

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,
Plaintiff,

v.

D-1 ALBERT GREER, Sr.,
Defendant.

Case:2:13-cr-20110
Judge: Murphy, Stephen J.
MJ: Whalen, R. Steven
Filed: 02-07-2013 At 03:22 PM
INDI USA V GREER (CMC)

18 U.S.C. § 1349: CONSPIRACY
18 U.S.C. § 1344: BANK FRAUD
18 U.S.C. § 1028A: AGGRAVATED
IDENTITY THEFT

INDICTMENT

THE GRAND JURY CHARGES:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. **ALBERT GREER, Sr.** (D-1) engaged in activities associated with real estate and conducted business using the company name of Detroit National Mortgage Associates (DNMA). With his co-conspirators, **GREER** devised and executed the scheme to commit bank fraud by locating residential properties in the Detroit metropolitan area and assisting “straw buyers” in obtaining mortgage loans for the properties by means of material false and fraudulent representations and pretenses.
2. A “**straw buyer**” is someone who is paid to be the nominee purchaser for real properties, to sign mortgage loan applications containing material false and fraudulent representations, to attend loan closings, and to obtain mortgages by false pretenses. The straw buyer has no intention of honoring the terms of the mortgage loans or making loan payments.

3. Halls Mortgage, Inc., First Source Financial, and Premier Mortgage Funding were brokerage firms in the metropolitan Detroit area, engaged in the business of originating residential mortgage loans to the public.

4. **Deutsche Bank Trust Company Americas, Countrywide Bank, Washington Mutual Bank, Bank One** and **Bank of New York** were financial institutions whose deposits were then insured by the Federal Deposit Insurance Corporation.

5. America's Wholesale Lender was a mortgage lender located in California, and affiliated with Countrywide Home Loans. Countrywide Bank funded the mortgage loans originated by America's Wholesale Lender.

6. People's Choice Home Loan, Inc. was a mortgage lender located in Irvine, California, whose loans were funded by various federally insured financial institutions, including Bank of New York and Bank One.

7. Long Beach Mortgage was a mortgage lender located in Anaheim, California. Long Beach Mortgage was owned by Washington Mutual Bank, which funded the loans they originated.

8. All **dates** in this indictment are alleged to be "**on or about**" the specific date stated.

9. All **dollar amounts** alleged in this indictment are **approximate**.

COUNT 1

(18 U.S.C. § 1349 – Conspiracy to Commit Bank Fraud)

D-1 ALBERT GREER, Sr.

10. The General Allegations are incorporated by reference into this Count.

11. From 2004 through 2007, in the Eastern District of Michigan, Southern Division, defendant **ALBERT GREER, Sr.** (D-1) did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown to the Grand Jury, to devise and execute a scheme to defraud and to obtain money owned by and in the custody and control of financial institutions by means of false and fraudulent material pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344 (Bank Fraud).

Purpose of the Conspiracy

12. It was the purpose of the conspiracy for **GREER** and his co-conspirators to unjustly enrich themselves in various ways, including but not limited to:

- a. recruiting straw buyers, who for a fee, would be the nominee purchasers of real properties;
- b. submitting and causing to be submitted mortgage loan applications and related documents they knew contained material false and fraudulent representations to banks and lending institutions, thereby influencing the decisions of the banks and lending institutions whether to make loans to the straw buyers;
- c. obtaining and preparing Verifications of Employment (VOEs) and Verifications of Deposit (VODs) that were materially false, to support the fraudulent mortgage loan applications; and

- d. diverting the loan proceeds to themselves, both for their personal use and benefit, and to further the conspiracy.

The Manner and Means of the Conspiracy

13. The manner and means by which the defendants sought to accomplish the object of the conspiracy included, among other things, the following:

- a. **ALBERT GREER** (D-1) located residential properties that were available for purchase.
- b. **GREER** and others acting at his direction recruited and paid others to act as straw buyers, and for the use of their names, credit histories, and signatures on mortgage loan documents, to obtain financing to purchase the selected properties.
- c. **GREER** and his co-conspirators prepared and caused the preparation of false and fraudulent mortgage loan applications and supporting documents (“loan packages”) for the straw buyers, which would be submitted to the mortgage lenders.
- d. **GREER** formed a business he called Detroit National Mortgage Billing and Marketing, and used it to create fraudulent Verifications of Deposit (VODs), Verifications of Employment (VOEs), and Verifications of Rent (VORs) that were submitted in support of loan applications.
- e. **GREER** also used his business, Detroit National Mortgage Associates (DNMA), to divert proceeds of the fraudulent mortgages to himself, disguised as “consulting fees.”

- f. **GREER** and his co-conspirators submitted false and fraudulent information provided by **GREER** and others to the mortgage brokerage firms and caused them to make or originate several mortgage loans to various straw buyers.
- g. As **GREER** well knew, the loan packages were materially false and fraudulent in one or more of the following ways:
 - i. the property would not be the borrower's primary residence,
 - ii. the borrower would not be the source of the down payment, or the down payment would never be paid,
 - iii. the description of the borrower's employment was false and the descriptions of the borrower's income and assets were inflated,
 - iv. the borrower's rental history was false; and
 - v. documents purporting to substantiate the borrower's employment and income (W-2 Forms, pay stubs) and assets (bank statements) were fraudulent.

14. On occasion (including the transactions involving **18045 Parkside**, Detroit, and **23107 Kristy Lane**, Southfield), after a property was purchased by a straw buyer, **GREER** recruited a second straw buyer to purchase the property from the initial straw buyer at a higher price. This allowed the conspirators to divert a substantial portion of the fraudulently obtained loan proceeds for their personal use and benefit, and furthered the fraud scheme.

15. In some cases, **GREER** caused the HUD-1 settlement statements to include fraudulent payoffs to DNMA for "consulting fees." For example, DNMA obtained over \$165,000 during the transaction related to **18630 Fairway**, Detroit, and over \$20,000 during the transaction related to **16872 Huntington**, Detroit.

16. Because the straw buyers were unqualified for the loans and had no intention of honoring their terms, all of the loans went into default in a matter of months. The lenders were forced to foreclose on the houses, and they suffered substantial financial losses.

17. All in violation of Title 18, United States Code, Section 1349.

COUNT 2

(18 U.S.C. §§ 1344 and 2 – Bank Fraud, Aiding and Abetting)

D-1 ALBERT GREER, Sr.

18. The General Allegations and Paragraphs 13 through 16 are incorporated into this count by reference.

19. From 2004 through 2007, in the Eastern District of Michigan, Southern Division, and elsewhere, **ALBERT GREER, Sr. (D-1)** and others known and unknown to the Grand Jury devised and executed, and aided and abetted the execution of, a scheme to defraud and to obtain moneys or other property owned by, or in the custody or control of, federally insured financial institutions by means of material false and fraudulent pretenses, representations or promises.

20. The defendant acted knowingly and with the intent to defraud.

21. In executing the scheme, **GREER** submitted, or caused the submission of, **mortgage loan applications** that he knew contained false and fraudulent representations of material facts, capable of influencing the decisions of federally insured financial institutions whether to fund the loans, including but not limited to the following:

- a. On March 1, 2005, **ALBERT GREER, Sr. (D-1)** knowingly and willfully submitted, or caused the submission of, materially false and fraudulent

loan documents to America's Wholesale Lender / Countrywide Home Loans, and thereby obtained **\$495,000** in first and second mortgage loan proceeds from federally insured financial institutions for the purchase of the real property located at **23107 Kristy Lane**, Southfield, Michigan.

b. On April 7, 2005, **ALBERT GREER, Sr.** (D-1) knowingly and willfully submitted, or caused the submission of, materially false and fraudulent loan documents to People's Choice Home Loan, and thereby obtained **\$266,400** in mortgage loan proceeds from a federally insured financial institution for the purchase of the real property located at **18045 Parkside**, Detroit, Michigan.

c. On August 12, 2005, **ALBERT GREER, Sr.** (D-1) knowingly and willfully submitted, or caused the submission of, materially false and fraudulent loan documents to Long Beach Mortgage, and thereby obtained **\$700,000** in first and second mortgage loan proceeds from Washington Mutual Bank for the purchase of the real property located at **18630 Fairway**, Detroit, Michigan.

d. On May 15, 2006, **ALBERT GREER, Sr.** (D-1) knowingly and willfully submitted, or caused the submission of, materially false and fraudulent loan documents to People's Choice Home Loan, and thereby obtained **\$225,000** in first and second mortgage loan proceeds from Deutsche Bank Trust Company Americas for the purchase of the real property located at **16872 Huntington**, Detroit, Michigan.

22. By these false and fraudulent pretenses, representations and promises, the defendant **defrauded** the lenders and **obtained in excess of \$1,686,000** of moneys belonging to, or in the

custody or control of financial institutions whose deposits were then insured by the Federal Deposit Insurance Corporation.

23. All in violation of Title 18, United States Code, Sections 1344 and 2.

COUNT 3

(18 U.S.C. § 1028A – Aggravated Identity Theft)

D-1 ALBERT GREER, Sr.

24. From June 2011 through June 2012, in the Eastern District of Michigan, Southern Division, **ALBERT GREER, Sr.** (D-1), during and in relation to the crimes of Mail Fraud (18 U.S.C. § 1341) and Wire Fraud (18 U.S.C. § 1343), knowingly transferred, possessed or used, without lawful authority, a genuine means of identification of another person.

25. During 2012, **GREER** was an associate of Aflac, a company engaged in providing various types of insurance to individuals and groups. Aflac paid **GREER** a commission for each insurance policy he sold.

26. Aided and abetted by others known and unknown to the Grand Jury, **GREER** submitted the true names and other genuine personal identifying information of at least 35 individuals to Aflac, without the knowledge or consent of the individuals, and falsely claimed that he had sold 135 insurance policies to them or to their group. For example, **GREER** submitted the genuine name, date of birth, Social Security number, address and telephone number of unwitting victim K.T., without lawful authority and without the knowledge or consent of K.T.

27. **GREER** submitted the false and fraudulent policies to Aflac by wire transmission, and caused Aflac to wire transfer his commissions directly to his bank account, in furtherance of the

fraudulent scheme. Further, **GREER** caused Aflac to use the United States Mail or a common carrier to attempt to communicate with policy holders.

28. Aflac paid **GREER** and those who assisted him over \$50,000 in commissions to which they were not entitled.

29. All in violation of Title 18, United States Code, Section 1028A.

FORFEITURE

30. Pursuant to Fed.R.Cr.P. 32.2(a), the government hereby provides notice to the defendant of its intention to seek forfeiture of all proceeds, direct or indirect, or property traceable thereto; all property that facilitated the commission of the violations alleged, or property traceable thereto; and all property involved in, or property traceable thereto, of the violations set forth in this Indictment. This notice includes but is not limited to the real property at **55564 Hearthside, Shelby Township, Michigan.**

THIS IS A TRUE BILL.

s/Grand Jury Foreperson
Grand Jury Foreperson

BARBARA L. MCQUADE
United States Attorney

s/Cynthia Oberg
CYNTHIA OBERG
Assistant United States Attorney

Date: February 7, 2013

United States District Court Eastern District of Michigan	Criminal Case Cover Sheet	Case Number
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 [X]

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AUSA's Initials:

Case Title: USA v. D-1 ALBERT GREER, Sr.

County where offense occurred : Wayne

Check One: **Felony** **Misdemeanor** **Petty**

Indictment/ Information --- no prior complaint.
 Indictment/ Information --- based upon prior complaint [Case number: 12-MJ-30663]
 Indictment/ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ **Judge:** _____

- Original case was terminated; no additional charges or defendants.
- Corrects errors; no additional charges or defendants.
- Involves, for plea purposes, different charges or adds counts.
- Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

February 7, 2013
Date

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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.