

Date Closed	Investigative Description	Disposition
4/15/2013	<p>A Hotline complaint was received, alleging corruption by the (b)(6);(b)(7)(C) of the Old Bridge Housing Authority (OBHA) and the South Amboy Housing Authority (SAHA). (b)(6);(b)(7)(C) (b)(6);(b)(7)(C) South Amboy, NJ, alleged in his written communication to HUD OIG that (b)(6);(b)(7)(C) was misusing HUD funds and was in violation of the Hatch Act. (b)(6);(b)(7)(C) stated (b)(6);(b)(7)(C) requested a \$10,000 payment from an employee and private contractor of South Amboy in order for him to keep receiving work in the town. In furtherance, (b)(6);(b)(7)(C) requested the funds be directed to (b)(6);(b)(7)(C) bank account, who is the (b)(6);(b)(7)(C) (b)(6);(b)(7)(C) (b)(6);(b)(7)(C) also advised (b)(6);(b)(7)(C) has a financial interest in numerous insurance companies in the area with his (b)(6);(b)(7)(C) and might be hiding funds from the IRS as well as from their (b)(6);(b)(7)(C) questioned the cell phone tower on top of a housing development associated with the SAHA and wondered whether the proceeds from that tower was going back to the SAHA or into (b)(6);(b)(7)(C) bank account. (b)(5);(b)(6);(b)(7)(C)</p> <p>(b)(5); (b)(6); (b)(7)(C); (b)(7)(E)</p>	<p>An remaining actions will be input under complaint or reopened case</p>

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9/9/2013	<p>Detective (b)(6);(b)(7)(C) Linden Police Department, (b)(6);(b)(7)(C), contacted this agent and advised that their office received an anonymous phone call advising that (b)(6);(b)(7)(C), (b)(6);(b)(7)(C) was a former Section 8 landlord for a property that he owned at (b)(6);(b)(7)(C) Plainfield, NJ, 07060. The anonymous caller further stated that (b)(6);(b)(7)(C) sold the property in 2006, but he was still collecting the Section 8 checks from the Plainfield Housing Authority. This reporting agent met with (b)(6);(b)(7)(C) on May 1, 2009, and listened to the taped call made by the anonymous caller. (b)(6);(b)(7)(C) advised (b)(6);(b)(7)(C) has had some money issues in the past where their department had to get involved. A check of (b)(7)(E) revealed (b)(6);(b)(7)(C) had at least 2 civil actions filed against him, including one for \$8,000. (b)(7)(E) also indicated (b)(7)(C) bought the property on (b)(6);(b)(7)(C) and sold it on (b)(6);(b)(7)(C). Further investigation revealed that from January 2008 until March of 2008, (b)(6);(b)(7)(C) collect approximately \$1,862 in Section 8 checks when he was not the rightful owner of the property. On May 7, 2009, this reporting agent and (b)(6);(b)(7)(C) visited the Plainfield Housing Authority and ordered the file for (b)(6);(b)(7)(C). A visit to the Plainfield Police Department revealed they had made 19 visits to the property since 2006. (b)(6);(b)(7)(C) is in the process of finding out where (b)(6);(b)(7)(C) does his banking.</p>	Investigation complete, R&D's approved, no further action needed
8/19/2013	<p>A thorough review of Neighborhood Watch and other HUD systems pertaining to U.S. Mortgage during investigation (b)(6);(b)(7)(C) revealed loan officers (b)(6);(b)(7)(C) were associated with at least 10 FHA loans that HUD had paid out on and/or were late in the foreclosure stage. The (b)(6);(b)(7)(C) were not associated with the prior mentioned investigation. HUD has paid out approximately \$2.15 million on a total of 18 loans that were conveyed back to them, which includes the 10 from the (b)(6);(b)(7)(C). Interviews conducted on one of the FHA loans already has determined that the verifications of employment, gift letters, and W-2's were all fraudulent. The number of FHA loans in default associated with the (b)(6);(b)(7)(C) is expected to grow. WHO: (b)(6);(b)(7)(C) (b)(6);(b)(7)(C) WHEN: from 1999-2002 WHAT: were loan officers for at least 10 FHA loans that HUD had conveyed back to them WHERE: U.S. Mortgage WHY: HOW: Fraudulent W-2's, fake W-2's and false verification of employments were found in the files associated with the (b)(6);(b)(7)(C)</p>	All actions have been completed

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3/15/2013	<p>Information was originally received (b)(5) through an informant who stated (b)(6);(b)(7)(C) (b)(6);(b)(7)(C) had been using money to support a lavish lifestyle. Allegedly (b)(6);(b)(7)(C) and (b)(6);(b)(7)(C) were involved in multiple HUD and City of Paterson sponsored programs in order to disguise the amount of funds they claimed as salary. This referral was originally investigated under (b)(6);(b)(7)(C). Investigation revealed (b)(6);(b)(7)(C) and its subsidiaries (b)(6);(b)(7)(C) are nonprofit corporations that previously received HOME, CDBG and HOPWA funding from HUD's Community Development Division. (b)(6);(b)(7)(C) is the (b)(6);(b)(7)(C) for these three entities and (b)(6);(b)(7)(C) is also involved in these entities. Currently (b)(6);(b)(7)(C) receives funding to assist the Homeless under Shelter Care Plus and Supportive Housing Program. Due to the aging of case (b)(6);(b)(7)(C), and the direction this investigation has taken a management decision was made to close (b)(6);(b)(7)(C) and open a new investigation to investigate the current direction of the investigation from information received through subpoenaed documents, current working relationship with HUD CPD Program and information they have supplied as well HUD/LEO database checks.</p>	Criminal prosecution declined. No evidence of diversion or misuse of funds.

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9/20/2013	<p>Information received by the USAO indicates the (b)(6);(b)(7)(C) of the North Bergen Housing Authority is providing support for the (b)(6);(b)(7)(C), by forcing Housing Authority employees to solicit the votes of tenants. (b)(6);(b)(7)(C) informed the tenants they would get pushed out of their homes if they did not vote. In addition, (b)(6);(b)(7)(C) forced his employees to make campaign contribution to the (b)(6);(b)(7)(C). Document received indicating issue with voting democratically by tenants. Case assigned from beginning to (b)(6);(b)(7)(C) (b)(5)</p> <p>(b)(5)</p> <p>(b)(5) Further investigation required to address this issue. In addition, investigation expanding into misappropriation of the capital acct in relationship to renovations at the NBHA. Subjects include the (b)(6);(b)(7)(C). In addition complaint (b)(6);(b)(7)(C) - North Bergen Housing Authority was opened when on September 14, 2009, (b)(6);(b)(7)(C), Special Agent, Office of Investigation, Office of Inspector General, U.S. Department of Housing and Urban Development, Newark Field Office, One Newark Center, 1085 Raymond Boulevard, 12 Floor, Newark, New Jersey 07102, received an anonymous letter alleging fraudulent activity at the North Bergen Housing Authority. The alleged fraud that is mentioned in the letter indicates that personnel at the PHA are placing people not on the waiting list into subsidized units. Other allegations indicate that employees are being forced to work/pay for tickets to political events as well as pay money to get vacation time. This complaint will be closed and any further investigation will occur under ongoing investigation (b)(6);(b)(7)(C) - North Bergen Housing Authority.</p>	All judicial actions completed.

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9/9/2013	This investigation is being initiated pursuant to HUD OIG Newark field office's continued agency participation with the New Jersey Mortgage Fraud Task Force. This investigation will consist of a multi-agency approach to investigating high level officials in the Mortgage and Banking Industry as well as Investors, Brokers, Real Estate Agents, Title Company officials, public officials, document makers, closing attorneys and employees and/or owners of these subject entities. The New Jersey Mortgage Fraud Task Force will continue to focus investigative efforts on loan origination fraud and illegal property flipping in fiscal year 2010. In addition this case will be used to investigate and document PA HOC QAD referrals and DEC referrals which result in judicial, civil and administrative actions.	Umbrella case is administratively closed. Remaining or new work will be addressed in individual cases.
3/11/2013	Newark HUD OIG will identify a troubled PIH or FHA-insured Multi-family Project that is in mortgage possession status and reduce erroneous payments in the rental assistance program of that project. In addition, any administrative actions taken by the Department in FY10 will be documented under this Initiative	Prosecutions adjudicated and outstanding charges worked under other cases.
9/10/2013	On February 13, 2009, HUD-OIG received Hotline Complaint (b)(6);(b)(7)(C) alleging (b)(6);(b)(7)(C) (b)(6);(b)(7)(C), Montgomery Gateway East I (MGE), (b)(6);(b)(7)(C) Jersey City, NJ, 07302, is accepting \$5,000 kickback payments in exchange for subsidized housing. In addition, it has been alleged that (b)(6);(b) will only rent to people of Dominican Republic decent. The complainant who wishes to remain anonymous stated HUD has provided MGE with new refrigerators, however, the appliances were never provided to the tenants.	Case was declined for prosecution based on statute of limitations, unsubstantiated allegations, etc. Hotline was notified via e-mail that this office will be closing the matter.

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4/15/2013	<p>(b)(6);(b)(7)(C) Office of Investigation, Office of Inspector General, U.S. Department of Housing and Urban Development (HUD), One Newark Center, 12th Floor, Newark, New Jersey 07102 received a referral dated July 8, 2010 from (b)(6);(b)(7)(C), (b)(6);(b)(7)(C) Philadelphia Homeownership Center, 3AHHQ, via email regarding a recent monitoring review of First Residential Mortgage Services Corporation (FRM), it was discovered that there were instances where documents used to originate the loans and obtain HUD/FHA mortgage insurance were falsified, contained conflicting information and/or were verified by authorized individuals to be false. Investigation to date indicates potential for fraud regarding FRM to include high default ratio, loans with 6 payments or less, and one subject identified through review of loans was arrested in another mortgage fraud investigation being worked in the Newark Office.</p>	Case transferred to other agent, no actions
3/12/2013	<p>There are allegations of the use of CDBG funds for a project that utilized workers who were paid wages below minimum wage levels. The construction company then falsified payroll records to reflect workers were being paid union scale wages. (b)(6);(b)(7)(C), (b)(6);(b)(7)(C) (b)(6);(b)(7) is alleged to have submitted false certified payrolls for a HUD funded project through the City of Orange, NJ known as the (b)(6);(b)(7) project. This project was conducted by (b)(6);(b)(7)(C) and (b)(6);(b)(7)(C) operating under (b)(6);(b)(7)(C) who applied to receive HUD funding for this project. NJS, a general contractor assisted (b)(6);(b)(7)(C) with this project. Investigation has determined that (b)(6);(b)(7)(C) for (b)(6);(b)(7)(C) created false certified payrolls on behalf of (b)(6);(b)(7)(C)</p>	Criminal actions fully adjudicated.

