



# Department of Justice

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Southern District of Iowa

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## **FORMER MORTGAGE BROKER** **SENTENCED FOR MORTGAGE FRAUD**

DAVENPORT, IA – Today, Mary Lee Reinking of Clinton, IA, a former mortgage broker with Crow Valley Mortgage in Bettendorf, Iowa, was sentenced by United States District Judge John A. Jarvey to 5 years probation, including 1-year home confinement, in connection with Reinking's previous guilty plea to one count of wire fraud. Reinking also was ordered to pay \$97,343 in restitution.

Reinking and Natalie Long, another broker employed at Crow Valley Mortgage, assisted Darryl Hanneken and Robert Herdrich in a scheme to defraud mortgage lenders Argent Mortgage and New Century Mortgage in connection with loans to purchase two rental properties in Davenport, Iowa. Reinking and Long, aware that Hanneken and Herdrich would divert some of the loan proceeds to their own pockets without lender knowledge, facilitated the scheme by acting as broker for Herdrich and Hanneken. Reinking and Long also submitted false information concerning the income and financial assets of Herdrich and Hanneken in order to qualify them for the loans.

This fraud was uncovered as part of a broader FBI investigation of fraudulent mortgage practices in connection with the purchases of dozens of rental properties in Davenport between 2004 and 2006. Thus far, two mortgage brokers, a real estate agent, and two property buyers have pleaded guilty to fraud charges resulting from this investigation. Another mortgage broker and an attorney have been charged and are awaiting trial.

This case was investigated by the FBI and prosecuted by the United States Attorney's Office, Southern District of Iowa.

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