



*United States Attorney
Southern District of New York*

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**MANHATTAN U.S. ATTORNEY CHARGES TWO LAWYERS
IN \$3.9 MILLION MORTGAGE FRAUD SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today the filing of a five-count Indictment charging two attorneys, DUSTIN DENTE and BRANDON LISI, with a scheme to defraud various lending institutions by using straw buyers to obtain over \$3.9 million in home mortgage loans that they then stole for their personal use. Both defendants were previously charged in a criminal complaint and arrested on October 15, 2009.

As alleged in the Indictment filed in Manhattan federal court and the previously filed criminal Complaint:

From 2006 through March 2009, DENTE and LISI used straw buyers to obtain fraudulent home mortgage loans with respect to at least five properties. In order to induce lenders to approve loans that they otherwise would not have approved, DENTE and LISI prepared and submitted on behalf of straw buyers loan applications that contained false or misleading information. In many instances DENTE and LISI fraudulently improved the straw buyers' credit worthiness by falsifying material personal and financial information about the straw buyers, including the straw buyers' employment, income, assets, and existing debt. The defendants also lied about the straw buyers' intention to live in the properties.

DENTE and LISI also acted as closing attorneys and/or the attorney for one of the parties on most of the fraudulent loan transactions. As a result, once the home mortgage loans were approved by the lenders based on the defendants' fraudulent misrepresentations, the defendants controlled, or were otherwise able to direct, the disbursement of the home mortgage loan proceeds. For several of those fraudulently-obtained home mortgage loans, the defendants simply stole all or part of the loan proceeds for their own profit, and did not repay the prior

mortgage loans on the properties. In other cases, the defendants obtained mortgage loans in amounts greater than the actual purchase prices for the properties and then kept or misappropriated for personal use a portion of the funds provided by the mortgage lenders.

The Indictment charges each defendant with one count of conspiracy to commit bank fraud and wire fraud, three counts of bank fraud, and one count of wire fraud. If convicted on these charges, DENTE and LISI each face a maximum sentence of 150 years' imprisonment on all of the charges, and a maximum fine of \$1,000,000 or twice the gross pecuniary loss or gain derived from the offense, on each count of conviction. DENTE, 38, resides in West Islip, New York. LISI, 36, resides in Glen Cove, New York.

This case was part of the coordinated takedown of "Operation Bad Deeds," a joint federal, state, and local law enforcement operation targeting mortgage fraud crimes, announced on October 15, 2009, in which 41 defendants were charged in various mortgage fraud scams in New York, Pennsylvania, Ohio, and North Carolina.

The case is assigned to United States District Judge LAURA TAYLOR SWAIN. Both defendants are expected to be arraigned by Judge SWAIN on December 22, 2009, at 10 a.m.

Mr. BHARARA thanked the Federal Bureau of Investigation for their outstanding work.

This case is being prosecuted by the Office's Complex Frauds Unit. Assistant United States Attorneys SEETHA RAMACHANDRAN and MICHAEL D. LOCKARD are in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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