



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(212) 637-2600

**TWO MEMBERS OF FORECLOSURE RESCUE SCHEME EACH
SENTENCED TO 5 YEARS IN PRISON FOR ENGAGING
IN MULTIMILLION-DOLLAR MORTGAGE FRAUD**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, announced that ANDREA MOORE and MICHAEL IRVING were each sentenced today to five years in prison for their role in a wide-ranging home foreclosure rescue scheme. The sentence was imposed in Manhattan federal court by United States District Judge ROBERT P. PATTERSON.

As demonstrated by the evidence at trial, from September 2004 through April 2005, the scheme that MOORE and IRVING engaged in was typical of many home foreclosure rescue schemes. Specifically, MOORE and IRVING targeted homeowners whose homes, primarily in Brooklyn and the Bronx, were in or facing foreclosure. They encouraged the homeowners to "refinance" their debt through new, larger mortgages, by arranging for them to "sell" their homes to third party "straw buyers" who would apply for new mortgages in their names. The new loans would supposedly be used to pay off the old debt and permit the homeowners to remain in their homes, and homeowners were promised that title to their homes would return to them within a year. In some instances, MOORE and IRVING forged the homeowners' signatures on various documents that transferred the homes to straw buyers without the homeowners' knowledge. MOORE and IRVING submitted loan applications to various banks and lending institutions on the straw buyers' behalf, regularly using documents containing false or misleading information, including information concerning the straw buyers' income, assets, and existing debt, to improve the straw buyers' credit-worthiness. In this manner, MOORE, who directed the daily operations of the scheme, and IRVING, who served as a recruiter and later as a partner to MOORE in the scheme, obtained numerous home mortgages and/or equity loans valued at well over \$10 million. In some instances, the defendants failed to make even one payment on the loans, causing the loans to default immediately; in nearly every other case, they eventually failed to make the payments and defaulted on the loans, thereby "cashing out" on the properties.

The members of the scheme profited from the difference between the value of the new and old loans, and they also earned hundreds of thousands of dollars in fees. As a result, the distressed homeowners lost the titles to their homes and faced eviction; the straw buyers owed the lenders hundreds of thousands of dollars that they were unable to repay; and the lenders suffered losses from the defaulted loans.

MOORE, 55, and IRVING, 44, were found guilty on November, 13, 2008, on charges of conspiracy, wire fraud, and bank fraud, following a 12-day jury trial in Manhattan federal court.

In addition to their prison term, Judge PATTERSON sentenced MOORE and IRVING each to 2 years of supervised release and restitution in the amount of \$1,541,728.

Mr. DASSIN praised the work of the Federal Bureau of Investigation. He also thanked the New York State Attorney General's Office for their significant contribution to the investigation.

Assistant United States Attorneys JULIAN J. MOORE and JOHN T. ZACH are in charge of the prosecution.

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