



U.S. Department of Justice

Terrence Berg
United States Attorney
Eastern District of Michigan

***Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277***

**For Immediate Release:
Contact: Gina Balaya (313) 226-9758**

Oct 5, 2009

Event: Sentenced

Defendant: Hassan Nagi

**MORTGAGE BROKER SENTENCED TO 20 MONTHS IN PRISON FOR
16-PROPERTY, \$1.9 MILLION MORTGAGE FRAUD SCHEME**

A Dearborn mortgage broker was sentenced to 20 months' imprisonment in connection with a multi-million dollar mortgage fraud scheme, United States Attorney Terrence Berg announced today. Berg was joined in the announcement by Andrew G. Arena, Special Agent-In-Charge of the Federal Bureau of Investigation in Detroit. Nagi was also ordered to pay restitution in the amount of \$1 million dollars.

Hassan Nagi, 31, pled guilty to conspiracy to commit bank fraud on December 15, 2008 before U.S. District Judge George Caram Steeh. Nagi admitted that from April 2005 to April 2008, while working as a loan officer at Superior Mortgage, Premier Mortgage Funding, and First Mortgage, he defrauded a half-dozen financial institutions in a sixteen-property, \$1.9 million fraud scheme carried out in Detroit, Dearborn, and Dearborn Heights. Nagi secured financing from various banks – including Countrywide Financial, Washington Mutual, Fifth Third Bank, and IndyMac – for “straw buyers” using inflated appraisals (prepared by co-defendant Ali Haidous) and falsified income documents. Nagi then split the proceeds of the

fraud with his co-defendants when the mortgages were abandoned.

United States Attorney Berg stated, "The current economic environment demands vigorous enforcement and stiff punishment against those who obtain mortgages under false pretenses and thereby increase the cost of home ownership for all Americans. These are not victimless crimes and we will work tirelessly to ensure that those who commit fraud are brought to justice."

Co-defendant Ali Haidous, 25, of Dearborn, was sentenced to one-year imprisonment on March 17, 2009. Two other defendants, Safi Bzeih, 35, and Maria Linares, 32, both of Dearborn, await sentencing on October 26. Hussein Aoun, 23, of Dearborn Heights, is a fugitive believed to be in Lebanon. No trial date has been set.

The case is being prosecuted by Assistant U.S. Attorney Leonid Feller.