(C) (b) (7)(C); and (b) (7)(C), name originally shown as (b) (7)(C) (b) (7)(C) (b) (7)(C) (brother of (b) (7)(C)). Consulting fees were also paid to (b) (7)(C) who appeared to have a personal association with the (b) (7)(C) family.</p>	<p>After initially accepting the case for prosecution, and a number of changes in prosecutors the case was recently declined. We have forwarded to the Enforcement Center for suspension/debarment consideration.</p>
6/4/2019	<p>The Miami-Dade Public Housing &amp; Community Development Department and (b) (7)(C) (HCV Program Contractor) reported allegations regarding Housing Choice Voucher program landlord (b) (7)(C). The allegations indicated that (b) (7)(C) owned multiple HCV funded units where the tenants appeared to not to be residing in the properties. In one case, the HCV participant is in the process of evicting an undisclosed tenant and documentation indicates that the HCV participant was residing elsewhere. Additionally, the documentation and statements indicate that (b) (7)(C) and/or his property (b) (7)(C) were aware that the tenant was subleasing the property or may have been further involved. Another HCV participant did not respond to (b) (7)(C) attempts at contact. (b) (7)(C) responded to a call indicating that (b) (7)(C) has been hospitalized for seven months and hasn't been in the unit. (b) (7)(C) found records indicating another individual may be residing there.</p>	<p>All judicial actions complete. Case closed.</p>
6/4/2019	<p>On January 25, 2016, reporting agent met (b) (5) (b) (7)(C) (b) (7)(C) of (b) (5), (b) (7)(C), Northfield, New Jersey. SA (b) (7)(C) reported the following pertinent information: Housing Choice Voucher Program (HCVP) recipient (b) (7)(C) signed over power of attorney to his wife (b) (7)(C) (b) (7)(C) and (b) (7)(C) have been on the Atlantic City, New Jersey HCVP for about ten years. (b) (7)(C) has received income from his (b) (7)(C) and (b) (7)(C) for the last ten years in Cumberland County, New Jersey. (b) (7)(C) is in state jail for molesting (b) (7)(C). Recorded conversations between (b) (7)(C) and (b) (7)(C) revealed that (b) (7)(C) is ordering his wife (b) (7)(C) to conceal their income from Section Eight. On February 3, 2016, SA (b) (7)(C) advised reporting agent that (b) (7)(C) made bail and reported on this bail application that he earns \$4,500 a month as a paralegal. Reporting agent will review the (b) (7)(C) Atlantic City Housing Authority HCVP file and identify potential false representations. Reporting agent will coordinate with AUSA and (b) (5) assigned to this matter and determine if charges will be pursued relating to the HUD HCVP. _____OIG conducted an investigation into allegations that two Housing Choice Voucher Program (HCVP) recipients who falsified their income in order obtain HCVP assistance. An OIG investigation could not substantiate if the two HCVP recipients falsified their income. However, OIG determined that one of the HCVP failed to disclose to the local housing authority the disposal of their assets. Based on the low dollar loss and lack of prosecutorial evidence, both the state and federal prosecutors offices declined to prosecute this matter.</p>	<p>Prosecution declined</p>



Date Closed	Investigative Description	Disposition
6/5/2019	(b) (7)(C) from HUD OIG received fugitive felon data on March 13, 2017, from the (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. This case file will document New York FFI work. New England and New Jersey will be documented under separate case files.	Case closed, all leads exhausted. Of the 31 matches referred to the New York office: - 18 were not participating in the Section 8 program - 7 did not have active warrants - 1 was not a felon - 2 were declined by the USMS for arrest (referrals for eviction letters were mailed to their respective management offices); - 1 was not extraditable (a referral for eviction letter was mailed to his respective management office); and - 2 were arrested (referral for eviction letters were mailed to their respective management offices).
6/7/2019	HUD OIG received a referral from IRS-CI alleging that a contractor misused funds from a \$640,000 loan from the Community Development Block Grant, Disaster Recover (CDBG-DR) Program. The investigation revealed that the contractor did misuse proceeds from the CDBG-DR. The victim entity received a judgement for the amount plus interest. Contractor was referred for debarment.	Case Declined and referred to the DEC for administrative remedies.
6/10/2019	A supervisor for a state department of children and families' services reported that a woman residing in HUD subsidized housing failed to report she was cohabitating with a man who was a convicted felon and had served time in prison. The fraud was allegedly going on for years with subject allegedly receiving approximately \$60,000 in food stamps and \$50,000 in child care to which she was not entitled. The subject acknowledged that she failed to report the cohabitant to Section 8 or Public Housing. The case was presented to an AUSA and was declined for prosecution.	All actions complete. No further investigative activity is warranted.
6/10/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on May 16, 2018, from the (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5), removed duplicate NCIC numbers and separated the data by OIG investigative region	Fugitive Felon case and all fugitive with active warrants have been referred for eviction.
6/10/2019	The Hotline received a complaint from a former employee of a housing authority. The former employee alleged (b) (7)(C) of the housing authority hired a (b) (7)(C) who started coming to work late and leaving for lunch and not returning. The (b) (7)(C) was allegedly being paid for time that he was not at work. Each week the (b) (7)(C) allegedly corrected the (b) (7)(C) time to credit him for forty hours per week. The complainant was put in charge while (b) (7)(C) was absent for two to three weeks. He only paid (b) (7)(C) for approximately fourteen to twenty hours per week, time that was verified. When (b) (7)(C) returned to work, she was hostile toward complainant leading complainant to file a hostile work environment complaint. Within a few weeks of meeting with officials, complainant was terminated.	After obtaining advice from (b) (7)(C) of OLC, a close out checklist was completed and submitted to legal. Because no further action is required in this whistleblower retaliation investigation, the case is being administratively closed.
6/11/2019	The complainant alleges that a HUD property manager is using HUD funds to pay for private work to be completed at his home and other locations not related to HUD projects. The complaint also alleges that the manager is bribing REAC inspectors to receive passing scores.	Case being closed due to there being no evidence to substantiate the allegations.
6/12/2019	HUD-OIG received an allegation from the a housing authority with an allegation against Housing Choice Voucher Homeownership Program participant. The participant had three children with her boyfriend, who is considered an authorized tenant. The program participant was unemployed but and received \$600 in child support for one child. Through social media sites, it was discovered that the program participant was in a romantic relationship with the unauthorized tenant and allegedly living together at the Homeownership Program property.	Prosecution Declined

Date Closed	Investigative Description	Disposition
6/13/2019	This matter is predicated on numerous newspaper articles detailing substandard living conditions at subsidized units managed by (b) (7)(C) and/or its' affiliates (b) (7)(C). It is believed that many of the (b) (7)(C) properties fail to meet the Decent, Safe, and Sanitary requirements specified in HUD's Housing Quality Standards. HUD-OIG in collaboration with Main DOJ Civil and the USAO for the District of Columbia will pursue civil False Claims Act remedies as appropriate based on the outcome of our investigative efforts. (b) (7)(C) currently receives roughly \$3 million annually in HAP payments from the DC Public Housing Authority. This is a long tenured relationship.	Sanctions through the local municipality preempted our investigative outcomes. No further action is warranted.
6/18/2019	HUD alleges that the Floydada Housing Authority (FHA) is misusing the federal dollars provided by HUD. Specifically, the FHA and its (b) (7)(C) have been using the money toward ineligible expenses. The FHA has been on HUD's troubled PHA radar for awhile and has been subject to numerous HUD audits. The FHA is also required to regularly provide documentation to HUD regarding their expenses.	Investigation complete. Case will be updated when DEC actions are received.
6/18/2019	HUD OIG received a referral concerning two apartment complexes that failed successive Real Estate Assessment Center (REAC) inspections. A civil lawsuit had been filed against the owner and property management company related to the condition of these two properties. During the course of this investigation, an agreement was reached to sell the two properties to new ownership.	Referral to Program Staff / HUD
6/20/2019	This office is in receipt of information from various investigative resources and leads that (b) (7)(C) is allegedly involved in a scheme to commit mortgage fraud. (b) (7)(C) allegedly recruited various borrowers to purchase properties on Chicago's south side and elsewhere. (b) (7)(C) company was used to verify the employment of at least one buyer. Additional false information was provided in order for the borrowers to qualify for the mortgage loans. (b) (7)(C) was paid for recruiting the buyers; the payments to (b) (7)(C) were not listed on the HUD-1. Many of the loans obtained were FHA insured loans.	The subject in this case was convicted and sentenced. No further investigation is warranted at this time.
6/20/2019	A bank who originates FHA insured loans alleged the misuse of a State of Ohio appraisers license on FHA insured loans. Investigation determined the license, identification and signature of licensed appraiser was used by a non-licensed appraiser to complete appraisals for FHA insured loans. Further, the subject illegally obtained food stamps and filed false tax returns. The subject was sentenced to 21-months incarceration and ordered to pay HUD, IRS, and USDA \$361,667 in restitution.	Successful Prosecution
6/21/2019	During the investigation of RREM contractor (b) (7)(C) in the Atlantic County NJ area, reporting agent came across information concerning another Atlantic County area RREM contractor-(b) (7)(C)(C) was hired by RREM recipients to renovate and elevate their homes. The homes of (b) (7)(C) and (b) (7)(C) were severely damaged by Hurricane Sandy. Both (b) (7)(C) and (b) (7)(C) received HUD funded RREM funds for home renovations and elevations. (b) (7)(C) and (b) (7)(C) hired (b) (7)(C) who failed to complete all of their RREM repairs/work. Reporting agent will coordinate and work with the Atlantic County Prosecutors Office (OCPO) on this and similar matters, to determine if criminal prosecution is possible under the NJ States Crimes Code. _____ OIG conducted an investigation into the rehab [rehabilitation] work by a contractor, who also managed a local non-profit organization. OIG determined this contractor received approximately \$150,000 in Rehabilitation, Renovation, Elevation and Mitigation (RREM) funds from homeowners whose properties were damaged by Hurricane Sandy. OIG determined that the contractor failed to complete repairs and rehab for some of the RREM funded homeowners. OIG found instances wherein RREM homeowners and the non-profit's proceeds paid for potential personal expenses, non-construction related expenses and expenses not related to the non-profit's mission. A state Treasury, Division of Taxation, Criminal Division, determined this contractor failed to file state tax returns on behalf of the non-profit and the contracting company. The State's Attorney General's Office declined to prosecute this matter because the dollar amount attributed to the potential fraud did not meet their prosecutorial thresholds	Prosecution declined.



Date Closed	Investigative Description	Disposition
6/24/2019	The Westchester County District Attorney's Office (WCDAO) contacted HUD OIG to inform that the Port Chester Housing Authority (PCHA) is allegedly engaged in the fraudulent practice of selling Section 8 apartments to potential applicants and skipping them from the waiting list. It was further alleged that PCHA is only selling apartments to one ethnic group (Dominicans) and are trying to evict current tenants who have a different ethnic background.	The WCDAO declined prosecution due to the lack of evidence that a crime was committed. As such, we are administratively closing our file.
6/24/2019	It was alleged that (b) (7)(C) of an local housing Authority provided lawn care services for profit to private residences, Hiring the services of a restaurant (b) (7)(C) owns to provide services the Housing Authority, (b) (7)(C) using a Housing Authority vendor to provide personal services (b) (7)(C) performing work at the another Housing Authority during normal working hours and a widespread appearance of financial misconduct. Housing Authority employees have been interviewed and requested documents have been received for review to determine the validity of these aforementioned allegations. Although the allegations were false the allegation of (b) (7)(C) using his restaurant to provide services for Housing Authority staff was not allowable. Due to the amount, the ASAO refuse to prosecute.	Allegations not founded
6/25/2019	While reviewing HECM data from another complaint information was uncovered showing that several related individuals had purchased properties from banks using various Florida Corporations. These corporations then sold the homes through a private sale to elderly individuals for much higher amounts. Months later the elderly individuals applied for and received HECM loans on the properties from assorted lenders and the private mortgages were paid off. Initial interviews indicate that the owners of the Florida Corporations and others then rented out most of the HECM properties and collected cash from renters.	Successful prosecution. All administrative actions complete.
6/25/2019	HUD OIG received a referral by (b) (5) regarding tenant allegations about Oakwood Apartments located in Mequon WI. Per the complainant, the property management company is Professional Property Management (PPM) located in Rockford, IL. The allegation is that after the new property management company took over two years ago, five long-time residents have been evicted. Their apartments have all been re-rented to Russian speaking Ukrainians (the complainant's description), who all seem to know each other. Some or all of them do not actually live in the units, they merely stop by once a week to pick up mail. The property was identified as a HUD/WHEDA property by the tenant.	Case was declined due to lack of evidence. No further action is warranted. Close Investigation.
6/26/2019	In November 2017, HUD OIG received a complaint from the Atlantic City Housing Authority that the (b) (7)(C) (b) (7)(C) had alleged embezzled rent payments made by tenants as well as stole tenant identities and created accounts using their names. HUD OIG determined there was no evidence to support allegations the (b) (7)(C) (b) (7)(C) had embezzled any funds related to her employment at the ACHA or had paid her rent to the ACHA with embezzled funds. No evidence could be found which indicated the (b) (7)(C) (b) (7)(C) had stolen the identity of any tenant at the ACHA. The United States Attorney's Office, District of New Jersey, declined prosecution due to lack of evidence that a federal crime had been committed.	Allegation not substantiated.
6/27/2019	This office is in receipt of information from the Chicago Police Department and the Cook County States Attorney's Office relative to allegations that, (b) (7)(C) a FHA mortgagor, obtained a loan, located at (b) (7)(C), exceeding \$300,000 with multiple fraudulent documents. Specifically, (b) (7)(C) purportedly was provided with fraudulent employment, pay stubs, W-2's and closing costs by various parties in the sale in order to collect excessive sales proceeds. Further, he was informed occupancy was not required as renters would already be in place. Subsequent to the Chicago Police Department's discovery of this loan, (b) (7)(C) agreed to cooperate with law enforcement authorities and introduce an undercover officer/agent for another real estate purchase with the same subjects. A Consensual Overhear order has been requested and obtained by the Cook County States Attorney in order to determine if additional fraudulent documents will be submitted to an undercover agent/officer. The Cook County States Attorney has agreed to investigate the historic allegations as well as any additional leads that can be obtained through various undercover meetings and telephone calls.	All judicial actions complete. All evidence returned, destroyed, or retained per the ASA. No further action is warranted. Close Investigation

Date Closed	Investigative Description	Disposition
6/27/2019	<p>HUD-OIG OI received e-mail allegations from NeighborWorks that a borrower, last name (b) (7)(C) was contacted by (b) (7)(C)(C) told (b) (7)(C) that he worked for HUD and that he could help her avoid foreclosure. (b) (7)(C) charged (b) (7)(C) \$2,500 which he said would be used for closing costs. After (b) (7)(C) paid \$1,250 contact with (b) (7)(C) was cut off. HUD OIG also received an e-mail from Department of the Treasury stating that several websites using the HUD seal advertised (b) (7)(C) being a federal employee and being approved to modify mortgage loans. This e-mail also listed several internet complaints against (b) (7)(C) and linked him with other entities such as a HUD-Making Homes Affordable, Modify Law Group, and (b) (7)(C)</p>	<p>HUD-OIG initiated this investigation based on a referral from another federal agency wherein it was alleged that an individual falsely purporting to be a HUD attorney was facilitating a foreclosure rescue scheme. A joint investigation found that the individual diverted, for personal use, several payments sent to him by unsuspecting victims who believed the payments were going to be forwarded to their lending institutions to prevent foreclosure. Evidence of wrongdoing was gathered during the investigation and findings presented to the United States Attorney's Office. The individual was subsequently charged and plead guilty to 12 counts of Wire Fraud. The individual was sentenced to 97 months incarceration and ordered to pay restitution of \$ 2.2 million for defrauding approximately 197 victims.</p>
7/1/2019	<p>A complaint from a former Housing Authority Employee advised (b) (7)(C) was purchasing police equipment and items unrelated to Housing Authority business using HUD funds. An investigation determined (b) (7)(C) made various purchases from Amazon using the Housing Authority credit card. An Interview with HUD program staff advised the validity of the purchases made by (b) (7)(C) for security purposes. Document from the Housing Authority audit CPA firm review also indicate validity of the items purchased.</p>	<p>Allegations no founded.</p>
7/1/2019	<p>HUD-OIG received a referral from (b) (7)(C) alleging that a property manager and investor applied for HUD REO properties through straw buyers using false financial information. The straw buyers would grant the subject power of attorney; the subject would utilize said power of attorney and submit HUD REO applications for the straw buyer. After the straw buyer had secured the property via warranty deed, the properties were transferred to the subject by a quit claim deed and later rented out to tenants. Subject was sentenced on June 30, 2019, to one year probation, ordered to pay \$67,983.45 in restitution and an assessment of \$300.00.</p>	<p>All judicial actions completed and subject referred for administrative actions.</p>



Date Closed	Investigative Description	Disposition
7/1/2019	HUD-OIG received information from a victim housing authority regarding a head of household that is allegedly allowing an individual subject to lifetime registration as sex offender to reside in the head of household's HUD-subsidized Section 8 residence as an unauthorized occupant. During a review of the head of household's criminal history it was also determined that the head of household failed to accurately report their criminal history.	HUD-OIG initiated this case based on a referral from a housing authority wherein it was alleged that a Section 8 head of household failed to accurately report his criminal history, thus allowing him to receive rental assistance benefits he was not entitled to. Investigation confirmed that the head of household submitted false eligibility certifications. Investigative findings were presented to the District Attorney's Office. The head of household was subsequently charged and plead to 3 counts of Perjury and 1 count of Grand Theft. He was sentenced to 24 months probation and ordered to pay restitution of approximately \$ 3,800 to the housing authority.
7/2/2019	(b) (7)(A)	(b) (7)(A)
7/2/2019	HUD-OIG received information from the United States Attorney's Office that a tribal (b) (7)(C) may have misused down payment assistance funds. The tribal (b) (7)(C) circumvented policies in order to assist a relative in obtaining down payment assistance funds. Those funds were determined to be tribal funds and not HUD funds. The (b) (7)(C) were charged in tribal court for the misuse of those funds however, the charges were later dismissed. This investigation was administratively closed.	All investigative activity is complete, this investigation is being administratively closed.
7/3/2019	HUD Program staff referred complainant (b) (7)(C) to HUD OIG alleging identity fraud. The complainant requested assistance from the HUD Miami Field Office regarding garnishment of her social security benefits as a result of a HUD Partial Claims Promissory Note signed by an FHA borrower named (b) (7)(C)	Admin case only SIR forwarded to HUD. No further action required.
7/8/2019	On October 21, 2015 the Office of Audit forwarded our office a complaint they received from HUD. The complaint alleged that Beverly Place apartments collected rental payments on behalf of a tenant despite being notified that the tenant was no longer living in the HUD assisted unit. The complaint further alleged that the tenant did not receive Utility Assistance Payments while residing at Beverly Place despite being entitled to them.	All subjects have been convicted and sentenced
7/8/2019	HUD-OIG received information that (b) (7)(C) the (b) (7)(C) of the Fenton (LA) Housing Authority was issuing fraudulent FHA checks to (b) (7)(C) for work they had not done. The two subjects were reportedly not employees of the FHA.	Case complete

Date Closed	Investigative Description	Disposition
7/12/2019	A referral from HUD program alleged a local housing authority employee embezzled approximately \$12,000 in tenant rent payments. Investigation determined between January 2013 through November 2016, the employee collected cash rental payments from tenants and provided handwritten receipts. The employee allegedly made false entries in the housing authorities accounting system and used the cash received from the employee for personal use. However, the employee did repay some of the stolen. The employee passed away prior to charges being file. Therefore, the investigation was declined for prosecution.	Prosecution Declined
7/15/2019	(b) (7)(C) SA for FHFA OIG, advised during a recent mortgage fraud task force meeting that a company called Housing Angels is operating in the Phoenix area and fraudulently purchasing homes via short sale. The company then flips the property for a profit (having failed to market it for the releasing lender) or rents/sells it back to the original mortgagor (in violation of the lender's sales requirements). An online search of the company's purchases show that two FHA properties were recently sold to them under HUD's Pre-foreclosure Sale Program.	HUD-OIG initiated this case based on a referral from another federal law enforcement agency wherein it was alleged that a mortgage company was fraudulently purchasing homes via short sale and selling the properties back to the original owners. A joint investigation was conducted and investigative findings were presented to the United States Attorney Office(USAO). The USAO subsequently brought indictments on four mortgage company employees charging them with False Statements to HUD and Misprision of a Felony. The four defendants plead guilty to the charges and were collectively sentenced to 30 months incarceration, 118 months of probation and ordered to pay approximately \$ 217,300 in restitution.
7/15/2019	In October 2015, Adams County provided (b) (7)(C) with \$306,000 in CDBG funding to acquire a single family home to be used for a domestic violence shelter. The shelter was intended to be for battered women, their children, and their pets. The (b) (7)(C) of (b) (7)(C), (b) (7)(C) was acting as the (b) (7)(C) and residing at the shelter in the (b) (7)(C) along with (b) (7)(C) (b) (7)(C) (b) (7)(C). The County has been unable to independently verify information to prove that victims are being served at the shelter. Furthermore, the County is concerned that this property is being used as a personal residence for (b) (7)(C) and (b) (7)(C).	Case was declined for prosecution and referred to the IRS for administrative action.
7/18/2019	Complainant alleges that the subject is allowing a registered sex offender to reside in her HUD-supported unit. Investigation determined that there was no unauthorized occupancy; no crime was committed nor was there any administrative violations. Case closed.	Administratively closed.
7/19/2019	(b) (5), (b) (7)(A), (b) (7)(C)	Case was declined for prosecution

Date Closed	Investigative Description	Disposition
7/19/2019	(b) (7)(C) (b) (7)(C) McAllen Housing Authority (MHA) (b) (7)(C) informed that it is believed two former (b) (7)(C) employees were overcharging housing choice voucher tenants at two properties; Camino Real Apartments and Nolana Apartments. (b) (7)(C) explained that based on the Housing Assistance Payments (HAP) contract, tenants should not be paying any additional monies other than what is listed on the HAP contract. Based on a July and September 2018 rent roll for both properties, (b) (7)(C) has determined that 80% of the Nolana Apartment tenants were paying additional monies that were not listed on their HAP contract. (b) (7)(C) determined that approximately 80% of the HAP contract amounts at the Camino Real Apartments are more than the lease contract amount. (b) (7)(C) informed that the property (b) (7)(C) at the Camino Real Apartments was misrepresenting the lease amounts. The differences between both amounts were between \$150.00 and \$10.00. (b) (7)(C) opined that the Camino Real Apartments property (b) (7)(C) was probably keeping the additional monies.	All investigative activity completed. The investigation resulted in a settlement, that made the PHA whole. All closing documents have been completed and uploaded. Case closed.
7/19/2019	On January 31, 2019, (b) (7)(C) (b) (7)(C) (b) (7)(C), (b) (7)(C), provided information alleging that (b) (7)(C) (b) (7)(C) Section 8 landlord, failed to report Section 8 earnings in his Chapter 7 Bankruptcy proceedings. (b) (7)(C) additionally alleged financial abuse and extortion by (b) (7)(C) of his Section 8 tenants.	Case declined criminally and administrative action has been taken. If and when the SIR is finalized, this action will be recorded in (b) (7)(C)
7/22/2019	(b) (7)(C) (b) (7)(C) of CDBG for NACOG in Flagstaff. allegedly approved development funding for a property in Verde Valley owned by (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) for the Town of Camp Verde. The project, paving for a 17-acre parcel of land intended to be a trailer park, is alleged to greatly raise the value of (b) (7)(C) property and is purportedly a conflict of interest.	This case was initiated based on a referral received through the HUD-OIG Hotline. It was alleged that an employee at a community development center was misappropriating HUD grant funds and also had a conflict of interest with a local developer that was related. Witness and subject interviews were conducted and investigative facts gathered. The investigation did not reveal any evidence that HUD funds were misappropriated nor any financial dealings between the related employee and developer. This case was closed as there was no evidence of criminal wrongdoing found.
7/23/2019	HUD/OIG received information from HUD's NY's Office of MultiFamily alleging that the developer and other individuals associated with Vineyard Commons, a Federal Housing Administration insured project under the National Housing Act, Section 221(d)(4) program, submitted false construction-related invoices to HUD and the project's lender during the new construction phase of Vineyard Commons. Vineyard Commons is a 185-unit multifamily new construction development located in Highland, New York, that was built mainly to serve an older population. The developer and the other individuals were charged, found guilty at trial, or pleaded guilty in U.S. District Court and collectively received 87 months of incarceration and were ordered to pay collectively \$2,165,000 in restitution.	Successful prosecution.



Date Closed	Investigative Description	Disposition
7/23/2019	HUD OIG received a referral from a law enforcement agency alleging that several individuals were using fraudulent identities to obtain government benefits. One of these individuals obtained Section 8 Housing Choice Voucher (HCV) benefits. The investigation disclosed that the individual provided information to a public housing authority that involved a fraudulent identity. This case was declined for prosecution by the USAO, and is being closed.	The results of this investigation revealed the subject provided fraudulent personal identifying information to the PHA. This case was declined for criminal prosecution but the subject was terminated from participation from housing benefits. This matter is considered closed by (b) (7)(C) (b) (7)(C)
7/23/2019	The Willows, a low- and moderate-income rental complex in Little Egg Harbor, NJ is currently renting its 56 units, using a \$9.1 million grant from the state's Sandy Disaster Fund for Hurricane Sandy victims. Allegedly no Sandy victims reside in the complex.----- The US Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) initiated this investigation based on a published newspaper article alleging The Willows at Little Egg Harbor did not have any Superstorm Sandy victims residing in the housing project despite being awarded the Fund of Restoration of Multi-Family Housing (FRM), Community Development Block Grant Disaster Recovery (CDBG-DR). The OIG investigation determined The Willows at Little Egg Harbor met FRM requirements and they did provide a housing preference to displaced Superstorm Sandy applicants. The allegation against The Willows at Little Egg Harbor was unsubstantiated based on a review of The State of NJ Action Plan, NJHMFA records, CDBG-DR loan agreements, tenant records, rental applications, and Affirmative Fair Housing Marketing Plan. The OIG determined there was no loss to HUD.	Allegation unsubstantiated
7/23/2019	HUD OIG received information from another Federal Agency alleging that a Federal employee was involved in a stolen identity fraud scheme. Further, that the employee may have fraudulently applied for and received housing and/or housing subsidies through HUD. This investigation did not reveal any evidence to support the allegation. HUD OIG determined that there was no monetary loss to HUD.	Allegation Not Substantiated
7/24/2019	HUD/OIG received a referral from the New York City Housing Authority (NYCHA) Inspector General's Office stating that several NYCHA employees, within NYCHA's (b) (7)(C), were falsifying preventative maintenance work orders to make it appear as if they were maintaining safety compliance standards. Three NYCHA employees were charged and plead guilty in New York County Supreme Court and collectively received 150 hours of community service and were ordered to pay collectively \$600 in fees and penalties. One employee was also required to resign as part of the plea agreement.	Successful prosecution.
7/24/2019	Allegations of Elderly Exploitation involving the misuse of funds received through a HECM/Reverse Mortgage loan.	Prosecution was declined on the state and local level.



Date Closed	Investigative Description	Disposition
7/24/2019	<p>Allegations Maintenance workers – It is alleged that maintenance workers doing work at (b) (7)(C) personal rental properties. If the maintenance workers refused, (b) (7)(C) would pull overtime opportunities. Altered documents – It is alleged (b) (7)(C) had previously informed that he intended to retire in December 2018. (b) (7)(C) then decided he would like to stay on as a consultant while promoting (b) (7)(C) to the (b) (7)(C) position. In order to facilitate this, (b) (7)(C) and (b) (7)(C) attempted to alter previously dated documents. However, this was prevented from happening by the new (b) (7)(C) (b) (7)(C) (b) (7)(C) San Antonio trips – it is alleged that (b) (7)(C) and (b) (7)(C) took work trips to San Antonio to purchase supplies. Some of the supplies/tools were then dropped off at (b) (7)(C) home. Truck – It is alleged that after (b) (7)(C) purchased a truck, he used housing authority (petty cash) funds to fix it. After the truck was fixed, (b) (7)(C) sold it to the housing authority for a profit. Water Heaters – It is alleged that (b) (7)(C) used housing authority (petty cash) funds to purchase water heaters for himself. (b) (7)(C) then reimbursed the housing authority with a personal check. Tenant history – It is alleged that (b) (7)(C) is altering tenant histories to falsely report rents as fully paid in order to ensure complete funding from HUD. Tenant complaints – tenants allege that (b) (7)(C) (b) (7)(C) (b) (7)(C) Last Name Unknown, an employee of the housing authority had poor work ethic but no action was ever taken. Text messages – text messages between (b) (7)(C) and (b) (7)(C) were provided which detail (b) (7)(C) requested (b) (7)(C) assistance during work hours to collect rent for (b) (7)(C) personal properties. Casa De Coto (non-profit) – it is alleged that (b) (7)(C) received a loan of approximately \$300,000 from (b) (7)(C) ; (b) (7)(C) a (b) (7)(C) in Mexico. It is alleged that the interest rate charged by (b) (7)(C) was significantly less than the rate charged by the bank. The housing authority was making monthly payments to (b) (7)(C) in the amount of approximately \$3,638.75. It is alleged that with the loan nearing maturity, (b) (7)(C) is planning on doing a construction loan with (b) (7)(C)</p>	<p>Allegations were unsubstantiated and declined by USAO. All investigative activity completed. Case closed.</p>
7/25/2019	<p>In April 2015, HUD OIG received information from Contra Costa County District Attorney's (b) (7)(C) (b) (7)(C) regarding Section 8 tenant (b) (7)(C). It was alleged that (b) (7)(C) had recently ported into Antioch from San Francisco. It was also alleged that (b) (7)(C) had never lived in San Francisco while he was receiving the benefit of program subsidies from the San Francisco Housing Authority (SFHA).</p>	<p>HUD-OIG initiated this investigation based on a referral received from a housing authority wherein it was alleged that a HUD Section 8 program participant was not residing in his federally subsidized unit and possibly subletting the residence in violation of program rules. Witness interviews were conducted and evidence was gathered during the course of the investigation. Investigative findings were presented to the United States Attorney's Office, and while indicators of fraudulent activity were present, the case was declined for criminal prosecution due to statute of limitation issues. A referral was made to the housing authority for possible administrative action.</p>

Date Closed	Investigative Description	Disposition
7/26/2019	HUD OIG received a referral from the New York State (NYS) Attorney General's Office (AGO) and the NYS Comptroller's Office (CO) alleging that the (b) (7)(C) and other individuals may have submitted false financial statements to HUD's Office of Community Planning and Development in order to conceal their financial troubles. The NYSAGO declined to prosecute this due to statute of limitation problems and the complex nature of the mismanagement of funds. This matter was not presented to the U.S. Attorney's Office due to the near expiration of the statute of limitations. HUD OIG did not refer this matter to the appropriate program office due to a majority of the evidence was gathered via the grand jury subpoenas. No further investigative actions were taken.	NYS Attorney General's Office declined to prosecute this due to statute of limitation problems.
7/26/2019	HUD OIG received a telephone call from an Assistant United States Attorney who advised that they had spoken to an (b) (7)(C) at a Housing Authority (HA) regarding possible embezzlement and/or misappropriation of Indian Community Development Block Grant (ICDBG) funds by a construction company doing business with the HA. Case was declined for prosecution and referred to DEC for administrative action.	Case was declined for prosecution and referred to the DEC for administrative action.
7/26/2019	HUD/OIG received a complaint from its hotline (b) (7)(C) that alleged (b) (7)(C) for the City of Rochester inappropriately awarded Community Development Block Grant funds to developers as a reward for their donation to her re-election campaign. The complaint further alleged the developers used the CDBG funds to develop a new hotel, which included a rooftop bar, a Morton's Steakhouse Restaurant, and a Starbucks coffee café. HUD/OIG was not able to substantiate the allegations and no further investigative steps are contemplated and this case will be closed	Allegation were unsubstantiated.
7/26/2019	HUD OIG received a request for assistance from U.S. Department of Health and Human Services (HHS) OIG regarding an individual whom was being investigate for allegedly receiving kickbacks of HIV/AIDS medications and submitting fictitious billings to Medicare and Medicaid. HHS OIG alleged (b) (7)(C) was also receiving the benefit of Section 8 assistance he was not entitled to receive. The individual was charged, via a criminal complaint, on various charges including a housing fraud charge; however, the U.S. Attorney's Office declined to indict him on that charge. Being that there's no longer a HUD nexus to this investigation, this will be closed administratively.	The U.S. Attorney's Office has declined to include the housing fraud charge in the indictment; therefore, there's no longer a HUD nexus and this will be closed administratively.
7/30/2019	HUD OIG received a referral from the Worcester Housing Authority (WHA) alleging a WHA Housing Choice Voucher (HCVP) landlord charged his WHA HCVP tenant side payments, more money than the allowable tenant portion of rent in violation of the HAP contract. Allegedly, the landlord knew his WHA HCVP tenant had additional persons who were not listed on the lease or reported to the housing authority to reside in the rental unit. The investigation revealed the landlord denied asking for any side payments; however, the landlord admitted the WHA HCVP tenant's husband did complete handyman jobs and cleaning in the buildings the landlord owned. The WHA HCVP tenant was unable to provide documentation that she made side payments. The WHA HCVP tenant was removed from the WHA HCVP program for having an unreported individual residing in her unit. The United States Attorney's Office, District of Massachusetts, Worcester office declined prosecution.	Prosecution Declined, Administratively Closed
7/30/2019	HUD OIG received a complaint alleging a (b) (7)(C) of a Connecticut Non-Profit which receives HUD CDBG block grant funds was steering contracts to a contractor and allegedly rigging bids for a particular contractor to be awarded projects. Following the HUD OIG investigation, the allegations were not substantiated as the (b) (7)(C) of the Connecticut Non -Profit did not award the contracts for the projects and the United States Attorney's office declined prosecution.	Allegation Not Substantiated, Administratively Closed



Date Closed	Investigative Description	Disposition
7/31/2019	Allegations of employees for the Federal Housing & Equal Opportunity (FHEO) were committing Time & Attendance Fraud. The employees were not coming to work or arriving to the office late and leave early. The investigation reviewed Time and Attendance data base, annual and sick leave, official travel for duty, building access, by employees, as well as, employees email activities. This review identified unaccountable work days for each employee and the findings were presented to the (b) (5) for administration action consideration.	Case was declined for prosecution, SA referred the matter to the (b) (7)(C), (b) in Atlanta, GA
7/31/2019	A former Housing Authority employee contacted HUD-OIG seeking protection under the National Defense Authorization Act for wrongful termination. The employee provided information to management at the HA alleging the HA (b) (7)(C) and a pest control contractor were involved in procurement fraud but the HA failed to take action. The employee reported they presented the issue to the HA on a later date and was terminated for raising concerns about compliance issues. Investigation conducted the HA did not retaliate against the employee for any protected disclosures under Section 4712 and the disclosures did not contribute to the employee's termination.	Allegation Not Substantiated
8/1/2019	This office is in receipt of information which alleges that the Woodlawn Community Development Corporation (WCDC), former property manager for the Gary Housing Authority (GHA), used GHA Operating Funds to pay for support personnel who were also paid under the management fee outlined in the GHA contract. According to the GHA, WCDC had complete control of the Operating Funds. Towards the end of the WCDC's Management Contract, it was found that \$40,000 of rent collected from tenants was unaccounted for. This office is also in receipt of information that the WCDC allegedly conducted similar actions with the Chicago Housing Authority (CHA). In addition to these allegations the WCDC and its parent company The Woodlawn Organization (TWO) headed by (b) (7)(C) (b) (7)(C) who receive CDBG funds have co-mingled funds with the (b) (7)(C) (b) (7)(C). Other projects of the TWO have additional allegations. TWO has also received a \$2 Million loan, in which it defaulted in 6 months. It is alleged that TWO provided false information with respect to current building occupancy rates of the Southside Preservation Property in order to obtain this loan.	This case was declined for prosecution by the US Attorney's Office. No further investigative action required at this time.
8/1/2019	The subject, (b) (7)(C) of an FHA insured loan borrower, allegedly filed three Chapter 13 bankruptcy cases in the name of the borrower, without the borrower's knowledge. The subject was attempting to stop scheduled foreclosure proceedings on the FHA insured mortgage. FHA sustained a loss due to unnecessarily accrued interest.	The criminal case concluded and an administrative referral to HUD is not required per policy.
8/1/2019	HUD-OIG received a referral from the HUD, Real Estate Owned Division, alleging that adverse possessors took over a government owned property without authorization. The subjects were arrested, plead guilty and sentenced, to include \$11,450.00 in restitution to HUD.	HUD-OIG initiated this case based on a referral from HUD wherein it was alleged that squatters had illegally taken possession of a HUD Real Estate Owned property. Field surveillance and interviews were conducted and the illegal occupants were contacted. Investigative findings were presented to the District Attorney's Office. As a result, the two illegal occupants were charged with counts of Theft, Forgery and Trespassing, plead guilty and were sentenced collectively to 72 months incarceration, 96 months probation and ordered to pay restitution to HUD of approximately \$ 12,000.

Date Closed	Investigative Description	Disposition
8/2/2019	<p>(b) (7)(C) received fugitive felon data on April 1, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. The OIG initiated an investigation after (b) (5) was cross referenced with (b) (5). The match found 77 fugitive felon tenants within the region. The 77 were eventually pared down to 12 HQ prioritized fugitive felon tenants based on warrants and current tenancy. Of the 12 prioritized, 4 fugitives were arrested and one was referred for eviction. The remaining 7 were not pursued after it was determined the warrants were no longer active or the person was no longer a HUD program participant.</p>	Administrative closure
8/5/2019	<p>HUD OIG, Newark, NJ, initiated this investigation based on a request for assistance received from the (b) (7)(C), United States Department of Homeland Security (DHS), United States Customs and Immigration Services (USCIS). DHS USCIS informed HUD OIG that Section 8 recipients were allegedly paid to marry foreign nationals in order to obtain a United States permanent resident status for the foreign nationals. Later, DHS informed HUD OIG that they were unable to collect the necessary information to further the case and were no longer actively pursuing the investigation. HUD OIG has no jurisdiction over the immigration violations and closed the case administratively.</p>	Administratively closed.
8/5/2019	<p>HUD OIG received a referral from HUD Community Planning and Development advising they received a complaint from a former employee of a local transitional and supportive housing entity, which alleged the (b) (7)(C) of the entity used HUD grant funds to pay money to two supportive housing clients in exchange for sexual favors. The allegation was unsubstantiated. This investigation was administratively closed.</p>	Allegation was unsubstantiated.
8/5/2019	<p>(b) (7)(C) received fugitive felon data on April 1, 2018, from the (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.</p>	Administratively closed.
8/5/2019	<p>(b) (7)(C) received fugitive felon data on April 1, 2018, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's Multifamily Housing system, removed duplicate NCIC numbers and separated the data by OIG investigative region.</p>	Administratively closed.
8/6/2019	<p>The U.S. Department of Housing and Urban Development, Office of Inspector General (HUD OIG), New Orleans, Louisiana received information that a Section 8 landlord allegedly committed fraud under the Housing Choice Voucher Program (HCVP). The landlord allegedly rented a property to his girlfriend/spouse. It is further alleged the landlord maintained residency with the girlfriend/spouse, both falsified HUD/HANO documentation, and received HUD benefits based on those false statements.</p>	Subjects entered into PTD agreement; all judicial actions completed.
8/6/2019	<p>This matter was initiated as part of a nationwide HUD-OIG Fugitive Felon Initiative (FFI). In December 2018, HUD-OIG Region 9 received FFI data from HUD-OIG, Operations Division, which then forwarded to various field offices, to include the HUD-OIG Las Vegas Field Office (LVFO), for local enforcement of Public Law 104-193 SEC.903 – "Elimination of housing assistance with respect to fugitive felons and probation and parole violators". Information for three identified individuals were passed-on to the US Marshals Service for action deemed appropriate. Case closed administratively.</p>	Administratively Closed.



Date Closed	Investigative Description	Disposition
8/6/2019	Through proactive measures by HUD-OIG Region 9, Subject head of household was allegedly housing an unauthorized household occupant in her HUD-subsidized residence who is subject to lifetime registration as a sex offender. The investigation determined that the lifetime sex offender was in fact residing at the HUD subsidized residence as an unauthorized, and in addition he was had failed to properly register his sex offender status upon arriving in California from North Carolina, which was in violation of the Adam Walsh Act, 18 USC, Section 2250. The sex offender was arrested and removed from the HUD subsidized unit, and the head of household was referred to the proper housing authority for possible administrative action. No further action warranted.	Administrative Closed.
8/7/2019	A Referral from the Lafayette Housing Authority reported (b) (7)(C) (b) (7)(C) for the LHA, is co-owner of a property that is reportedly being lived in by a LHA Housing Choice Voucher recipient. LHA records show that (b) (7)(C) (b) (7)(C) to (b) (7)(C) is listed as the landlord of the property and is receiving the monthly voucher payments. Preliminary information also shows the property may have been vacant and unoccupied for the last several months.	All actions adjudicated.
8/7/2019	HUD OIG received a referral from a law enforcement agency alleging that a homeowner fraudulently received Community Development Block Grant-Disaster Recovery funds in the amount of \$120,989 along with a \$31,000 loan and \$2,270 grant from other federal sources. These funds were received for a damaged property which the homeowner falsely claimed as her primary residence at the time of Hurricane Sandy. This investigation substantiated the allegations. The subject was charged by the state with theft by deception of Hurricane Sandy disaster assistance and is expected to plead guilty. The subject has since paid back \$31,000.	This investigation was administratively closed for the following reasons: the subject was charged, the case is substantially complete, and the case agent's last day employed with HUD OIG is 8/17/19.
8/8/2019	HUD OIG SA proactively searched for HUD-subsidized Section 8 residential addresses among a list of registered sex offenders. HUD OIG SA identified seven (7) address matches with individuals subject to lifetime registration as a sex offender within the zip code featured in this case. Of the seven, only one was determined to be residing at a HUD subsidized residence. The head of house hold was referred to the local housing authority for removal action. Case closed administratively.	Closed administratively.
8/8/2019	In a March 5, 2018, memorandum, Deputy Assistant Inspector General for Investigation (DAIGI) Robert L. Kwalwasser, (b) (7)(C) HQ OPs (b) (7)(C) (b) (7)(C) and (b) (7)(C) (b) (7)(C) (b) (7)(C) conduct a review pertaining to evidence discrepancies and accountability in HUD OIG's (b) (7)(C) office. The review was required due to a Management Assisted Review (MAR) conducted of the (b) (7)(C) office's evidence room that, in part, identified a piece of evidence missing at the time the MAR review was conducted. The HQ OPs review disclosed approximately 60 items of evidence were missing from the (b) (7)(C) office's evidence room. DAIGI Kwalwasser in an April 2, 2018 memorandum directed an investigation be conducted regarding the allegations of missing evidence.	Final dispositions complete. No further action required.
8/8/2019	In May 2018, HUD OIG, Newark, NJ, initiated this investigation based on an investigative summary received from the Newark Housing Authority (NHA), regarding a complaint alleging that NHA (b) (7)(C) and the (b) (7)(C) extorted \$300 from a NHA tenant, in exchange for not initiating an eviction process and removing a "One Strike" violation from the NHA tenant file. Both the (b) (7)(C) and (b) (7)(C) were terminated from employment. This case was administratively closed.	Administratively Closed.
8/13/2019	It is alleged that (b) (7)(C) and (b) (7)(C) made false statements to HUD when they placed a bid on the REO property located at (b) (7)(C) during the Owner/Occupant window. The (b) (7)(C) won the bid as owner/occupants and closed on the property on 8/7/2018. The after rehabbing the property the (b) (7)(C) allegedly rented out the property to (b) (7)(C) in December 2018, instead of occupying the property as they represented to HUD during the bid process.	All subjects have reached final disposition and HUD reached a civil settlement with the defendants as a result of the investigation

Date Closed	Investigative Description	Disposition
8/14/2019	On August 25, 2017, Special Agent (SA), (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO was forwarded a complaint from (b) (7)(C) (b) (7)(C) (b) (7)(C) HUD OIG (b) (7)(C). The complaint originated from (b) (7)(C) Colorado Department of Local Affairs. It was then sent to (b) (7)(C) (b) (7)(C), Office of Community Planning and Development, HUD. The complaint alleged that: "The tenant added the 'Landlord' to the deed to her house on 09/9/2009 and took herself off 10/16/2009, this left only the 'Landlord' as the owner for the home. She was enrolled in the program on 10/23/2009 (7 days after being removed as an owner on the home). She then started to receive assistance for the home was previously the owner of. She was then added back to the deed on 02/03/2015. If we look at the amount paid on her behalf from 2009 to 8/18/2017, it would be roughly \$107,006 If we look at the amount paid on her behalf from 02/03/2015-08/18/2017 it would be roughly \$37,200. The Tenant was sent termination paperwork upon the discovery of her being listed on the deed and her response was that she didn't know she was added back on. " According to the complainant this was a participant in the Housing Opportunities for Persons with AIDS (HOPWA) program. The complaint did not provide any identifiable information on the accused.	Allegations could not be substantiated and a possible subject/witness is deceased.
8/15/2019	A referral for investigative assistance was made by the New York State Attorney General's Office regarding Rapid Construction, (b) (7)(C) (through Big Brooklyn Rehab and other entities), and a third party who allegedly participated in a scheme to commit mortgage fraud concerning real property in Kings County by knowingly and with intent to defraud either a mortgage lender, a mortgage insurer, creditors or another interested party, presented materially false information in applying for and/or closing a residential mortgage loan.	Successful prosecution.
8/15/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on March 13, 2017, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. This case file will document New England FFI work. New York and New Jersey will be documented under separate case files.	All fugitive felons on the 2017 (b) (5) Data Match for New England were processed.
8/15/2019	(b) (7)(C) has been the (b) (7)(C) at the Philadelphia Village Apartments since 2009. (b) (7)(C) has been taking money from people and placing them into an apartment by-passing the waiting list and overlooking any criminal background and credit checks. People have complained to her boss; however, nothing has been done. The OIG initiated this investigation on July 2, 2018 after receiving a referral from the from the OIG Office of Legal Counsel Hotline. The complaint alleged that an (b) (7)(C) for an apartment complex that receives HUD funding to administer Project Based Section 8 rental assistance, located in Egg Harbor, NJ, took money from individuals and placed them in apartments while by-passing the waiting list and overlooking criminal histories and credit checks. The OIG determined that the allegations against the (b) (7)(C) could not be substantiated. Based on these facts, the case was closed.	Allegations unsubstantiated.
8/15/2019	HUD OIG received request for assistance by EPA CID regarding allegations of procurement fraud pertaining to CDBG funds provided to the New York City Department of Homeless Services.	No HUD funds were used in the alleged scheme. Administratively closed.



Date Closed	Investigative Description	Disposition
8/16/2019	<p>This investigation was initiated to address both public housing and housing choice voucher program tenant fraud in the Northern Metropolitan Boston, Massachusetts communities. The investigation determined that a HCVP tenant concealed her true marital status, living arrangements, and family resources from HUD, causing an approximate \$108,000 loss to HUD. The HCVP tenant plead guilty to the federal charges, and received four months imprisonment, thirty-six months of probation, and was ordered to pay \$108,000 to HUD. The investigation determined a Public Housing (PH) tenant failed to properly notify the Social Security Administration (SSA) of (b) (7)(C) death, which lead to the SSA to continue sending SSA benefits to the PIH tenant's address. The PIH tenant concealed this additional income from the PH, which lead to additional housing assistance to be provided to the PH tenant. The PH tenant plead guilty to the federal charges and was sentenced to thirty-six months of probation and ordered to pay \$218,702 in restitution. The investigation determined a PH tenant failed to notify the SSA of (b) (7)(C) death, which lead to the SSA to continue direct depositing SSA benefits into (b) (7)(C) bank account. The PIH tenant personally utilized her (b) (7)(C) SSA benefits for herself and on the application for PH, she failed to list the SSA benefits she was illegally receiving from her (b) (7)(C) bank account. The PH tenant plead guilty to the federal charges and was sentenced to twenty-four months of probation, and ordered to pay restitution in the amount of \$132,000.</p>	Successful Prosecution
8/16/2019	<p>The USAO District of Connecticut received a complaint that the owners, management company, and HUD contracted inspectors may been working together to conceal the poor physical condition of a privately owned multifamily building located in the State of Connecticut which is subsidized by HUD's Multifamily Rental Housing for Moderate-Income Families Program.</p>	Prosecution declined
8/16/2019	<p>(b) (7)(C) (b) (7)(C) received fugitive felon data on March 13, 2017 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. This case file will document New England FFI work. New York and New Jersey FFI work will be documented in separate case files.</p>	All fugitive felons on the 2017 (b) (5) Data Match for New England were processed.
8/16/2019	<p>The New Britain Housing Authority was chosen to receive a Compliance Review. During the review, two staff members admitted to having their family members illegally placed on the Housing Choice Voucher program. The staff members alleged that (b) (7)(C) Housing Choice Voucher (b) (7)(C) (b) (7)(C) admitted their family members to the program bypassing waitlist requirements.</p>	Investigation administratively closed and the investigation will be continued under investigation number (b) (7)(C). A closing ROI will be completed under (b) (7)(C).
8/19/2019	<p>Allegations were received via the Hotline suggesting that a current/former Housing Authority of Brevard County (HABC) employee believes that several management level employees from the HABC may have sent false or misleading information to HUD regarding annual reporting requirements. Allegations also suggest that HUD may have overpaid the HABC certain monies by detrimentally relying on information provided by the HABC to HUD. Upon review of the allegations it was determined that the HABC, (b) (7)(C) (b) (7)(C) (b) (7)(C) did in fact violate certain procurement guidelines by doing business with several contractors beyond the 5 year limit in violation of 2 C.F.R Part 200. Although there appeared to be a violation of procurement guidelines by extending a contract beyond the 5 year limit, no evidence of criminal intent was identified. The case was declined for criminal prosecution by the United States Attorney's Office for the Middle District of Florida. HUD's Office of Public Housing, Miami, Florida conducted a Limited Management Review confirming that the HABC had violated 2 CFR Part 200 procurement guidelines. HUD issued a letter detailing actions required, which included but was not limited to, re-procuring the contractors through an entirely new bidding process if their services were still needed.</p>	Prosecution declined. Administrative action taken by HUD.

Date Closed	Investigative Description	Disposition
8/19/2019	HUD OIG SA proactively searched for HUD-subsidized Section 8 residential addresses among a list of registered sex offenders. HUD OIG SA identified six (6) address matches with individuals subject to lifetime registration as a sex offender within the zip code featured in this case.	Successful Prosecution.
8/19/2019	HUD OIG SA proactively searched for HUD-subsidized Section 8 residential addresses among a list of registered sex offenders. HUD OIG SA identified six (6) address matches with individuals subject to lifetime registration as a sex offender within the zip code featured in this case.	Successful Prosecution and admin actions
8/19/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on November 01, 2018 from (b) (5). The data revealed 17 possible Fugitives receiving federal living assistance. After a thorough review and notification from the issuing agency it was determined that only one subject was a Fugitive from justice. HUD-OIG provided a notification for eviction to the managing agency to terminate the subjects federal assistance.	Administrative case to document work completed on Fugitive Felon Initiative. All active Fugitive Felons referred for eviction.
8/19/2019	(b) (7)(C) allegedly represented Habitat for Humanity of Northwest Indiana as the (b) (7)(C) (b) (7)(C) (b) (7)(C) allegedly told the complainant, she falsified a government grant (b) (7)(C) submitted to Gary Indiana. The grant was allegedly funded by HUD. (b) (7)(C) submitted documents for this grant in August 2018. Specifically, (b) (7)(C) indicated Habitat for Humanity of Northwest Indiana was not renting homes. (b) (7)(C) allegedly knew (b) (7)(C) was rented out. The complainant allegedly reported this information to (b) (7)(C) the (b) (7)(C) (b) (7)(C). Sometime later the complainant was terminated.	The Complainant did not produce evidence to support a prima facie case of retaliation under Section 4712. In addition, the Employer provided clear and convincing evidence that (b) (7)(C) would have been terminated regardless of her disclosures.
8/21/2019	The Denver HOC QAD was notified by Wells Fargo of alleged bank account and asset misrepresentations by (b) (7)(C) borrower for a property located at (b) (7)(C). The loan was a 203K substantial rehabilitation loan that is ten (10) months delinquent.	The subjects in this case signed a deferred prosecution agreement with the Illinois Attorney General's office. No further investigative action is warranted at this time.
8/21/2019	On November 2, 2015, (b) (7)(C) (Complainant) came to (b) (5) to report a case of possible mortgage fraud involving multiple properties that he had purchased from an entity called (b) (7)(C) in South Bend Indiana. (b) (7)(C) was approached by a guy named (b) (7)(C) and was offered and opportunity to invest in some properties and that he had a method to obtain distressed properties and get the mortgages released. (b) (7)(C) explained to (b) (7)(C) that he would approach distressed homeowners and offer them some amount of money to get them out of the home. The homeowner would then have to Quit Claim Deed the property to (b) (7)(C) or (b) (7)(C). (b) (7)(C) explained to (b) (7)(C) that there is a loophole that banks will deed properties over rather than get involved in lengthy litigation process. (b) (7)(C) invested \$302,500.00 with (b) (7)(C) and currently holds Quit Claim Deeds to four properties and also a Warranty Deed to a property in Florida. Three of the four properties that (b) (7)(C) has Quit Claim Deeds to are FHA insured and two of them are severely delinquent in going into foreclosure. The FHA insured properties have unpaid balances totaling over \$300,00.00. (b) (7)(C) believes he owns these properties based upon the Quit Claim Deeds and was unaware that there were active mortgages on the properties.	All Judicial actions complete.
8/21/2019	It is alleged that HCV recipient (b) (7)(C) earns significant income from a dog breeding business that she does not report. It is further alleged that a MSHDA housing agent is aware of the business proceeds and has assisted the HCV recipient in structuring her business in a way that appears legitimate.	All Judicial action complete.



Date Closed	Investigative Description	Disposition
8/21/2019	In November 2016, HUD OIG, Newark, New Jersey, initiated this investigation to resolve multiple allegations of fraud involving Community Development Block Grant Disaster Relief (CDBG DR) funds granted to the State of New Jersey for various Superstorm Sandy Disaster Relief programs. Six independent leads were investigated; five leads for allegations for properties that received RREM grant funds that were not their primary residence. Sufficient evidence was not developed to prove that the individuals were not eligible to receive this funding. The last lead was for an allegation that LLRP funds were spent on personal use and not to repair the storm damaged property as required. The subject was a LLRP recipient and a NJ State-approved contractor, who deceptively received \$1,015,895 in association with two HUD Sandy Relief programs, which the total HUD Loss in this case was \$444,693.50. The subject pleaded guilty and was sentenced on multiple felony counts.	Successful Prosecution.
8/22/2019	On November 27, 2018, HUD-OIG received an email written by a complainant alleging misuse of Indian Housing Block Grant funds by an Indian tribe in North Carolina. In the complaint, it is alleged that 1) the Tribe used \$50,000 in HUD funds to pay for a trip to Washington D.C. for political purposes; 2) (b) (7)(C) used HUD funds to pay for Christmas floats in 2016 and 2017 for (b) (7)(C); 3) (b) (7)(C) used Tribal Security, paid with HUD funds, to patrol (b) (7)(C) while he was in Washington D.C.; 4) the Tribe mismanaged HUD funds and misspent HUD funds on a swimming pool at the Tribe's cultural center. Additionally, the complainant alleged that HUD extended the response time for a monitoring report for an on-site visit from January 2018 to January 2019, without good cause. The complainant also suggested that the Tribe had \$15 million in unexpended HUD funds, not being utilized by the Tribal government. The complainant alleged that the Tribal government is not properly spending money intended to be spent on housing for the Tribe's members. The investigation revealed that the Tribe spent approximately \$43,000 in HUD funds improperly which included Washington DC travel and parade floats., Tribe repaid the funds to ONAP in May 2019. The remaining allegations were unsubstantiated.	HUD completed a monitoring report and ordered (b) (7)(C) to repay approximately \$43,000 and all other allegations investigated were unsubstantiated.
8/22/2019	(b) (7)(C)	Whistleblower case referred to HUD's Office of General Counsel. No additional investigative worked required.
8/23/2019	EPA CID provided information that alleged (b) (7)(C) of (b) (7)(C), was performing lead abatement work on a HUD funded project in Bridgeport, CT, even though he was not licensed to do so. (b) (7)(C) allegedly purchased his fraudulent certification from (b) (7)(C) of (b) (7)(C), and obtained the Bridgeport work through the use of this certification.	Prosecution was declined by USAO. No further investigative steps contemplated. This case file is being administratively closed.
8/23/2019	According to information received by this office, it was alleged that the following landlords of multiple buildings were also section 8 tenants (b) (7)(C) (b) (7)(C) and (b) (7)(C). It was revealed that besides owning several rental properties in Brooklyn, NY they also own several multinational businesses which include jewelry stores and other rental properties. Documents obtained showing their true income makes them ineligible to receive section 8 funds. The total loss amount at this time is \$1,429,553.70. This loss amount also includes alleged fraud against the NYC HRA. Below is a breakdown for both agencies: \$967,650.08 (HRA) + 461,903.70 (NYCHA) = \$1,429,553.70.	Successful prosecution. No other actions are warranted.
8/23/2019	This investigation will be used to track proactive tenant fraud investigations that are referred from various law enforcement agencies.	Referrals were made to NYCHA for administrative action. No further investigative steps contemplated. This case file is being administratively closed.

Date Closed	Investigative Description	Disposition
8/23/2019	In January 2017, two individuals, 46, were charged in an eight-count indictment returned by a federal grand jury. The first, a naturalized U.S. citizen from Somalia, was the (b) (7)(C) of a day care center established under two businesses and two names for the same location sharing the same key employees. The local HUD OIG Office was contacted by HHS OIG for assistance because both subjects were suspected of receiving Section 8 assistance. Upon initial investigation, it appeared that over \$550,000 in income was not reported to HUD by the subjects.	The case is being closed because all judicial action has come to a successful conclusion and an administrative referral is not required.
8/23/2019	(b) (7)(C) requested HUD-OIG OI and OA to conduct an investigation of the ownership and management practices of (b) (7)(C) in Houston, TX. (b) (7)(C) is an uninsured 200-unit family project with 103 subsidized units. (b) (7)(C) Section 8 project-based rental assistance (PBRA) program/contract administrator, Southwest Housing Compliance Corporation (SHCC), conducted a Management and Occupancy Review (MOR) on 01/31/2018, which resulted in an Unsatisfactory rating. Some of the major tenant issues found were: 1) Reported false or incorrect move-in and move-out dates; 2) Failure to maintain appropriate verification of SSN; and 3) Identified coding and calculation errors. SHCC and HUD are concerned the property is incorrectly and improperly collecting subsidy for 'ghost tenants' and submitting false and non-compliant move-in and move-out dates to (b) (7)(C). SHCC reviewed a small sampling of units and HUD indicated this is wide spread at (b) (7)(C). Case assigned to SA (b) (7)(C) on 05/14/2018.	Case closed based on USAO declination and Office of Audit report found no evidence of criminal wrongdoing that warranted further investigation.
8/23/2019	HUD OIG received information from the DCHA that a Low Income Public Housing Program participant, violated the terms and conditions of the program. HUD OIG did not substantiate the allegation, and the investigation was declined for prosecution. The matter was referred to the program office for any action they deem appropriate. There was no financial loss to HUD.	Allegation Not Substantiated
8/26/2019	On March 10, 2017, SA (b) (7)(C) received information concerning Community Development Block Grant Disaster Recovery (CDBG-DR) funding received by the City of Springfield (Massachusetts.) Specifically, (b) (7)(C) provided correspondence, which referenced a HUD-OIG audit, alleging that the City of Springfield received 13.9 million dollars of CDBG-DR funds due to a disaster that occurred in 2011. Specifically, 1.4 million dollars of the 13.9 million dollars could not be justified as legitimate expenses and 55% of the 1.4 million dollars was disbursed to a local contractor, (b) (7)(C). It is believed that (b) (7)(C) submitted fraudulent invoices to defraud the City of Springfield and HUD.	Prosecution declined
8/26/2019	On 03/01/2017, HUD-OIG received information from HUD Multifamily that the (b) (7)(C) of (b) (7)(C) (HUD funded MF), (b) (7)(C) was terminated from her employment for a variety of reasons stemming from an audit of the development. In addition, HUD MF reported that (b) (7)(C) was suspected of utilizing a (b) (7)(C) credit card for personal use and selling units at (b) (7)(C) to local firefighters.	Administratively Closed
8/27/2019	New Rochelle Housing Authority (NRHA) is a troubled public housing authority that is being monitored by NY PIH. During many reviews conducted by the PIH staff, they recognized irregularities with the finances of the NRHA. NY PIH has requested OIG's assistance for review.	The USAO/SDNY (White Plains) declined to prosecute this case due to the lack of evidence that any federal crimes were committed. This case is being administratively closed.
8/27/2019	Complainant alleges that a tenant is allowing a registered sex offender to reside in her HUD-supported unit	Case has been declined criminally and (b) (7)(C) was evicted.
8/28/2019	HUD OIG received a complaint from the U.S.Trustees Office regarding a bankruptcy filing by a HUD employee named (b) (7)(C) (b) (7)(C). The complaint alleges that (b) (7)(C) concealed assets of her bankruptcy estate, made false oaths and accounts in her bankruptcy case, and may have filed fraudulent federal tax returns for the years 2012, 2013, and 2014. (b) (7)(C) is a federal government employee with HUD.	Employee retired from HUD. No further action is warranted. Close investigation.



Date Closed	Investigative Description	Disposition
8/28/2019	(b) (7)(C) and others have allegedly engage in Single-Family Mortgage Insurance Fraud by using strawbuyers and providing false documents to receive FHA insured mortgages.	Successful prosecution.
8/28/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on March 13, 2017, from (b) (5) (b) (7)(C) (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region. This case file will document New York FFI work. New England and New Jersey FFI work will be documented in separate case files.	Of the 311 matches referred to the New York office: - 69 of them did not match personal identifiers of those living in a PIH unit, - 37 were not current participants of any HUD rental-assisted program, - 120 did not have active warrants, - 13 were not felons, - 38 were non-extraditable (they were referred to their respective program offices for administrative actions), - 17 were declined by the USMS for arrest (they were referred to their respective program offices for administrative actions), - 8 were arrested (they were referred to their respective program offices for administrative actions), - 5 with active felony warrants were not home when attempts to apprehend them were made (they were referred to their respective program offices for administrative actions), and - 4 were already serving time in jail for other crimes and charges (they were referred to their respective program offices for administrative actions). All leads were fully vetted and case is being closed.
8/28/2019	Received written complaint from (b) (7)(b) (7)(C) advised agents he would provide his investigative report along with evidence to support his claims.	Administratively Closed, lack of complainant cooperation.
8/29/2019	This office received information from U.S. Department of Labor- Office of the Inspector General Pittsburgh Office that alleged Steel Valley Authority - (b) (7)(C)(b) (7)(C) (b) (7)(C) embezzled monies from the authority for personal gain. It is alleged that Steel Valley Authority received HUD monies during the time-period in question. In 2005, (b) (7)(C) was federally charged for Utter Forged in Charleston, SC. The OIG received a referral from the U.S. Department of Labor, Office of Inspector General and the Federal Bureau of Investigation alleging that a non-profit (b) (7)(C)(b) (7)(C) converted government monies to personal use. The investigation revealed that the (b) (7)(C)(b) (7)(C) forged signatures on checks and made them payable to herself. The (b) (7)(C)(b) (7)(C) also made personal purchases on non-profit's credit card. The (b) (7)(C) (b) (7)(C) was sentenced in U.S. District Court to 18 months imprisonment concurrently with credit for time served on federal detainer and supervised release concurrently for count Bank Fraud and Mail Fraud. The (b) (7)(C)(b) (7)(C) was also ordered to pay \$82,060.50 in restitution.	Successful prosecution
9/4/2019	This investigation is being opened to proactively identify individuals who applied for and received HUD CDBG-DR assistance under the New Jersey Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) Program and/or the Homeowner Resettlement Grant Program (RSP) which they did not qualify for.	Repayment in Lieu of Prosecution.

Date Closed	Investigative Description	Disposition
9/4/2019	A referral from the Tennessee District Attorney's Office alleged that a Housing Authority employee had been misusing the housing authority's credit card for his/her own personal use. Furthermore, an investigation determined the employee forged the (b) (7)(C) name to various Housing Authority checks to pay vendors. The employee confessed to the misuse of the credit card. The Eastern District of Tennessee United States Attorney's Office was contacted and have assigned an attorney to this case. The AUSA sent an target letter to employee addressing the charges and the employee has retained an attorney to address the charges. A ROI has been sent to the AUSA for review. The employee was arrested and charged with Wire Fraud in violation of 18 U.S.C. 1343, and later sentenced to the custody of the Federal Bureau of Prisons for a total term of 12 months and 1 day for the crime of Wire Fraud 18 U.S.C 1343.	Successful Prosecution
9/4/2019	Complainants alleged that they had paid someone who advertised themselves as a Certified Advanced HUD Housing/Financial/Credit Repair Counselor for certain services to obtain a FHA mortgage, but later found out this person was not certified. This investigation found that the subject was once a Certified Advanced HUD Housing Counselor, but has since changed their methodology and title. This case was presented to the USAO, where it was declined because of the lack of prosecutable merit.	Allegations Not Substantiated
9/4/2019	NYS Banking Department received a complaint that the title to a HECM borrower's home was improperly deeded to a trust upon the death of the HECM borrower. The HECM borrower's (b) (7)(C) was not a co-borrower and reportedly moved out of the home after (b) (7)(C). (b) (7)(C) stopped paying the mortgage, assuming that the lender would foreclose and be made whole by HUD. Upon learning that the title to her property was transferred to a trust and that some of (b) (7)(C) moved into the home (without her knowledge and permission) after (b) (7)(C) moved out, the circumstances of the now HUD-serviced HECM loan is suspect.	Case is closed and referred to the NYC Sherriff's office, Criminal Investigation unit. Their is no loss to HUD. The subject is under review for other non-FHA loans.
9/4/2019	It is alleged that subject is not working full hour days, abusing telework, abusing government property, managing his property rental and helping (b) (7)(C) business. Additionally, it is alleged that subject makes inappropriate comments and has also made discriminatory statements to several staff members.	Investigation completed. ROI submitted to manager and disposition report received.
9/4/2019	HUD OIG received a referral from a Federal agency based on a complaint they received from another law enforcement agency that a borrower attempted to abuse HUD's Single Family Home Equity Conversion Mortgage Program by enticing a borrower to apply for the program. This investigation did not substantiate the allegations. A potential loss of 100,820.26 was determined and referred to HUD for any action they deem appropriate.	Referral to Program Staff / HUD
9/4/2019	HUD OIG received information from NJ DCA that Housing Choice Tenant Voucher recipient (b) (7)(C) had committed fraud from 2007-2018, by not including the income of (b) (7)(C), (b) (7)(C) a (b) (7)(C).	Prosecution Declined.
9/4/2019	The (b) (7)(C) of the PHA alleged that the (b) (7)(C) has demonstrated acts of corruption by removing PHA Board Members without just cause. Matter declined by USAO. Jurisdiction for this matter lies with state agencies.	Allegations Not Substantiated
9/6/2019	Complaint involves possible program violations ranging from minor infractions, to potential criminal violations at (b) (7)(C), a Housing Opportunities for Persons with AIDS (HOPWA) program grantee.	The investigation has been referred to the DEC. The U.S. Attorney's Office for the Eastern District of Louisiana declined prosecution. This case is closed.



Date Closed	Investigative Description	Disposition
9/9/2019	Grantee allegedly misrepresented their primary residence during Hurricane Sandy in order to qualify under the RSP and/or RREM program. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on June 27, 2016, after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the subject applied for and obtained a Reconstruction, Rehabilitation, Elevation, and Mitigation program (RREM) in the amount of \$136,572.00. These funds were received for a damaged property address (DPA) in Brick, NJ, that was not his primary residence at the time of Hurricane Sandy. The subject was charged by the State of New Jersey Attorney General's Office with Theft by Deception (second degree) N.J.S.A. 2C:20-4. The subject subsequently pled guilty.	Successful prosecution.
9/10/2019	Proactive case opened to investigate loan origination process at First American Mortgage Trust d/b/a NxtLoan.com in response to a high number of claims to FHA.	Successful Prosecution
9/11/2019	It is alleged that subject made false statements on his financial disclosure statement.	Investigation completed. Allegations were not substantiated and the case was closed to file.
9/12/2019	On February 27, 2019, HUD's Virginia Field Office (b) (7)(C) reported that a Virginia housing authority had not paid its electric, water and sewer bills since March of 2018 and that it had its electricity turned off on February 27, 2019. The (b) (7)(C) had his employment terminated related to the delinquent payment of utilities for the housing authority. This matter was referred to HUD program staff and to HUD OIG Audit.	Referral to Program Staff / HUD
9/13/2019	On 03/06/2018, Special Agent (b) (7)(C) HUD OIG, Detroit Field Office received a referral from SSA OIG, pertaining to an ongoing investigation into SSA Benefit Fraud. SSA OIG, received an allegation pertaining to Housing Choice Voucher (HCV) Recipient (b) (7)(C) DOB: (b) (7)(C) (b) (7)(C) (b) (7)(C) has been a recipient of HUD HCV program since 10/01/1997. (b) (7)(C) is the guardian, representative payee for (b) (7)(C) DOB: (b) (7)(C) has lived with his (b) (7)(C) for the last six years at (b) (7)(C) (b) (7)(C) was receiving SSA benefits but had not received any payments. SSA OIG requested the assistance of HUD OIG Detroit field office in order to determine if there was additional fraud involving the Public and Indian Housing, Housing Choice Voucher Program.	All judicial action complete.
9/16/2019	The City of Vallejo Housing and Community Development alleges a tenant was renting from a land lord she has a child with and who she is married to.	Investigation completed, with prosecution declined. Case was referred to DEC as a PFCRA case. Case closed.
9/17/2019	This investigation was initiated based upon QAD referrals received from the Santa Ana and Atlanta HOCs which reported that Prime Residential Mortgage, Inc. (PRMI) had reported that PRMI (b) (7)(C) (b) (7)(C) had either failed to report a borrower's accurate employer and employment income in one FHA loan and had altered FHA loan application documents, as well as, omitting bank statements for a borrower which showed that the borrower's student loan were in repayment when in fact the loan had been qualified with the student loans being reported as deferred and excluded from the borrower's debt to income ratio. PRMI reported that (b) (7)(C) had been terminated based upon his actions with regard to his actions on the second loan. PRMI also reported that (b) (7)(C) was currently employed by (b) (7)(C). Initial investigation by HUD-OIG Forensic Auditor (b) (7)(C) disclosed that (b) (7)(C) had originated 619 FHA loans from 2015 to 2017 at PRMI and Academy Mortgage. Of these loans, eight (8) loans had been foreclosed with claims paid by HUD and 22 had partial claims reported.	This case was initiated based on a referral from the HUD Homeownership Center wherein it was alleged that a loan officer may be originating fraudulent FHA insured mortgages. Several at-risk loans were identified for further investigation with borrower interviews conducted. Investigative findings revealed that while indicators of fraudulent activity were present, the borrowers confirmed that accurate information was used in the origination of their loans. The investigative findings were presented to the USAO and the case was declined for prosecution.

Date Closed	Investigative Description	Disposition
9/19/2019	Case was initiated based on a referral from The New Jersey Division of Criminal Justice Hurricane Sandy Taskforce. Initial file review by DCA revealed that the applicant applied for RREM, RSP, and FEMA grants for a DPA located at (b) (7)(C), Ortley Beach, NJ. Review disclosed that this may not be the applicant's primary residence during Super Storm Hurricane Sandy. Based on the above, case was referred for further investigation. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on November 10, 2016 after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). The NJDCJ alleged that the subject applied for and obtained a Reconstruction, Rehabilitation, Elevation, and Mitigation program grant (RREM) in the amount of \$150,000.00, a Resettlement Grant (RSP) in the amount of \$10,000.00, and a Sandy Homeowner Rental Assistance Program (SHRAP) grant in the amount of \$9,961.21. These funds were received for a damaged property address (DPA) in Ortley Beach, NJ, that was not his primary residence at the time of Hurricane Sandy. The subject was charged by the State of New Jersey Attorney General's Office with Theft by Deception (second degree) N.J.S.A. 2C:20-4. The subject subsequently pled guilty.	Successful prosecution
9/19/2019	Complainant reported his estranged wife falsified her income information in an effort to qualify for a home improvement grant.	Allegations Not Substantiated
9/20/2019	Information was provided by (b) (5) alleging that Subject, who is a licensed loan officer may have been using a former real estate agent's name in order to generate fraudulent real estate commissions via wire transfers. The investigation revealed that the loan officer, who is also a licensed Real Estate Broker, used the name and Real Estate Agent license number of a former employee on multiple real estate closings. The use of the former employee's identity created the appearance that the former employee was the Real Estate Agent involved in the transactions, when, in fact, the subject was the both the loan officer and real estate agent in all the transactions. FHA conflict of interest rules prohibit one individual from filling multiple roles in the same transaction. Criminal prosecution was declined by the U.S. Attorney's Office. This matter was referred to the Florida Department of Business and Professional Regulation.	Prosecution declined. This matter was referred to the state licensing agency for administrative sanctions.
9/23/2019	The hotline received a complaint from a (b) (7)(C), a Section 3 WMBE contractor, was awarded a \$535,000 to act as a sub-contractor for (b) (7)(C) only to discover his portion was \$53,000 to act as a WMBE pass-through. When he questioned the process, (b) (7)(C) rescinded the sub-contract.	Administratively
9/25/2019	An investigation into (b) (7)(C) revealed that (b) (7)(C) a seller, may have sold at least three properties to buyers who obtained fraudulent FHA insured mortgages. Specifically, (b) (7)(C) may have purchased (b) (7)(C) (b) (7)(C) with a false gift letter and may not have occupied the property. (b) (7)(C) was delinquent on her sixth mortgage payment and the property is currently in foreclosure. Two additional properties that were sold by (b) (7)(C) in 2010 and 2012 are currently in the foreclosure process. Each of the three properties closed at Amaxx Title Services which is the subject of an investigation at the United States Attorney's Office.	All the subjects have been convicted and sentenced. No further investigative action is warranted at this time.
9/25/2019	The subject was identified while working case (b) (7)(C). A review of some of properties the subject was involved with identified a few FHA-insured properties with losses. In addition, the RI State Police have received current complaints from victims claiming they were tricked into deeding their properties to the subject. The subject advertises himself as a forensic mortgage specialist able to save homeowners from losing their house to foreclosure. On November 17, 2015, SA (b) (7)(C) met with (b) (7)(C) (b) (7)(C) (b) (7)(C) to present the case. The USAO opened the case and assigned the case to (b) (7)(C) (b) (7)(C).	Successful prosecution
9/25/2019	A Worcester Housing Authority investigator contacted the HUD OIG to report a suspected fraud involving a landlord residing in a HUD subsidized unit. The landlord has allegedly resided in the unit since 2007 resulting in a estimated loss of more than \$100,000. The investigator asked for assistance with the matter.	Administratively Closed



Date Closed	Investigative Description	Disposition
9/25/2019	(b) (7)(C) is alleged to have committed HCV fraud by allegedly not disclosing her relationship with her landlords (b) (7)(C) to the GHA. GHA estimates an approximate loss of \$63,000 from February 2009 to May 2017.	U.S. Attorney's Office, Southern District of Texas declined prosecution.
9/26/2019	Complainant alleges that an unauthorized live-in at a HUD supported residence may be a fugitive.	Allegations unsubstantiated. No prosecution/no presentation. Case closed.
9/27/2019	On 03/13/08, (b) (7)(C) has attempted to purchase (b) (7)(C) using a mortgage obtained by the creation of a fraudulent loan application. The sales price for unit (b) (7)(C) was \$600,000.00. It was later learned that in approximately 07/07, (b) (7)(C) purchased unit (b) (7)(C) for \$800,000.00. Again with a mortgage obtained by the use of a false / fraudulent loan application. Both units total approximately \$1.4 million in fraudulently obtained loans.	All judicial actions complete. No further action is warranted. Close Investigation.
9/27/2019	It is alleged that (b) (7)(C) is purchasing properties in the Englewood/ Back of the Yards area of Chicago and quickly flipping them through the use of straw-buyers. Three properties were purchased by (b) (7)(C) (b) (7)(C) between 5/23/2008 and 11/05/2008 in the aforementioned areas for the sums of \$46,000, \$25,500 and \$28,000. Between 10/08/2008 and 9/24/2009, (b) (7)(C) subsequently resold the three properties for sums of \$365,000, \$355,000 and \$360,000, respectively, to three different buyers. One of the properties purchased and flipped, located at (b) (7)(C), carries an FHA loan. A review of the FHA loan file shows that the seller, (b) (7)(C) received \$163,263.85 at closing and that the borrower, (b) (7)(C) has purported characteristics of a straw-buyer including having his 2007 and 2008 tax returns filed on the same day. Additionally, when compared with the prices paid for other properties in the Englewood and Back of the Yards area in Chicago, the appraisal level of (b) (7)(C) appears to be higher than normal for the area. According to records obtained from the Cook County Recorder of Deeds, the first property purchased (on 5/23/2008) by (b) (7)(C) (b) (7)(C), and sold (on 10/08/2008), went into foreclosure in July, 2009.	Case was declined due to statute of limitation problems. no further action is warranted. Close Investigation.
9/27/2019	On 05/19/2015, HUD OIG Detroit Field Office (b) (7)(C) (b) (7)(C) informed RA that HUD Audit was currently doing a review of (b) (7)(C), Detroit, MI, 48124. During the review, Audit obtained information from five tenants who reported paying the (b) (7)(C) (b) (7)(C) (b) (7)(C) DOB: (b) (7)(C) a cash fee of \$100 to \$500 dollars to skip the waiting list and move into the complex. In addition, Audit also reported another allegation made by the (b) (7)(C) (b) (7)(C) (b) (7)(C) DOB: (b) (7)(C) that Between January 2012-August 2013, (b) (7)(C) and former employees of (b) (7)(C) committed fair housing violations, fraud, waste, abuse, and embezzlement. (b) (7)(C) also alleged that (b) (7)(C) may have stolen tenant rent for personal use.	All Judicial action complete.
9/27/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on March 13, 2017 from (b) (5) (b) (7)(C). (b) (7)(C) subsequently cross referenced the data with HUD'S (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Region verified all Fugitive felons with active warrants and still living in HUD Housing and sent referrals to the HA for eviction. .
9/27/2019	A former employee advised that (b) (7)(C) denies residents proper subsidies and sends out improper notices and threats of eviction if they do not pay rent.	Allegations unsubstantiated. Case closed.
9/27/2019	HUD OIG received a referral from a local housing authority and state agency that alleged a Section 8 Housing Choice Voucher Program participant and food stamp recipient failed to notify the housing authority and the state agency of the fact that he owned a taxi business and failed to report all income derived from the business. The allegations were substantiated. A referral for administrative action was forwarded to the housing authority. This investigation was administratively closed.	Administratively Closed

Date Closed	Investigative Description	Disposition
9/27/2019	HUD-OIG reviewed a newspaper article stating Allen Benedict Court Apartments were being evacuated after two individuals were found deceased due to carbon monoxide poisoning. It could not be substantiated that the cause of the carbon monoxide poisoning was due to any malice or ill intent. This case was presented to the United State Attorney's Office where it was declined due to the lack of prosecutable merit.	No Civil or Criminal Action Taken. SIR Completed.
9/27/2019	(b) (7)(A), (b) (7)(C) [REDACTED]	Civil AUSA declined to intervene.
9/27/2019	It is alleged that (b) (7)(C) (b) (7)(C) (b) (7)(C) of the City of Marlin, misappropriated HUD grant money. Falls County has had a potential reservoir on the books for 50 years or more. A recent Texas Water Plan had a proposal for a Brushy Creek Reservoir for about \$20 million. On or about May 16, 2019, the City of Marlin sent (b) (7)(C) Texas Department of Agriculture, Office of Rural Affairs, a Corrective Action Plan related to a number of late payments to vendors regarding work on a spillway. At least one source has informed the FBI that money from a grant for reservoir work may have been misspent by (b) (7)(C)	Complainant failed to provide additional information
9/27/2019	The complainant submitted documents detailing a dispute with his landlord.	Allegations not within the purview of HUD-OIG. Case closed.
9/30/2019	HUD OIG received a referral from HUD's Philadelphia Homeownership Center, Quality Assurance Division, alleging a loan officer and a real estate closing attorney were misrepresenting assets and property flipping nine Federal Housing Administration (FHA) insured properties. The investigation determined that from 2007 through 2014, a real estate closing attorney, two loan officers, a loan processor, a real estate agent, and a real estate investor, orchestrated a scheme to defraud the FHA and other financial institutions when they caused to be submitted materially false mortgage loan applications and fraudulent supporting documentation by prospective homebuyers to their lenders. The co-conspirators shared in the proceeds of the fraudulent mortgage loans, residential property sales, and various fees. The FHA insured over \$1.6 million in fraudulent mortgage loans. In December 2015, a twenty-two count federal grand jury indictment charged six individuals with participating in a conspiracy to obtain money they were not entitled to receive from financial institutions and individuals. The real estate closing attorney plead guilty to the charges and was sentenced to forty-eight months imprisonment, followed by three years of probation, and was ordered to pay restitution in the amount of \$551,793, of which \$257,055.43 is to be paid to the FHA. The main loan officer plead guilty in U.S. District Court to the charges and was sentenced to eighteen months imprisonment to be followed by one year of supervised release. The loan processor plead guilty in U.S. District Court and was sentenced to two years of probation and ordered to pay restitution in the amount of \$34,558.76. The real estate investor plead guilty in U.S. District Court and was sentenced to three years of probation and ordered to pay restitution of \$56,895.90. The licensed real estate agent plead guilty in U.S. District Court and was sentenced to two years of probation. The former loan officer plead guilty in U.S. District Court and was sentenced to three years of probation.	Successful prosecution



Date Closed	Investigative Description	Disposition
9/30/2019	Tax preparer (b) (7)(C) purchased an FHA insured home with inflated income, fraudulent W2's and other fraudulent information that was submitted to the lender. (b) (7)(C) currently is renting the FHA insured property to a tenant. The FHA loan file contains letters of explanation, and VOs purportedly signed by the tenant and by (b) (7)(C) customers. Further, in 2008, (b) (7)(C) purchased a home, funded by Fannie Mae, by submitting fraudulent information for that loan as well.	Case declined by the USAO NDILL. No further action is warranted. Close investigation.
9/30/2019	The Office of General Counsel Region IX San Francisco Office, alleged that (b) (7)(C) has filed a fictitious lawsuit against HUD, alleging to be the Executor of the Estate for the deceased borrower of a HECM Loan. HUD further alleges that (b) (7)(C) has taken possession of the subject property and is renting it out for financial gain.	No further investigation warranted. Case closed.
9/30/2019	A review of PIC information for a PHA led to the discovery that the new (b) (7)(C) was (b) (7)(C) of the (b) (7)(C) and the contractor that had been responsible for the accounting functions of the PHA. Additionally, the PIC review indicated that the new (b) (7)(C) was a HCVP participant during the period of 2010-2016 reporting a very low amount of earned income. The subject was charged and sentenced on a count of Theft of Gov't funds. The subject's (b) (7)(C) (b) (7)(C) was referred for a PFCRA action.	Successful Prosecution
9/30/2019	(b) (7)(C) has been receiving Section 8 benefits in Clark County Nevada since 2001. (b) (7)(C) has not reported any assets or bank accounts for at least three years. (b) (7)(C) monthly subsidy is \$1519 per month. (b) (7)(C) receives food stamps and energy assistance from Nevada Welfare. (b) (7)(C) also has two children that receive SSI benefits (will check with SSA-OIG). (b) (7)(C) is friends with former Southern Nevada Regional Housing Authority (SNRHA) (b) (7)(C) (b) (7)(C) (b) (7)(C). (b) (7)(C) worked for the SNRHA from April 2017 through late 2017. (b) (7)(C) is now a (b) (7)(C) for (b) (7)(C) business (b) (7)(C) (b) (7)(C) has not reported this business to the SNRHA. (b) (7)(C) is also believed to have a bank account at Wells Fargo which has not been reported to the SNRHA.	All judicial and administrative actions have been satisfied. Case closed.
9/30/2019	SA (b) (7)(C) met with (b) (7)(C) (b) (7)(C) and Investigator (b) (7)(C) regarding (b) (7)(C) (b) (7)(C) advised that the Racine County Housing Authority discovered that (b) (7)(C) was collecting Section 8 benefits from the Racine County Housing Authority and the Lake County Housing Authority at the same time. (b) (7)(C) advised she would like this matter investigated by HUD-OIG.	subject entered into a repayment agreement with the HA in lieu of prosecution. No further action is warranted. Close investigation.
10/1/2019	HUD OIG audited HUD to determine if Public Housing Agencies (PHAs) have access to the Do Not Pay system. The audit found HUD did not provide PHAs with access to the Do Not Pay system resulting in HUD potentially paying rental subsidies to 2,278 tenants who were reported as excluded from Federal Programs or deceased. Of the 2,278 cases, 663 cases are located in HUD OIG Region 5. HUD OIG Audit's Region 5 results were sorted by OH PHAs (Participant Code); Head of Household (Relationship); Single Households (Count 1); and Voucher Holders (Program). The sort produced 68 results. The social security number, date of birth, and date of death in the 68 cases were compared with PIC, Lexis Nexis and in some cases OHLEG (Ohio Law Enforcement Gateway). Of the 68 reported cases, • In 22 cases there was a discrepancy in the social security number reported in the Audit database • In 20 cases the social security number was not reported in Lexis Nexis as belonging to a deceased person • In 18 cases an end of participation date was reported in PIC in less than 60 days of the tenant's date of death • In 7 cases the tenant was no longer residing in housing at the time of death. Of the 68 cases, one instance was found in which the tenant residing in subsidized housing has the same social security number as an individual who was reported deceased.	Allegation Not Substantiated. Administratively Closed.

Date Closed	Investigative Description	Disposition
10/4/2019	HHS Special Agent (b) (7)(C) advised this office that an employee of (b) (7)(C) stated to her in an interview that the (b) (7)(C) submitted falsified reports to the DEDC. The employee stated that he brought this matter to the attention of the (b) (7)(C) of (b) (7)(C) but (b) (7)(C) did not report the findings to the DEDC. The employee also stated that other employees were pulled from their positions to work on the Home Solutions Program but their salaries were still being paid by a separate HHS grant because Home Solutions did not have any remaining funds.	Prosecuted Successfully, Civil Settlement Agreement
10/4/2019	It has been alleged that (b) (7)(C) forcibly took ownership of two HUD owned properties, located at (b) (7)(C) without HUD's knowledge or authorization and subsequently rented out the properties. Specifically, for the (b) (7)(C) residence, on May 13, 2013, which was the day the property was deeded to HUD, (b) (7)(C) filed its Affidavit of Adverse Possession.	Case was declined by the IL Ag's Office. No further action is warranted. Close Investigation.
10/4/2019	Correspondence received alleging that HUD's Office of Manufactured Housing is in collusion with the housing manufacturers including lack of enforcement and billions in subsidies that may not be needed. The complainant also alleged that the Administrator of HUD's Office of Manufactured Housing may have participated in a blackmail attempt against the editor of a trade periodical which was critical of HUD regulation.	This investigation found no evidence to support the allegations. This investigation was therefore closed administratively.
10/4/2019	On August 8, 2018, (b) (7)(C) (b) (7)(C) Vermont State Housing Authority (VSHA), alleged that Section 8 tenants (b) (7)(C) and (b) (7)(C) failed to report to the VSHA that they were convicted sex offenders.	Allegations unsubstantiated
10/4/2019	An attorney for (b) (7)(C) is requesting that the HUD-OIG office investigate (b) (7)(C) a former (b) (7)(C). Specifically, it is alleged that she used Cooperative funds for her own purposes. It is alleged that the misuse of funds was discovered both in the most recent HUD audit and when the new management company took over and reviewed accounts. Loss is unknown at this time	Case declined by IL AG's Office. No further action is warranted. Close investigation.
10/4/2019	It has been alleged that (b) (7)(C) used false W2s, inflated wages, false VOsEs, and possibly fraudulent tax returns to be approved for an FHA insured loan in the amount of \$289,656.00 for (b) (7)(C) on 02/28/18, FHA (b) (7)(C).	Case declined by IL AG's Office. No further action is warranted. Close Investigation
10/8/2019	This is a Mortgage Fraud Task Force investigation that was initiated by an (b) through information provided by (b) (5) alleges that DRB Properties and others are involved in a property flipping and mortgage fraud scheme in Joliet, IL. (b) states that (b) (7)(C) is orchestrating the purchase of numerous properties by using Asian strawbuyers to purchase the property on the front end. An appraiser then inflates the sales price by approximately \$100,000 and then the property is sold to another buyer. (b) also alleges that the loan files for the front end purchasers contain false and fraudulent documents and information.	The subjects in this case have been charged and convicted. No further investigative action is required at this time.



Date Closed	Investigative Description	Disposition
10/8/2019	This matter is a spin-off of the (b) (7)(C) investigation (b) (7)(C). Shortly after HUD terminated (b) (7)(C) FHA license, information received from a confidential source warrants a full-scale criminal investigation of (b) (7)(C) et. al.	The (b) (7)(C) (b) (7)(C) (b) (7)(C) and (b) (7)(C) of a mortgage lender and the (b) (7)(C) of a savings bank were sentenced in U.S. District Court for the Eastern District of New York to a total of 4 years imprisonment followed by 17 years of supervised release. The conspirators were also ordered to pay \$60.3 million in restitution to Government National Mortgage Association (GNMA), \$1 million in restitution to the Internal Revenue Service, and \$120,000 in forfeiture. The lender was a participant in the HUD-administered Direct Endorsement program and originated FHA-insured mortgages that were packaged and sold as GNMA-guaranteed mortgage-backed securities. The conspirators took part in a scheme whereby they misappropriated funds from the lender's warehouse line of credit to pay the lender's operating expenses rather than use the funds for their intended purpose, which was to pay off the first mortgages of FHA-insured refinanced loans. Furthermore, the conspirators caused the bank, a troubled savings bank which acted as a warehouse lender to the mortgage lender, to engage in transactions that gave the appearance that the bank had improved its financial position when it had not. The scheme resulted in a loss to the savings bank in the amount of \$1.84 million.
10/8/2019	On June 29, 2017, HUD OIG received a request for assistance from DSS in trying to locate former Sec. 8 tenant, (b) (7)(C) who was alleged to be a naturalized citizen through the use of an alias and another's SSN.	Successful Prosecution
10/8/2019	Michigan State Housing Development Authority (MSHDA) provided a written referral of tenant/landlord fraud. MSHDA alleges that landlord (b) (7)(C) collected HAP payments for several years for an unoccupied house and is the father of the tenant's dependent child.	All judicial action complete.
10/8/2019	(b) (7)(C) of (b) (7)(C) alleges that his employee, (b) (7)(C) has fraudulently received excessive sick leave over the last five years by submitting false doctor notes.	Successful Prosecution.

Date Closed	Investigative Description	Disposition
10/8/2019	Complainant alleges that a public official provided CDBG funds to a not for profit at which she worked and inappropriately benefitted from the funds. HUD OIG is in receipt of a referral from the Hotline alleging that an Evanston Official was profiting from misappropriating Evanston CDBG funds to fundamentalist religious group that (b) (7)(C). Specifically, it is alleged that between 2016-2017, the Evanston has paid \$215,000 of its HUD CDBG (Community Development Block Grant) funding, which is intended to provide affordable housing and economic opportunities for low and moderate income residents, to Evanston (b) (7)(C) (b) (7)(C) (b) (7)(C), which has operated illegally as (b) (7)(C). It is further alleged that of that \$215,000, almost 40 percent (\$83,737) was paid to (b) (7)(C) for administering (b) (7)(C) three 12-week programs in Evanston. In addition to her employer-paid wages, (b) (7)(C) earns \$435 per classroom hour, 773% the rate for Illinois teachers. In 2015, (b) (7)(C) who was then (b) (7)(C), helped to seek out (b) (7)(C) to become a CDBG recipient. During the five month period (July to December 2015) that (b) (7)(C) helped to secure (b) (7)(C) CDBG grant, she was also (b) (7)(C) pilot program, which was improperly facilitated out of the Civic Center.	Case was declined by the Illinois Attorney General's Office. No further action is warranted. Close Investigation.
10/9/2019	HUD OIG received a complaint from a Housing Authority representative who alleged that the PHA had approximately \$49,092.00 embezzled out of a HUD insured, multi-family complex.	All judicial actions have been completed. Case has been submitted to the DEC for suspension/debarment.
10/9/2019	This office is in receipt of allegations from the Springfield Housing Authority, that (b) (7)(C) a Public Housing Tenant, failed to disclose all sources of income to SHA. Specifically, it is alleged that (b) (7)(C) was employed by the State of Illinois Department of Rehabilitation Services since approximately 2008. SHA has estimated a retro-charge of \$19,262.00 because of this alleged act.	The subject in this case was convicted and sentenced. No further investigative action is warranted at this time.
10/9/2019	HUD OIG received information alleging embezzlement by (b) (7)(C) (b) (7)(C) her (b) (7)(C) (b) (7)(C) and HA (b) (7)(C) (b) (7)(C) at the Berkeley Township Housing Authority. ----- The OIG initiated an investigation after receiving an allegation that the Berkeley Township Housing Authority (BHA) (b) (7)(C) and (b) (7)(C) had created a company that provided services and received payments from the housing authority. A Housing Authority (b) (7)(C) also allegedly received unauthorized payments from the BHA. The investigation determined that an independent entity approved by HUD had been compensated to perform program services as authorized by the Project Based Voucher Program. The Housing Authority (b) (7)(C) was compensated by another public entity unrelated to HUD and they did not receive any compensation from the BHA.	Allegations unsubstantiated
10/9/2019	On April 2, 2019 Denver District Attorney's Office (b) (7)(C) (b) (7)(C) contacted HUD OIG Denver Field Office to discuss potential fraud involving a Home Equity Conversion Mortgage (HECM). On April 4, 2019 SA (b) (7)(C) contacted (b) (7)(C) to obtain additional details. (b) (7)(C) explained that (b) (7)(C) had obtained a HECM in approximately 2009, however his (b) (7)(C) (b) (7)(C) had moved (b) (7)(C) into an Independent Living Facility approximately 5 or 6 years ago. (b) (7)(C) explained the original complaint originated from an anonymous letter sent to the Denver Police Department in regards to the level of care (b) (7)(C) was receiving at the Independent Living Facility. (b) (7)(C) explained that while looking into the matter it was discovered that (b) (7)(C) had obtained a HECM in approximately 2009, however he had not been living at the property, instead, his son (b) (7)(C) had been living at the property.	Case was declined for prosecution.
10/10/2019	HUD OIG conducted searches within the Consumer Sentinel Database in a proactive attempt to identify mortgage modification schemes within Vermont.	Administratively closed



Date Closed	Investigative Description	Disposition
10/11/2019	(b) (7)(C) (b) (7)(C) is alleged to have misrepresented his residency to the NJ Department of Community Affairs (DCA) in order to receive \$130,229.06 in Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) funds. (b) (7)(C) during the time of Hurricane Sandy, was residing in Camden County, NJ. However, (b) (7)(C) represented to DCA that his primary residence was (b) (7)(C). A former NJ official was alleged to have misrepresented his residency to the NJ Department of Community Affairs (DCA) in order to receive approximately \$130,000 in Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) funds. The official was alleged to live in another NJ county, thus ineligible to receive RREM funds. An OIG investigation could not determine if this NJ official failed to reside in his/her primary residence and misrepresented residency. The results of this investigation were submitted to the NJ Attorney General's Office (NJAGO). The NJAGO declined to pursue prosecution of this matter.	Prosecution declined
10/16/2019	(b) (7)(C) (b) (7)(C) of Administration & Communications, Dakota County Community Development Authority, contacted our office in regarding (b) (7)(C) (b) (7)(C) stated (b) (7)(C) an employee who was in charge of their computer system, may have used his position to take over \$267,000 in which he was not entitled too. (b) (7)(C) believes (b) (7)(C) created fictitious landlords and tenants in order to obtain Section 8 rental payments.	All judicial actions complete. DEC referrals sent. No further action is warranted. Close investigation.
10/16/2019	An anonymous complaint was received by HUD-OIG alleging that someone named (b) (7)(C) had illegally applied for Section 8 assistance and charged \$1,500 to another party for an Id card and assistance to obtain the same benefits. The investigation did not reveal any information which could substantiate the allegations and prosecution was declined.	Allegations not substantiated and prosecution declined.
10/16/2019	HUD OIG received information from a proactive case development alleging that a HUD-approved lender may have originated nine FHA loans, six of which containing gift monies, that went into delinquency within a year of closing.	Review of several sampled loans did not reveal any indicators of fraudulent loan origination activity. It is deemed that no further investigation is warranted at this time as there is no apparent loss/harm to HUD programs.
10/17/2019	The Virgin Island Public Finance Authority (VIPFA) has been designated as a sub-grantee to procure consultants, advisors and program delivery services for Disaster Relief to the VI using CDBG-DR and FEMA funding. VIPFA will also use bond funds to offset CDBG-DR and FEMA funding of project cost. Its alleged that (b) (7)(C) the (b) (7)(C) (b) (7)(C) of Financial Management for VIPFA is also a (b) (7)(C) (b) (7)(C) at (b) (7)(C) who was involved in obtaining a contract with (b) (7)(C) to advise on municipal bonds and securities. The investigation revealed that (b) (7)(C) was contracted using non-federal funds to fill the (b) (7)(C) position, and (b) (7)(C) was the (b) (7)(C) (b) (7)(C) for VIPFA. (b) (7)(C) was never employed by both entities, and (b) (7)(C) did not submit bids for disaster-funded contracts which would have been evaluated by (b) (7)(C). No conflict of interest was identified.	Allegations not substantiated. No evidence of criminal conduct identified.
10/17/2019	Whistleblower alleges he was forced to resign his position after witnessing and reporting unethical and fraudulent behavior by the (b) (7)(C)	Administrative case closed due to the complaint no longer wanted to continue the process.
10/18/2019	It has been alleged that (b) (7)(C) a Section 8 voucher holder, lived with her husband (b) (7)(C) in a property allegedly owned by (b) (7)(C) collected Section 8 payments, through a shell landlord, on behalf of his tenant (b) (7)(C) (b) (7)(C). This is a joint HUD-OIG and HSI Chicago investigation. HSI is investigating (b) (7)(C) and (b) (7)(C) on immigration charges stemming from (b) (7)(C) fraud. The (b) (7)(C) has been briefed and is willing to indict the Theft of Government Funds charge stemming from the Section 8 Fraud. The HUD loss is approximately \$12,000.00.	All judicial actions complete. No further action is warranted. Close Investigation.

Date Closed	Investigative Description	Disposition
10/18/2019	A referral from a Public Housing Authority (PHA) alleged that a PHA employee may have manipulated the PHA's waiting list by assigning units to applicants with a preference when no preference was identified in the file for the applicants. The investigation did not reveal sufficient information to confirm or refute the allegations, and prosecution was declined by the U.S. Attorney's Office.	Unable to substantiate allegations. Prosecution declined.
10/18/2019	Information received that alleged employees of the State of Connecticut-Department of Housing-Superstorm Sandy Program submitted false statutory checklists for environmental assessments in order to receive reimbursement funds through Superstorm Sandy Program.	Administratively Closed
10/18/2019	Information was received that (b) (7)(C) the (b) (7)(C) (b) (7)(C) of the (b) (7)(C) non profit, (b) (7)(C) , embezzled HUD funds for her own personal use.	Prosecution declined.
10/18/2019	The Mt. Pleasant (MI) Housing Commission filed a complaint with the Detroit Field Office alleging that tenant (b) (7)(C) was suspected of working as a private contractor but not disclosing income to the housing commission. The housing commission hired a private investigator and their preliminary findings appear to support the allegations.	Investigation declined for prosecution.
10/22/2019	The Philadelphia QAD received a lender self-report from (b) (7)(C) for the subject loan. The self-report alleged that the subject borrower applied for a loan to purchase the subject property while residing at (b) (7)(C) in (b) (7)(C) . On the URLA the borrower indicated the proposed sale of this property and provided a sales contract. During a post closing review of the loan a HUD-1 was filed in the loan file. A subsequent credit check revealed that the HUD-1 was fraudulent as the property was never sold. The HUD-1 was faxed from (b) (7)(C) . When (b) (7)(C) was contacted the loan officer, (b) (7)(C) of the subject loan answered the phone. The purported closing attorney (b) (7)(C) was contacted but had no knowledge of the alleged fraudulent HUD-1.	Successful Prosecution.
10/22/2019	This project is being initiated based upon the receipt of referrals from the HAMC HCV (b) (7)(C) pertaining to eight (8) former Section 8 tenants who failed to report all their household income to HAMC as required by the Section 8 program regulations. The loss to HAMC due to these tenant's actions is \$62,331.	Investigation of subjects suspected of underreporting their incomes is complete. While indicators of fraudulent activity are present, prosecution of presented subjects was declined. Appropriate referrals for administrative action made. It is deemed that no further investigation is warranted at this time.
10/22/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 1, 2018, from (b) (5) . (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Closed by Referral to PHA
10/22/2019	Whistleblower alleged that she was terminated after she advised the (b) (7)(C) of a local housing authority that grant funds were being used inappropriately. Per HUD/OIG/OGC, the Whistleblower released her whistleblower rights for valid consideration in the settlement with her employer, being the local housing authority. It qualifies as a prior adjudication under Section 4712.	Administratively closed. WB released her WB rights for valid consideration in the settlement with her employer under Section 4712



Date Closed	Investigative Description	Disposition
10/22/2019	<p>On May 3, 2019, HUD-OIG participated in a conference call with Glendale Community Housing Division (GCHD) personnel and (b) (7)(C) (b) (7)(C) Mesa County Department of Human Services (DHS) concerning GCHD Section 8 HCV tenant (b) (7)(C) (b) (7)(C) (b) (7)(C) advised that (b) (7)(C) had been collecting an adoption subsidy from the State of Colorado and SSA benefits for a minor, (b) (7)(C) who has resided with several family members, not (b) (7)(C) in the Denver and the Grand Junction, Colorado metro areas. GCHD personnel advised that (b) (7)(C) had ported-in to GCHD in July 2016 and had been living in a two bedroom apartment based upon the fact that she reported to GCHD that (b) (7)(C) was living with her. On May 14, 2019, HUD-OIG contacted SSA-OIG Special Agent (SA) (b) (7)(C) Denver, Colorado who confirmed that he had had received the referral from Mesa County DHS and that both DHS and SSA were calculating the losses to their respective agencies. SA (b) (7)(C) advised that he intended to discuss the case with (b) (7)(C) (b) (7)(C) (b) (7)(C) U.S. Attorney's Office, Denver, CO in the near future and requested that HUD-OIG participate in the telephone call. Later on May 14, 2019, GCHD personnel advised that the loss to GCHD due to (b) (7)(C) fraudulent activity was \$5,924 covering the time period July 1, 2016 to June 30, 2019. On this same date, HUD-OIG obtained copies of the annual recertifications and other tenant certifications (b) (7)(C) submitted to GCHD during that time period. On June 25, 2019, SA (b) (7)(C) and HUD-OIG telephonically discussed the case with (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) stated that he would be willing to pursue criminal prosecution of the case, to include the fraudulent activity involving GCHD.</p>	Investigation of initial allegation complete, while indicators of fraudulent activity are present, prosecution was declined due to uncertain venue issues and low dollar potential loss amount. As a result, it is deemed no further investigation is warranted at this time.
10/23/2019	<p>On February 26, 2016, (b) (7)(C) (b) (7)(C) of Rental Housing Development, South Dakota Housing Development Authority, informed SA (b) (7)(C) that her agency provided NSP1 funds to purchase and renovate a mobile home located on the Crow Creek Indian Reservation despite a long-standing dispute between the homeowner and the Crow Creek Housing Authority. Approximately a year prior to the granting of the NSP1 funds, the homeowner, who is occupying the unit through a lease/purchase agreement, alleged that the CCHA used scrap material or did not actually use materials for her unit for which they would seek reimbursement with the NSP1 funds.</p>	All investigative activity has been reviewed, this investigation is being administratively closed due to the allegations being unsubstantiated.
10/24/2019	<p>An anonymous complainant alleged that an individual had purchased a HUD REO property as an owner occupant and then immediately rented the property out. A thorough analysis of the property led to additional properties and borrowers, all of whom appeared have a relationship, either as associates or family. Each purchased a home (or several over time) as an owner occupant but information suggests that they rented the properties out. The investigation revealed little evidence to show that the purchasers resided in the properties, and in some cases, the investigation confirmed that the purchasers, some of whom were family members of Real Estate Broker (b) (7)(C) rented the properties. Prosecution was declined by the U.S. Attorneys Office and the matter was referred to the State of Florida, Department of Business and Professional Regulation.</p>	Prosecution declined. Referred to State licensing authorities. Case closed.
10/24/2019	<p>(b) (7)(C) applied and received Super-Storm Sandy disaster relief funds from the NJ Department of Community Affairs for the reconstruction of damaged property. It is alleged that the applicant did not use the property as a primary residence at the time of the storm which is one of the requirements in order to be eligible for the program.</p>	Administratively closed.



Date Closed	Investigative Description	Disposition
10/24/2019	<p>On or about November 2018, HUD OIG Region 3 (R3) received a recent Fugitive Felon Wanted list from HQ (b) (7)(C). (b) (7)(C) R3 CRS (b) (7)(C) subsequently cross referenced the data with HUD's databases, removed duplicate NCIC numbers and separated the data by OIG investigative region. The OIG initiated an investigation in December 2018, after it compared data obtained from (b) (7)(C) to HUD's (b) (5) Center (b) (7)(C) removed duplicate NCIC numbers, and separated the data by region. As a result of this data-matching effort, the OIG identified twenty-five fugitive felons residing in HUD-subsidized properties in the region, with extraditable felony arrest warrants. The OIG subsequently forwarded relevant information to law enforcement agencies within the geographical jurisdiction. Ten of the twenty-five fugitive were subsequently apprehended by law enforcement agencies in the geographic area where each fugitive resided. Eleven fugitives were referred to the respective housing authorities where each fugitive resided and requested that each take action to terminate subsidy to the associated fugitives. One person was a victim of identity theft and ultimately seven were no longer wanted fugitives.</p>	Administrative closure
10/25/2019	<p>It is alleged that (b) (7)(C) a Section 8 tenant, is running unlicensed care facilities. (b) (7)(C) (b) (7)(C) stated in a press release that the conditions the people were living in were dire, heartbreaking and inexcusable. The Texas Department of Aging and Disability Services has relocated 29 residents to (b) (7)(C) area licensed facilities. The Attorney General's Office is seeking action against (b) (7)(C) (b) (7)(C) HUD OIG is trying to determine if (b) (7)(C) (b) (7)(C) qualified for or defrauded the Section 8 program.</p>	<p>Travis County DA's Office (TCDAO) has not moved beyond indictment since March 2018. Case agent informed that TCDAO was pursuing a new civil litigation that would push back the (b) (7)(C) case indefinitely. During last case review, case agent and previous (b) (7)(C) (b) (7)(C) discussed closing the case and re-opening the case if TCDAO decided to move forward with prosecution. Current (b) (7)(C) (b) (7)(C) concurs with the decision to close case.</p>
10/25/2019	<p>(b) (7)(C) husband, (b) (7)(C) is allegedly living with (b) (7)(C) after being twice deemed ineligible to be added to her lease. (b) (7)(C) provided questionable documentation regarding his immigration status and driver's license. Property management continues to see (b) (7)(C) on the property and (b) (7)(C) is currently driving a vehicle registered to (b) (7)(C). HUD OIG initiated an investigation after receiving a referral from management at a HUD multifamily property in Lansdale, PA. Management reported to the OIG that a tenant and HUD Project-Based Section 8 Rental Assistance Program (Section 8) program participant, had failed to truthfully report his/her household composition. Specifically, that his/her spouse, was living in the subsidized unit. OIG investigation did not substantiated that the spouse lived at the subsidized unit. The head of household (HOH) twice attempted to add the spouse to the household composition. The first time, the HOH withdrew the spouse's application, because his/her immigration status at that time would have made them ineligible and required them to pay a substantial tenant rent portion which they could not afford. The second time, the spouse withdrew the application because he/she did not have a valid driver's license and would not be allowed to have a car on the property. When interviewed, the HOH denied that the spouse lived at the subsidized unit.</p>	Closed by Referral

Date Closed	Investigative Description	Disposition
10/28/2019	<p>This case was opened in AutoAudit (b) (7)(C). The final briefing paper was for 1/31/2014. This case involves 24 FHA loans originated and sponsored by Pacific Horizon at its Orange County, CA branch. Each of the loans contains false income documents. The U.S. Attorney's Office accepted the case and is moving forward to depositions and filing a civil complaint. The parallel criminal case is (b) (7)(C). (b) (7)(C) is the Special Agent assigned. Based on OIG's civil investigation, on April 2, 2019, HUD notified Pacific Horizon and the two loan officers that it believed they were liable under the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. (United States Code) 3801-3812, for violating HUD requirements in connection with four FHA-insured loans for Pacific Horizon and two FHA-insured loans for the loan officers. On April 22, 2019, HUD filed an amended complaint detailing its allegations. To avoid the time and expense of further administrative proceedings and to reach a satisfactory resolution of the matter, all of the involved parties entered into settlement agreements. The agreements did not constitute an admission of liability or fault on the part of any party. On July 1, 2019, Pacific Horizon entered into an agreement to pay \$325,000 plus accrued interest to HUD. Pacific Horizon paid \$75,000 at the signing of the agreement, and the remaining balance of \$250,000 will be paid in annual payments of \$50,000 over 5 years. Accrued interest totaling \$7,500 will be paid on July 1, 2024. On July 11, 2019, the two loan officers entered into an agreement and collectively agreed to pay a total amount of \$15,000 to HUD.</p>	HUD OPE reached financial settlements under PFCRA with Pacific Horizon and two loan officers.
10/28/2019	<p>The HUD Boston Office of Regional Counsel (ORC) made a referral to the OIG concerning the (b) (7)(C) located in East Haven, Connecticut. The ORC are concerned the owners of the nursing homes may be diverting funds from the property while the properties are in a delinquent status on their mortgage payments.</p>	Administratively Closed
10/28/2019	<p>Information received that (b) (7)(C) of Zezzo House (b) (7)(C), was using project funds for personal use.</p>	Successful Prosecution

Date Closed	Investigative Description	Disposition
10/29/2019	(b) (7)(A), (b) (7)(C)	(b) (7)(A) No additional investigative actions required.
10/29/2019	Complainant states (b) (7)(C) the (b) (7)(C) of St. Bernard Parish HCVP, may be abusing her position by personally obtaining property for sale by the parish and selling it to known HCVP landlords. The complainant believes there may be kickbacks or bribes between the potential land owners and (b) (7)(C)	Declination Received
10/29/2019	On March 20, 2018 (b) (7)(C) (b) (7)(C) of Housing Programs, Vermont State Housing Authority, alleged (b) (7)(C) is the live-in boyfriend of (b) (7)(C), Section 8 tenant of (b) (7)(C), and has been living with (b) (7)(C) for 19 years. Total loss reported by VSHA \$189,200.	Administratively close



Date Closed	Investigative Description	Disposition
10/30/2019	<p>The Department of Justice (Main Justice) Civil Division requested our assistance on a second Big Lender Initiative (BLI). PrimeLending is one of the lenders selected as part of the BLI 2 Investigation. We assisted the U.S. Department of Justice (DOJ), Washington, DC, and the U.S. Attorney's Offices for the District of Kansas and the Northern District of Texas in the civil investigation of PrimeLending. The investigation was of PrimeLending's origination, underwriting, and quality control of Federal Housing Administration (FHA)-insured mortgage loans between 2008 and 2012. FHA is a component of HUD. It provides mortgage insurance for a person to purchase or refinance a principal residence. The mortgage loan is funded by a lending institution, such as a mortgage company or bank, and the mortgage is insured by FHA. PrimeLending became an FHA-approved direct endorsement lender on February 13, 1990. HUD's direct endorsement lender program authorizes private-sector mortgage lenders to approve mortgage loans for FHA insurance. Through the direct endorsement lender program, approved lenders such as PrimeLending are authorized to originate, underwrite, and approve mortgage loans to be insured by FHA without prior HUD review or approval. Lenders approved for the program must follow various FHA requirements, including providing annual and per loan certifications that the lender complied with these requirements when underwriting and approving loans for FHA insurance. Based on our combined investigation, the United States contended that for 79 FHA-insured loans, PrimeLending failed to follow all HUD requirements in connection with its origination, underwriting, and quality control. Specifically, the United States contends that between January and December 2008, PrimeLending failed to ensure that the 79 loans qualified for FHA insurance, improperly incentivized underwriters, and failed to perform quality control reviews as required by HUD regulations. Additionally, there were 160 FHA-insured loans originated by PrimeLending between January 1, 2009 and December 31, 2012 that were not eligible for FHA insurance because of the alleged material underwriting defects. On October 23, 2018, PrimeLending entered into a settlement agreement with the Federal Government to pay more than \$6.75 million to avoid the delay, uncertainty, inconvenience, and expense of lengthy litigation of certain civil claims the Government stated it had against PrimeLending. The settlement was neither an admission of liability or wrongdoing by PrimeLending nor a concession by the United States that its claims were not well founded. The settlement amount due HUD was paid in full on October 29, 2018. PrimeLending also entered into an indemnification agreement with HUD to pay more than \$6.74 million in restitution to indemnify FHA for the portion of losses associated with the 160 FHA-insured loans that were not eligible for FHA insurance because of alleged material underwriting defects. The indemnification agreement did not constitute an admission of liability or fault on the part of either PrimeLending or HUD. The indemnification amount due HUD was paid in full on October 22, 2018. Final Civil Action Memo (b) (7)(C) was issued on 09/30/2019. Assignment closed October 2019.</p>	<p>The subject entered into a settlement agreement where it paid \$6.75 million to the Federal Government. Also, it entered into an indemnification agreement with HUD paying \$6.74 million on 160 loans</p>
10/30/2019	<p>HUD OIG received a referral from a law enforcement agency who alleged that there were misappropriation of HUD funds. The investigation was substantiated. However, prosecution was declined on all HUD violations, and no referrals were made to HUD program office. .</p>	Prosecution Declined
10/31/2019	<p>Senior Special Agent (b) (7)(C) Federal Protective Service, is currently investigating a matter in which (b) (7)(C) a (b) (7)(C) is the complainant. (b) (7)(C) complained that her (b) (7)(C) (b) (7)(C) (b) (7)(C) sprayed her in the face with bleach. SSA (b) (7)(C) requested assistance in obtaining certain pieces of information from HUD. The case agent will work to gather the records and turn them over. SSA (b) (7)(C) also reported anomalies revealed to him during his investigation. Specifically, he reported that it (b) (7)(C) has changed and/or recanted her statements over the course of his investigation. The issue of whether (b) (7)(C) filed a false statement will be investigated by HUD-OIG.</p>	<p>HUD OGC advised it will not be taking any administrative action against (b) (7)(C)(C) has been advised to return to work effective 10/29/19. Case closed.</p>
10/31/2019	<p>This case was predicated upon assistance from (b) (7)(C) (b) (7)(C) Cuyahoga County (b) (7)(C) Cleveland OH and (b) (7)(C) (b) (7)(C) with the Parma Heights Police Department, Parma Heights, OH regarding (b) (7)(C) It is alleged that (b) (7)(C) a home health aide has been defrauding her clients while receiving cash payments. In addition, it is alleged that (b) (7)(C) is a HUD subsidized tenant and is failing to disclose her health care income to the housing authority.</p>	Successful Prosecution

Date Closed	Investigative Description	Disposition
10/31/2019	(b) (7)(C) (b) (7)(C) Donna Housing Authority (DHA), (b) (7)(C) informed that (b) (7)(C) (b) (7)(C) Mercedes Housing Authority (MHA) (b) (7)(C), was concerned with the procurement process at the MHA. (b) (7)(C) concern is that (b) (7)(C) received the last four high dollar contracts for a total of approximately \$400,000 which included air conditioning, high-rise plumbing and roofing. (b) (7)(C) explained that (b) (7)(C) receive all the bids and they prepare the bid tabulation sheets. The MHA board does not get to see the original bids and only receives the bid tabulation sheets. (b) (7)(C) explained that (b) (7)(C) has expressed his concern of not being able to see the bids to the rest of the MHA board and believes there could be impropriety taking place.	Allegation could not be corroborated. Case administratively closed.
10/31/2019	HUD grant funds have allegedly been misused by City of Dayton officials; there is little to no accounting or records of how the funds have been spent.	Prosecution Declined
10/31/2019	This complaint was generated to capture HUD OIG, Region 3 - Baltimore, Maryland, participation on the CARFTF based out of Washington, D.C.	Referral to Program Staff / HUD
11/1/2019	This assignment was opened in AutoAudit by FA (b) (7)(C) under (b) (7)(C) Civil Fraud Pilot Program on 3/1/2012. FA (b) (7)(C) is reviewing loans for Sierra Pacific Mortgage. FA (b) (7)(C) and FA (b) (7)(C) are reviewing loans for Plaza Home Mortgage. Plaza was identified as a lender with a high number of early payment defaults on a top 10 list and by FA (b) (7)(C) FA (b) (7)(C) included review of Plaza under (b) (7)(C) Civil Fraud Pilot Program but focused on Sierra Pacific. It was decided that FA (b) (7)(C) would continue review of Plaza under a separate case. 48 paper files for California loans will be reviewed as well as 84 loans subpoenaed from Plaza. FA (b) (7)(C) is assisting with review of the subpoenaed loan files. As of January 2014, 9 of the 84 subpoenaed loans have been reviewed, with 8 of the 9 having major deficiencies and one loan having fraud indicators. 28 of 48 California paper loan files have been reviewed; 20 have major deficiencies, with 5 of the 20 having fraud indicators.	OPE notified us that it would not support pursuing a civil action against Plaza Home Mortgage due to statute of limitations issues.
11/1/2019	On 2/2/15, a Western Ohio Mortgage Co. representative contacted SA (b) (7)(C) of (b) (5) to report a loan origination fraud where Netwide Title was involved in the short sale loan closing (see (b) (7)(C) Netwide Title case in (b) (7)(C)). Western Ohio Mortgage will be self reporting the FHA loan for (b) (7)(C) involving buyer (b) (7)(C). According to the Western Ohio Mortgage Co., the file contents include false W2's, false income statements and false tax returns. FHA binder requested by (b) (7)(C) (b) (7)(C) on 2/3/15.	Successful Prosecution
11/1/2019	HUD-OIG received a Hotline Complaint alleging Housing Authority employees may be misappropriating Housing Authority funds. The investigation did not reveal any misappropriation of funds or violations in the Family Self Sufficiency Program, but did reveal a Housing Authority-funded trip for employees to visit New Orleans which may be a violation of federal regulations. This matter was referred to the Office of Audit.	Matter referred for Audit determination.
11/1/2019	(b) (7)(C) of HUD-OIG contracting received what he alleged was a possible fraudulent invoice requesting payment for \$50,000 in items shipped to a storage unit in the name of HUD in Las Vegas, NV. Preliminary investigation shows HUD Las Vegas did not order the items and does not own a storage unit.	No prosecution, no loss to HUD. Administratively closed.



Date Closed	Investigative Description	Disposition
11/4/2019	(b) (7)(A), (b) (7)(C)	Investigation complete. Successful prosecution.
11/4/2019	<p>Bank of America reported that FHA borrower (b) (7)(C) was suspected of misrepresenting occupancy of a property owned by him located at (b) (7)(C) during a Making Homes Affordable FHA refinance application process. Bank of America reported that the Utility Bills used as proof of occupancy appear to have been altered by someone other than the Utility Company. Further investigation reveals that the subject lists on many documents, an address in Anderson, Indiana as his primary residence which is owned by (b) (7)(C) (b) (7)(C) (b) (7)(C) occupation was listed as (b) (7)(C) on some of the loan documents. Further investigation by the reporting Agent revealed that (b) (7)(C) is or was in fact a (b) (7)(C). The reporting Agent also learned that (b) (7)(C) also has an extensive criminal history, including convictions out of New York for: Attempted 2nd Degree Murder with Intent, Kidnapping 2nd Degree, Robbery 1st Degree, Burglary 1st Degree, Conspiracy 2nd: Intent to perform a Class A felony and more, possibly under his birth name "(b) (7)(C)". The reporting Agent also discovered that (b) (7)(C) (b) (7)(C) (b) (7)(C) is or was also an employee at (b) (7)(C). Further investigation also revealed that (b) (7)(C) sued the Indiana Department of Corrections and/or his (b) (7)(C) for racial discrimination in 2012. Based on all of the aforementioned information, there is sufficient evidence to warrant the opening of an investigation.</p>	All judicial action complete.
11/5/2019	<p>(b) (7)(C), the (b) (7)(C) (b) (7)(C) of the Winslow Housing Authority (HA), allegedly embezzled the cash rental payments she received from Winslow Public Housing tenants and attempted to cover up her theft of these funds by using the accounting software password of Winslow HA (b) (7)(C) (b) (7)(C) to change the payment amounts HA Consiglio had originally entered into the Winslow HA internal accounting system to lower payment amounts. (b) (7)(C) actions have resulted in possible loss of possibly \$69,632 to the housing authority. There is also evidence that (b) (7)(C) may have used the Winslow HA credit card assigned to her for unauthorized personal expenses. (b) (7)(C) has admitted to the Winslow City (b) (7)(C) and to the Winslow Police Department that she has stolen funds from the housing authority.</p>	<p>This case was initiated based on information received from the HUD Office of PIH alleging that an (b) (7)(C) of a housing authority was embezzled funds. Investigation gathered evidence of criminal wrongdoing and investigative findings were presented to the United States Attorney's Office. The subject was subsequently charged with Theft and plead guilty. The (b) (7)(C) was sentenced to 24 months probation and ordered to pay restitution of approximately \$ 52,000 to the housing authority. It is deemed that no further investigation is warranted at this time.</p>
11/6/2019	<p>HUD OIG received an anonymous complaint alleging a company used the Section 3 Program fraudulently by falsifying the number of workers who qualify as Section 3 Residents. An investigation into their Section 3 Program did not determine any information that warranted further review of the company's records.</p>	Administrative Closed. Allegations unsubstantiated.

Date Closed	Investigative Description	Disposition
11/6/2019	HUD-OIG conducted a data match to identify individuals from the National Sex Offender Registry that may be receiving housing subsidies and provided investigative leads.	All judicial and administrative actions complete.
11/7/2019	HUD OIG SA proactively searched for HUD-subsidized Section 8 residential addresses among a list of registered sex offenders. HUD OIG SA identified five (5) address matches with individuals subject to lifetime registration as a sex offender within the zip codes featured in this case.	Administratively closed.
11/7/2019	A former City of Omaha Contract Specialist alleged that contractors doing work under CDBG and HOME funding were being paid by the city for work not done or done outside the specified scope of work.	This case is being administratively closed. The allegations were previously investigated by HUD staff and found to be without merit, therefore no prosecutorial or civil referrals, nor any further referrals to HUD, are warranted.
11/7/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on November 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	All judicial and administrative action complete.
11/7/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	All enforcement and administrative actions required have been complete. No further action is warranted so this case is being administratively closed.
11/8/2019	NYC-DOI, NYCHA-OIG, contacted HUD-OIG and requested assistance in their investigation against (b) ((b) (7)(C)) a Section 8 participant, and his family have allegedly received approximately \$275,000 in rental subsidy, Medicaid and Food Stamp benefits that they were not entitled.	The findings of this investigation were referred to the U.S. Attorney's Office (USAO), Eastern District of New York (EDNY), for prosecutorial consideration (USAO) and was accepted. On March 28, 2018, (b) (7)(C) was indicted by a federal grand jury at the U.S. District Court, EDNY, charging him with Theft of Government Funds and Health Care Fraud. The USAO declined to charge the HUD fraud due to statute of limitation issues surrounding the Section 8 benefits. On October 10, 2018, (b) (7)(C) pleaded guilty to Theft of Government Funds. (b) (7)(C) was ordered to pay forfeiture in the amount of \$84,119 before or on the date of his sentencing. On July 29, 2019, (b) (7)(C) was sentenced to 14 months of imprisonment, followed by 36 months of supervised release. He was also order to pay restitution in the amount of \$39,270, payable to the HRA. On the day of the sentencing, (b) (7)(C) paid the \$84,119 in forfeiture. Based on the above information, no further investigation is warranted and this case is closed.



Date Closed	Investigative Description	Disposition
11/12/2019	Complaint received from HOC re: an individual who may have falsified income. Also, records indicate the appraiser may have overstated the value of the property and failed to report negative influences surrounding the property.	This case can now be closed as the investigation is substantially completed. Any future judicial and administrative action can be captured with the case in closed status.
11/12/2019	HUD/OIG received a complaint from New York City Department of Investigation alleging the property owner received a duplication of benefits from New York City's Build It Back program. The property owner failed to disclose an insurance check received for the property.	On August 7, 2019, NYC's HRO submitted a default determination letter to (b) (7)(C) through his attorney, stating that he received an over payment of \$272,575.05 which is owed back to the program. (b) (7)(C) attorney has appealed this decision and was granted an extension until November 5, 2019, to submit additional documents. Being that this matter is being handled administratively, this case will be closed.
11/13/2019	It was alleged that the (b) (7)(C) of Region 6 committed prohibited personnel practices by hiring the (b) (7)(C) for Region 6. It was alleged that the (b) (7)(C) bragged to several people that she was going to be offered the job before the official selection was made.	Investigation completed and allegations were unsubstantiated. ROI completed and case administratively closed.
11/14/2019	It is alleged that (b) (7)(C) is a participant in a HUD rental subsidized program in Lumberton, Texas, but (b) (7)(C) (b) (7)(C). The company has an annual gross revenue in excess of \$4 million dollars a year but she pays herself \$9.50 an hour so she can qualify for HUD reduced rent housing. The complex is named (b) (7)(C) which is managed by (b) (7)(C) Property Management.	Case declined by USAO
11/18/2019	HUD CPD referred the City of Dayton, OH (the City) to the DEC to conduct a review of the City's HOME program. The purpose of the DEC review was to track voucher revisions; follow draws; and determine if the draws were properly supported. The review found the City did not have documentation to support the assignment of funds from one activity to another. The review found five instances in which two activities were assigned the same address. Furthermore, the review found the City is reconciling amounts reported under Kettering's Home program with amounts the City reported in IDIS. The DEC recommended the City repay \$166,144.92 in un-allowed costs and CPD examine \$502,072.07 in unsupported expenses. Finally, the DEC recommended CPD consider referring the matter to HUD OIG for further investigation.	PFCRA Declined
11/18/2019	HUD OIG compared subsidized housing recipient data against the FBI National Sex Offender Registration to establish investigative leads.	Dismissed (b)(5);(b)(7)(C)
11/19/2019	Pursuant to a QAD referral letter dated October 28, 2008, pertaining to fraudulent FHA insured loan activities, Pacific Horizon Bancorp (PHB) identified two FHA loans wherein the borrowers involved provided falsified Verifications of Employment (VOE) and/or are delinquent and are non-occupants of the FHA insured property. In FHA Case No. (b) (7)(C), two borrowers allegedly provided false VOE information to PHB in order to fraudulently qualify for an FHA insured loan for the subject property in Corona, CA. In one FHA loan, the borrower allegedly violated HUD regulations by failing to reside at his FHA insured property in San Bernardino, CA.	Successful civil action. No further action deemed warranted. Case closed.
11/22/2019	(b) (7)(C) business as (b) (7)(C), (b) (7)(C) is a company located in Maine. Allegations received by the United States Attorney's Office revealed that (b) (7)(C) may have misused loans they received from the Department of Commerce and from HUD.	Prosecution Declined

Closed Investigations, FY 2019

Date Closed	Investigative Description	Disposition
11/22/2019	Complaint indicating that (b) (7)(C) is a section 8 participant and receiving subsidy as a Section 8 landlord as well.	Successful prosecution. Case closed.
11/22/2019	Initiative opened to identify and review/investigate the impetus behind high risk New England Nursing Homes that are in default and/or delinquent status.	Administratively closed
11/25/2019	This complaint is being opened pursuant to information received from the Los Angeles District Attorney's Office Bureau of Investigation alleging that (b) (7)(C) a Housing Choice Voucher recipient, has committed both Welfare fraud and Section 8 fraud by failing to report her income.	Investigation of initial allegation completed. Investigative findings presented to Los Angeles District Attorney's Office resulting in charging and conviction of subject (b) (7)(C) has been sentenced and no further investigation is warranted at this time.
11/25/2019	HUD-OIG proactively initiated this investigation alleging a landlord (Veterans Affairs Supportive Housing participant) converted 15 dwelling units in 12 Residential homes into 49 dwelling units without proper building permits.	Investigation of initial suspected fraud complete. Criminal prosecution declined by USAO office. Potential issue ultimately settled administratively by HUD, as a result no further investigation is warranted at this time.
11/25/2019	The Complainant alleges mismanagement and misuse of funds at Lake City Housing Authority, including potential use of government vehicles and government credit cards for personal use. The complainant stated, the agency has been designed as troubled following an audit and the (b) (7)(C) is not adhering to proper hiring procedures. The Housing Authority made corrective actions after a management review had been conducted. Many of the questionable expenses were allowable, the unallowable expenses were reimbursed per the management review. Based on the corrective actions from the Housing Authority, there was no prosecutorial evidence and this case was declined.	Allegations Unfounded
11/25/2019	HUD OIG received an allegation that (b) (7)(C) was on Section 8 assistance for a property which she owned.	Successful prosecution.
11/25/2019	HUD-OIG received a referral from HUD-OIG, HQ Operations Division, to apprehend Fugitive Felons receiving Public & Indian Housing (Section 8) benefits.	Case initiated pursuant to nationwide Fugitive Felon data match. FFI leads were reviewed and administrative notices made to respective housing authorities. No further investigation warranted at this time.
11/25/2019	Complainant alleges that unknown subject is misrepresenting himself/herself as a HUD employee through the use of the HUD Seal.	Refer to Office of Public Housing and to the Boston Housing Authority

Date Closed	Investigative Description	Disposition
11/26/2019	On June 14, 2012, Special Agent (b) (7)(C) of the U.S. Department of Housing and Urban Development, Office of Inspector General (HUD-OIG), Chicago Region 5, conducted a proactive search of Chicagoblockshopper.com and the Cook County Recorder of Deeds Website for properties located in declining areas that typically have a larger than average amount of foreclosed properties and higher propensity for fraudulent real estate transactions to occur. Through this search R/A was able to locate 4 properties located at (b) (7)(C), all of which show a real estate transaction history indicative of potential equity skimming based on the location of these properties compared to the sale price. These 4 FHA insured properties have a common seller identified as (b) (7)(C) (b) (7)(C) and utilize a common lender/mortgage company identified as (b) (7)(C). This office is also in receipt of information from (b) (7)(C) (b) (7)(C) of (b) (7)(C). (b) (7)(C) provided 4 loans originated through (b) (7)(C) Chicago office which all have a common gift donor named (b) (7)(C). These FHA insured properties are located at (b) (7)(C). (b) (7)(C) identified the loan processor for these transactions as (b) (7)(C) (FNU). Additionally this office is in receipt of information from the HUD, Atlanta HOC which alleges that another FHA insured property originated by Primary Residential Mortgage's Chicago office utilized what appears to be fraudulent pay stubs, and W-2s provided by the borrower. Additionally this property is located in a declining area which has a larger than typical pool of foreclosures and high number of fraudulent real estate transactions. Atlanta HOC has identified this borrower as (b) (7)(C). It should be noted that 4 of the 9 properties were originated by Loan Originator (b) (7)(C), and 2 of the 9 were originated by Loan Originator (b) (7)(C).	The subjects in this case have been convicted and sentenced. No further investigative work is warranted at this time.
11/26/2019	(b) (7)(A), (b) (7)(C)	The detail of this investigation were shared with the USAO, Civil Division, throughout the course of the investigation. The USAO, Civil Division declined to pursue the case further, citing that (b) (7)(A).  The USAO additionally reasoned that although the investigation revealed that certified payrolls falsely listed (b) (7)(C) employees residing in the City of Chicago, there are no HUD regulations or CDBG-DR requirements with respect to worker residency in this case. The investigation was also unable establish a direct loss to HUD or the federal government.
11/26/2019	The (b) (7)(C) of HUD FHEO, Boston, alleged (b) (7)(C) may be sending HUD FHEO documents to his personal email. Further, (b) (7)(C) may be requesting another individual who does not work for HUD to complete his FHEO work. The (b) (7)(C) of HUD FHEO alleged (b) (7)(C) may be paying this individual to complete work for (b) (7)(C).	Prosecution declined.



Date Closed	Investigative Description	Disposition
11/27/2019	HUD OIG received a telephone call from HUD alleging one of their employees was performing outside employment activities during their telework time. The allegations were unsupported; however, the investigation revealed the employee did not receive approval from HUD to operate the business which is a violation of policy.	HUD Employee, case declined for prosecution. Referred to HUD for administrative actions
12/2/2019	A HUD PIH employee was observed checking in as a new employee to the Richmond, VA Field Office. This employee was the subject of a previous OIG investigation and had resigned in lieu of termination. A review of records provided by HUD OGC failed to disclose a term within the settlement agreement barring future reemployment with HUD. HUD OGC reported that HUD missed that this employee was previously removed from federal service due to misconduct.	Allegation Not Substantiated
12/2/2019	Tulsa Housing Authority employee is claiming that the (b) (7)(C) hired (b) (7)(C) into a position for which he believes he is unqualified. The complainant is claiming that nepotism has harmed his job and future employment opportunities with the Housing Authority.	Allegations unfounded. Case will be administratively closed
12/3/2019	An anonymous HUD employee, a (b) (7)(C) in CPD, reported to the OIG's Hotline that CPD (b) (7)(C) (b) (7)(C) (b) (7)(C) and CPD (b) (7)(C) (b) (7)(C) inappropriately directed HUD employees to prepare Grant Agreements prior to (1) an Action Plan being approved, and (2) Prior to an Action plan being submitted for review. An anonymous HUD employee reported to the OIG's Hotline that two HUD (b) (7)(C) inappropriately directed HUD employees to prepare Grant Agreements prior to (1) an Action Plan being approved, and (2) Prior to an Action plan being submitted for review. The investigation did not uncover any evidence of wrongdoing or any negative impact on HUD.	Administrative Closure
12/4/2019	This investigation is being opened based on a request from The New Jersey Division of Criminal Justice Hurricane Sandy Taskforce. The taskforce has requested assistance with target interviews being conducted by their 944 Detectives. Since these Detectives are part time employees, they do not carry a firearm nor are they able to prepare memorandum of interviews for targets. The 944's will work all other aspects of the case. This investigation will cover all interviews that Region 3 HUD Agents assist with and MOI'S will be submitted under this case number. The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), initiated this investigation on February 3, 2016 based on a request from The New Jersey Division of Criminal Justice (NJDCJ) Hurricane Sandy taskforce. The taskforce requested assistance with target interviews being conducted by their civil detectives, referred to as "944's", related to potential fraud associated with the Resettlement (RSP) and Reconstruction, Rehabilitation, Elevation and Mitigation (RREM) program funds following Hurricane Sandy. Since these detectives were part-time employees conducting civil investigations, they did not carry firearms nor were they able to prepare memoranda targets' interviews. These 944's worked all other aspects of the cases. This investigation covered all interviews that Region 3 OIG Agents assisted with and the service of all complaint/summons issued to targets. In total, OIG provided assistance on 11 subjects. This assistance varied from email correspondences with NJDCJ to conducting interviews and serving criminal complaint/summons on behalf of the NJDCJ. Of the 11 subjects that assistance was provided on, 5 were charged by the State of NJ with theft by deception. The total loss to HUD was \$430,623.13.	Administrative closure
12/4/2019	(b) (7)(C) and (b) (7)(C) misrepresented their primary residence to the NJDCA. The (b) (7)(C) received \$10K RSP, \$143K RREM, \$2820 FEMA, \$31K SBA following Hurricane Sandy.----- The OIG initiated this investigation after receiving a referral from the New Jersey Division of Criminal Justice (NJDCJ). A CDBG-DR recipient misrepresented their primary residence to the State of New Jersey Division of Community Affairs and was awarded funds they were not entitled to receive. The grantee pled guilty to Theft by Unlawful Taking and was ordered to pay \$142,414.57 in restitution and complete 60 months' probation.	Successful prosecution

Date Closed	Investigative Description	Disposition
12/4/2019	On April 21, 2017, HUD OIG Special Agent (SA) (b) (7)(C) met with Atlantic County Prosecutors Office (ACPO) Detective (b) (7)(C) related the following: Homeowner (b) (7)(C) (b) (7)(C) gave a \$75,000 check to contractor (b) (7)(C) which was to be distributed to the contractor (b) (7)(C) of Superior (b) (7)(C) (b) (7)(C) was supposed to provide a modular home for (b) (7)(C) but never did. (b) (7)(C) unsuccessfully attempted to contact (b) (7)(C) Several months past and (b) (7)(C) never installed (b) (7)(C) modular home. Detective (b) (7)(C) provided SA (b) (7)(C) a copy of the attached police report detailing this incident. Detective (b) (7)(C) advised that (b) (7)(C) is a RREM participant. On May 5, 2017, SA (b) (7)(C) contacted DCA/ RREM Assistant Compliance (b) (7)(C) (b) (7)(C) confirmed that (b) (7)(C) received a \$150,000 award from RREM. (b) (7)(C) RREM number is (b) (7)(C). (b) (7)(C) RREM project is in the DCA RREM contractor fraud file. In April 2017, the OIG and a NJ county prosecutor determined that a RREM recipient paid a contractor \$75,000 from RREM proceeds for Hurricane Sandy repair work. The RREM recipient expected the contractor to purchase a modular home from a modular home supplier and then install the modular home on their property. However, the aforementioned never took place. In June 2017, a NJ prosecutor charged the contractor with Theft by Deception, Failure to Make Lawful Disposition and Tampering with Records. On November 2018, the contractor pled guilty to Theft by Unlawful Taking. In April 2019, the contractor was to three years of incarceration and subsequently ordered to pay restitution.	Successful prosecution
12/4/2019	Evidence exists that Dallas Police Officer (b) (7)(C) has purchased a Good Neighbor Next Door home located at (b) (7)(C) without ever having the intent of residing in the home.	Subject has been charged, convicted, sentenced and referred for administrative action. If and when administrative action is taken the case file will be updated.
12/4/2019	HUD OIG received a Hotline Complaint alleging (b) (7)(C) from a local Housing Authority may be misappropriating/misusing Housing Authority funds. The investigation determined (b) (7)(C) is not an operator of a Housing Authority that receives HUD funding. Moreover, this investigation revealed that (b) (7)(C) is an operator of a City Government Authority that assists privately owned businesses to receive private loans from local banks and does not receive funding from HUD. Finally, this case was presented to the Southern District of Georgia and declined because this case determined no HUD funding was present.	Allegations Not Founded
12/4/2019	This is a joint whistleblower case opened up based on direction from OLC. Complainant states the (b) (7)(C) of the Metropolitan Housing Authority in Little Rock, AR, (b) (7)(C) does not come to work and is never in the office. The complainant, (b) (7)(C) believes (b) (7)(C) may have another job. The loss is unknown.	Declined for prosecution by USAO.
12/9/2019	(b) (7)(C) allegedly has a relationship with (b) (7)(C) employee (b) (7)(C) and has used her position as (b) (7)(C) of the National Servicing Center to provide favorable decisions and support to (b) (7)(C)	No information was uncovered to substantiate the allegations. Because of this, the case will be administratively closed.
12/10/2019	Allegation from Pico Rivera Housing Authority indicating that a particular individual is the property owners son and is residing in the subsidized unit with another tenant.	Successful Prosecution. Case closed.
12/11/2019	This investigation is initiated as a local fugitive felon initiative targeting fugitives in the New England States using both (b) (7)(C) (5)	Administratively Closed



Date Closed	Investigative Description	Disposition
12/11/2019	The complainant states the St. John The Baptist Housing Authority administration is allegedly violating several policies and potentially misusing HUD funds. Specifically, the complaint references: 1. Requiring applicants to obtain criminal background checks. Applicants were allegedly reimbursed but there was no evidence of reimbursement; 2. Not resolving income discrepancies from EIV resulting in over-payment of rental subsidies; 3. Requiring applicants to acquire water permits and pay fees when it's an agency provided service; 4. Charging tenants fines for trash instead of service charges; 5. Charging tenants for normal wear and tear maintenance repairs; 6.) Not properly verifying income and assets. Giving tenants employment verification forms to complete and return. Tenants were completing their own verification forms; 7.) No internal controls; 8.) Overcharging tenant rents by not properly updating utility allowances for families paying income based rent; 9.) Using wrong inspection protocol on public housing units; 10.) Not offering tenants full due process; 11.) Offering unsafe housing; and 12.) Leasing substandard housing.	The investigation did not identify any evidence to support any criminal, administrative, or other misconduct by any employees of the SJBHA. The administrative concerns presented by the complainant or identified during the course of this investigation were referred to HUD Management for action deemed appropriate.
12/12/2019	A proactive investigation was initiated based on news reports that multifamily properties owned by a nonprofit had been cited for public health risks. The properties were the recipients of HAP contracts, so an investigation was opened to determine whether HUD funds were being misused. The findings were presented to the USAO and the case was declined, so the investigation was closed.	Allegation unsubstantiated.
12/12/2019	HUD OIG received a referral from HUD alleging a Public Housing Authority (PHA) employee in Alabama, deposited several PHA checks into a personal bank account. The investigation confirmed the PHA employee did in fact deposit several checks in her personal account for personal use. As a result, the PHA employee entered into a plea agreement and was convicted of violating Alabama Criminal Code 13A-008-005, Theft of Property in the 4th Degree. The employee was sentenced to 6 months incarceration, suspended to one year probation. The employee was ordered to pay restitution in the amount of \$2,021.19.	Allegations substantiated
12/13/2019	The complaint alleges possible unauthorized withdrawals totaling \$35,610.50 from the Reserve for Replacement account by the (b) (7)(C) current management agent, (b) (7)(C). Further, (b) (7)(C) issued a demand for repayment to (b) (7)(C) via email on Friday, June 27, 2014. (b) (7)(C) of Multifamily Housing in Little Rock, AR, is concerned that the company's accounting practices be investigated because (b) (7)(C) has management agent authority over approximately five other properties in Arkansas.	(b) (7)(C) (b) (7)(C) U.S. Attorney's Office Little Rock, Arkansas, declined prosecution of this investigation.
12/13/2019	In a letter to HUD, the complainant alleges that revitalization efforts at public housing in the area of NW 62nd St to NW 67th ST are not being completed according to regulations. He alleges that work is subcontracted to unlicensed workers and that wages do not conform to HUD standards. He further alleges that some of the materials are not being replaced as contracts state. All fraudulent activity involved public housing units renovation contracts with a local public housing administration. After an investigation conducted by HUDOIG, DOLOIG and the Miami Dade County OIG, the (b) (7)(C) and (b) (7)(C) of the target company were indicted by a Federal Grand Jury in the Southern District of Florida. The defendants were found guilty of Wire Fraud, Conspiracy, and False Statements after a jury trial. They were sentenced to serve prison terms between 41-51 months. A forfeiture order was issued in the amount of \$1,767,076 and a restitution order in the amount of \$32,112. Both individuals were suspended by HUD and currently await debarment. They were also debarred by Miami Dade County.	All judicial actions are complete and subjects have been referred for administrative actions.

Date Closed	Investigative Description	Disposition
12/13/2019	As a result of meeting with US Trustee Attorney, Orlando FL HUD OIG was advised that an organization located in the Jacksonville, FL area was engaged in Single Family Equity Skimming. More specifically, the Subjects have acquired several hundred properties throughout the Jacksonville, FL area through Home Owner Association foreclosure sales. Once they obtain Certificates of Title, they make any and all necessary repairs, and then start collecting rent without paying any debt service to the original lending institutions causing the properties to go into further default. The Subjects then placed a substantial amount of properties under a newly created trust then filed bankruptcy on behalf of the trust which immediately ceased any and all foreclosure attempts by the mortgage companies. A significant amount of the properties under the Subject's control are FHA insured properties that are in default, have gone to claim, or are in the foreclosure process. The case was declined based on the United States Attorney's Office assertion that certain elements for Bankruptcy Fraud and Single Family Equity Skimming were not satisfied. The assigned AUSA did not feel the facts of the case satisfied the element of intent to defraud on both statutes that were being considered. The primary justification for this decision was based on the fact that the Subjects conducted their business model with the guidance and advice of bankruptcy attorneys and foreclosure defense attorneys.	Allegations unsubstantiated.
12/13/2019	(b) (7)(C) received fugitive felon data on April 1, 2018, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Administratively closed.
12/13/2019	(b) (7)(C) received fugitive felon in late 2018, from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Administratively closed
12/16/2019	It is alleged that the subject directed an OIG staff member to create an internal memorandum regarding a phone call (b) (7)(C) made to his office to inquire about his salary. Additionally, it is alleged he reviewed and edited the memorandum and directed the employee to provide him with a copy. He also improperly removed a copy of this document from the DOC OIG without authorization and improperly presented it in court in connection with his personal divorce litigation.	Investigation completed at the request of CIGIE. ROI submitted to CIGIE for any action deemed appropriate.
12/16/2019	On June 2, 2017, HUD OIG Hotline Referral Contact Number (b) (7)(C) was referred to Office of Special Inquiry (OSI) which alleges certain actions by HUD, (b) (7)(C). (b) (7)(C) Allegation suggests that (b) (7)(C) is trying to force the issuance of additional HUD guidance through a Mortgagee Letter on down payment assistance programs, in which OIG previously non-concurred. Allegation suggests that (b) (7)(C) actions intend to benefit U.S. Bank, and (b) (7)(C). Additionally, the allegation suggests (b) (7)(C) is trying to act in her current role to force the subject policy, over staff objections and prior to the appointment of a new Commissioner and Deputy Secretary.	Allegations unsubstantiated
12/16/2019	OSI is initiating this complaint based on information provided by HUD OIG Region 3 Office of Audit (OA) staff. While conducting an audit in response to a congressional request for OIG to review HUD's use of appropriated funds for building improvement. Information obtained by OA indicates HUD's Office of Administration received rent credits from the General Services Administration (GSA) and used these credits for expenditures in 2017 and 2018 that related to motor pool services, broadcasting equipment, a CCTV upgrade for a protective security division, pistols for a protective security division, medical bags, a FOIA settlement, and other expenses. OA also identified that the motor pool expenditure paid for a contract for services to transport HUD executives around the metropolitan area and may include a contract for a driving detail for (b) (7)(C). OSI is opening this complaint to investigate whether these funds were expended appropriately, and to investigate whether HUD improperly spent funds on transportation for its executives.	Insufficient evidence to warrant further investigation



Date Closed	Investigative Description	Disposition
12/17/2019	A September 2009 query of HUD's Neighborhood Watch system revealed that 22 of 68 FHA loans originated by Ikon Mortgage Lenders between February 2008 and January 2009 were in default status. A review of 62 of the 68 loans revealed that, as of August 2010, 40 of the 68 were in default. As a result of this finding, a proactive investigation was initiated by HUD-OIG-Miami Field Office. The investigation discovered that at least 29 FHA-insured loans were fraudulently originated by 3 loan officers. Losses to HUD due to these loans were estimated to be approximately between \$3.2 million and \$4 million. This case was presented to U.S. Attorney's Office for the Southern District of Florida (USAO-SDFL) and transferred to the U.S. Department of Justice's Fraud Division in Washington, D.C (USDOJ). DOJ decided to pursue 18-month Pre-Trial Diversion Agreements (PTD) for two loan officers involved in fraudulent loan origination. DOJ was unable to prosecute the biggest offender in this case since the statute of limitations had expired for all offenses committed by him. The said PTDs included restitution payments to FHA in the amount of \$203,056.33.	All judicial actions completed and referred for administrative actions.
12/17/2019	This office is in receipt of information alleging that the City of Chicago through its sub grantee (b) (7)(C) failed to comply with Davis-Bacon requirements with respect to paying employees prevailing wages. The City of Chicago receives federal funds from HUD through the Neighborhood Stabilization Program (NSP) to rebuild and develop foreclosed and bank-owned properties in Chicago. As a condition of payment, the City of Chicago must administer and enforce David-Bacon requirements. The David-Bacon requirements demand that all projects that receive NSP funding would pay prevailing wage rates to individuals working on those projects. xx	(b) (7)(A) No further action is warranted. Close investigation.
12/17/2019	An (b) (7)(C) of a tribal housing authority contacted SA (b) (7)(C) indicating that (b) (7)(C) of the (b) (7)(C) who are employed by the housing authority often inflate timesheets and have threatened to use their family's political connections to remove the him if he protests their practices. Investigation was unable to substantiate the allegations.	The investigation is being administratively closed.
12/17/2019	This investigation was initiated pursuant to information received from FHFA-OIG, and documentation obtained from WA Department of Licensing related to a purported short sale scheme involving multiple companies. In the Spring of 2013, Freddie Mac received a tip from a bank about a short sale they were processing where the borrower was no longer on title to the property. The bank had denied a short sale transaction involving multiple companies because of possible undisclosed relationships and title activity. The bank deemed the attempted transaction suspicious and reported it to Freddie Mac. Freddie Mac conducted an investigation and found five short sales, either in progress or already closed, which contained fraudulent activity on the part of these companies. The investigation identified 20 real estate transactions with fraudulent characteristics. The total loss to banks from the transactions identified is over \$950,000. Several of these transactions were either attempted, closed, or active FHA loans. The investigation was declined for prosecution.	This investigation was declined for prosecution and civil action.
12/17/2019	On February 4, 2016, the St. Louis, MO HUD-OIG office was forwarded information from the Kansas City HUD staff regarding a complaint being lodged by (b) (7)(C) (b) (7)(C) (b) (7)(C) has a portfolio of FHA insured Multi-Family homes, among other business with HUD funded housing assistance. (b) (7)(C) alleged that one of her employees, (b) (7)(C) has embezzled thousands of dollars from the company. (b) (7)(C) advised the HUD staff that along with one of the (b) (7)(C), she has filed a formal complaint with the St. Louis City Police Department. (b) (7)(C) also advised a CPA review of their accounts revealed (b) (7)(C) was writing herself, and her own company (b) (7)(C), checks from business accounts held by (b) (7)(C). The assigned agent contacted Detective (b) (7)(C), Fourth District Bureau, St. Louis Metropolitan Police Department, and will be working this case jointly with the Detective until further notice.	The case was presented to a prosecutor who declined to file charges. Under the circumstances, no further resources should be expended on this case.



Date Closed	Investigative Description	Disposition
12/17/2019	HUD OIG received a referral from a housing authority indicating the owner of a property management company had fraudulently assumed ownership of several homes going into foreclosure and registered the properties as section 8 properties to receive housing assistance payments. From 2012 to 2016, the subject perpetrated a scheme of breaking into unoccupied homes, claimed ownership of these homes, registered them with the housing authority and acted as a landlord receiving Section 8 payments for renting them out. A total of 7 properties were identified as containing fraudulent lease agreements with the subject alleging to be the owner. The total dollar loss is approximately \$98,938.80. The subject was indicted on one count of violating Title 18 U.S.C. 1343 (Wire Fraud). The federal indictment against the subject was later dropped by the United States Attorney's Office. Separate but related charges were brought against the subject by the Office of the Commonwealth's Attorney. The subject was found guilty of Criminal Trespass. The subject and management companies owned and operated by the subject have been referred for debarment.	All judicial actions completed and referred for administrative actions
12/17/2019	Case was referred by DOL/OIG based on a call from the Cranston PD. The Cranston PD had a witness that wanted to speak to someone relative to unemployment fraud, mortgage fraud, and Section 8 fraud. Allegations indicate that (b) (7)(C) would burn his properties for insurance money. In addition, he stole a deceased person's property and collected Section 8 checks. Subjects owns over 50 properties.	Administratively closed
12/18/2019	This office received information that (b) (7)(C) was recruiting investors for properties located on the south side of Chicago. He would get (b) (7)(C) at (b) (7)(C) to get the mortgages for investors. (b) (7)(C) told the investors that they would purchase converted condos and he would give them money for the use of their credit, collect all rents which were mostly Section 8, then give the investor a percentage of the profits upon sale. (b) (7)(C) stated he would pay the mortgages for the properties. Shortly after purchase, the investors started to find out (b) (7)(C) was not paying the mortgages but collecting the rents. In most cases, the properties went into foreclosure. (b) (7)(C) and (b) (7)(C) profitted from the fraudulent mortgages on the properties. (b) (7)(C) of the Illinois Attorney Generals Office accepted this case for prosecution. xxx	All judicial actions complete. The remaining charges have been dismissed due to a plea agreement in another case. No further actions are warranted. Close Investigation.
12/18/2019	HUD-OIG received a complaint from the HUD-OIG Hotline that alleged the housing authority (b) (7)(C) and two other housing authority employees were taking money from the Family Self-Sufficiency program. It was reported, they took the money when tenants would lose their voucher. Interviews were conducted of all FSS participants and there were no complaints of participants not receiving their FSS voucher amount; however, there were participants who violated the FSS contract and did not receive the FSS escrow amount. On November 22, 2019, HUD-OIG, contacted United States Attorney's Office (USAO), Northern District of Georgia (NDG), The USAO explained because there is no evidence of the Housing Authority terminating their FSS participants without cause and because the FSS financial statements were reconciled and shows no evidence of theft, the USAO respectfully declined this case due to no evidence of criminal activity.	Allegations not founded.
12/19/2019	HUD OIG received a complaint regarding, a Section 8 tenant, which alleged the tenant was married and the tenant's spouse was not reported as a resident of their household. The complaint further alleged that the tenant's spouse was employed and earned a substantial income.	Successful Prosecution
12/20/2019	On Thursday April, 6th 2017 HUD-OIG received a referral from law enforcement alleging a Non-Profit receiving CDBG funds allegedly is committing fraud. An investigative memorandum was sent from the law enforcement agency outlining the allegation. The memorandum noted tipster stated that CDBG funds in the amount of \$250,000 plus another \$120,000 to the Non-Profit were provided to assist it in the purchase and rehabilitation of a commercial building for social services program center to be run out of that location. Allegedly the owners have not remodeled or moved into the commercial building and are not providing social services that it had agreed to provide.	No evidence of criminal conduct was uncovered

Date Closed	Investigative Description	Disposition
12/20/2019	(b) (7)(C) Internal Audits & Investigations, from the Minnesota Department of Human Services, contacted our office regarding (b) (7)(C). (b) (7)(C) stated he was informed we had conducted an investigation of misuse of funds by (b) (7)(C) at (b) (7)(C) nc. He was given our contact information from the (b) (7)(C) of (b) (7)(C). (b) (7)(C) described how he believes (b) (7)(C) while employed at (b) (7)(C), consequently conducted the same scheme to misuse funds from the State of Minnesota. As a result, a joint investigation is warranted.	All judicial actions complete. No further action is warranted. Close investigation.
12/20/2019	The United States Department of Justice (Main Justice) requested our assistance on their HECM initiative. (b) (7)(C) is one of the lenders selected as part of this initiative. On July 2, 2019, DOJ notified us that it would not pursue civil action against (b) (7)(C). DOJ informed us that (b) (7)(C) had filed for bankruptcy in February 2019, and was selling its reverse mortgage division to another entity as part of the bankruptcy process. DOJ also cited the nature of the findings of the first 50 loans reviewed as another reason to not pursue civil action. Due to DOJ's declination to pursue civil action against (b) (7)(C) we have closed this assignment.	On July 2, 2019, DOJ notified us that it would not pursue civil action against (b) (7)(C). DOJ informed us that (b) (7)(C) had filed for bankruptcy in February 2019, and was selling its reverse mortgage division to another entity as part of the bankruptcy process. DOJ also cited the nature of the findings of the first 50 loans reviewed as another reason to not pursue civil action. Due to DOJ's declination to pursue civil action against (b) (7)(C) we have closed this assignment.
12/23/2019	A referral from a federal law enforcement agency alleged an Ohio based pest control company is billing HUD or management companies receiving HUD subsidies for unnecessary services. Specifically, certain employees will create bed bug/termite fecal during inspections to demonstrate the need for extermination services.	Allegations Unfounded. Administratively Closed.
12/26/2019	(b) (7)(C) (b) (7)(C) received fugitive felon data on April 01, 2018 from (b) (5). (b) (7)(C) subsequently cross referenced the data with HUD's (b) (5) system, removed duplicate NCIC numbers and separated the data by OIG investigative region.	Investigation is complete and no further action is required.
12/26/2019	On April 23, 2019, SA (b) (7)(C) met with (b) (7)(C) (b) (7)(C) Ogden Housing Authority (OHA). (b) (7)(C) advised the OHA had received a hotline complaint that alleged housing participant (b) (7)(C) had been renting a unit that was owned by (b) (7)(C) and had been operating businesses and not reporting the income. The OHA reviewed the file and determined the landlord's name is the same as the name of (b) (7)(C). (b) (7)(C) advised that both (b) (7)(C) (b) (7)(C) and (b) (7)(C) had signed several documents stating there was no relation and agreeing to not rent from (b) (7)(C). (b) (7)(C) advised the purpose of collecting the birth certificates are to verify citizenship and the details of the birth certificate are not reviewed at the time of the application other than to verify citizenship. The birth certificate has (b) (7)(C) date of birth but not his Social Security Number. Landlords are identified by their Social Security Numbers. SA (b) (7)(C) looked (b) (7)(C) up and confirmed (b) (7)(C) the landlord's Social Security Number is a match for (b) (7)(C) (b) (7)(C). (b) (7)(C) has been receiving housing assistance since 2014 in a unit owned by (b) (7)(C) and the overpayment is \$28,038. OHA employees reviewed (b) (7)(C) Facebook account and found that (b) (7)(C) sells art and hosts art classes and appears to have a lot of unreported income as well. After looking (b) (7)(C) up, it has also been confirmed he is a convicted sex offender and was convicted of sex assault of a child.	Case was declined.
12/30/2019	In March 2017, information was received from HUD OIG Audit regarding a Section 232/223(f) insured multifamily project. It was alleged that the project's owner was possibly violating several rules in its regulatory agreement. The owner eventually sold the property, and its HUD-insured loan obligations were fulfilled resulting in no financial loss. A Civil Money Penalty was also agreed upon between the former owner of the project and HUD. The case was declined for prosecution by the United States Attorney's Office and is now being closed.	Investigation of initial allegation completed, no criminal wrongdoing found and criminal prosecution declined. HUD entered into settlement agreement for civil remedy, no further investigation warranted.

Date Closed	Investigative Description	Disposition
12/30/2019	In April, 2019 the hotline received a complaint via email alleging that a recently hired HUD PIH employee in New York falsified employment history and education .	Investigation complete, allegations unsubstantiated.
12/31/2019	It has been alleged that offender has been falsely reporting family composition and income for her required Section 8 recertifications. It has been alleged that (b) (7)(C) (b) (7)(C) (b) (7)(C) has been living in (b) (7)(C) unit for several years. She has not claimed (b) (7)(C) or his income on her recertifications. He is allegedly a convicted felon. The complainant further stated that (b) (7)(C) has "sold" (b) (7)(C) to another family but still claims him for Section 8. The caller stated that drugs, specifically heroin, cocaine, and prescription drugs, are sold from (b) (7)(C) unit.	Case was declined for prosecution. Subject was terminated from Section 8. No further action is warranted. Close Investigation.