



*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

FBI
JIM MARGOLIN, MONICA McLEAN
PUBLIC INFORMATION OFFICE
(212) 384-2720, 2715

USSS
MICHAEL SEREMETIS
PUBLIC INFORMATION OFFICE
(718) 840-1106

**TWO REAL ESTATE REPRESENTATIVES CHARGED WITH MORTGAGE
FRAUD TARGETING DISTRESSED HOMEOWNERS ON THE RADIO**

LEV L. DASSIN, Acting United States Attorney for the Southern District of New York, JOSEPH M. DEMAREST JR., the Assistant Director-in-Charge of the Federal Bureau of Investigation's New York Field Division ("FBI"), and BRIAN G. PARR, the Special Agent-in-Charge of the New York Field Office of the United States Secret Service ("USSS"), announced today that LAVETTE M. BILLS and KIRK LACEY surrendered this morning on a criminal Complaint charging them with perpetrating a mortgage fraud scheme involving loans totaling over \$800,000.

According to the Complaint unsealed in Manhattan federal court earlier today:

From at least 2007 through the date of their surrender, BILLS and LACEY engaged in a scheme to defraud homeowners and a number of financial lenders by submitting applications and supporting documentation for mortgages that contained false and misleading information, so as to induce those lenders to make loans.

BILLS is a licensed real estate broker and the Chief Executive Officer of MTC Real Estate, Inc., ("MTC") in the Bronx. BILLS -- whose business card describes her as a "foreclosure specialist" -- advertised on the radio that MTC could help homeowners avoid foreclosure and invited listeners to call her

directly at MTC for a free consultation. BILLS also hosted a radio program that aired three times per week on WBLS (107.5 FM) and WLIB (1190 AM) in which she discussed issues related to foreclosure and invited listeners to contact her for assistance.

LACEY, is a representative of NNI, LLC, a limited liability corporation involved in real estate transactions with which BILLS is also associated.

In one scheme, BILLS fraudulently induced a homeowner and her grandson to add BILLS to the deed of their home based on BILLS' promise that she would then be able to obtain a loan for the homeowner that would allow the homeowner to pay off an existing mortgage and make repairs. In fact, BILLS, after obtaining a loan to purchase this home, re-sold the home to a straw buyer who had obtained a loan based on a loan application containing false information. LACEY assisted the straw buyer in submitting this false loan application. Through this scheme, BILLS and LACEY obtained approximately \$150,000, both directly and through entities they controlled, and the victims of this scheme lost the equity in their home, which is now the subject of foreclosure proceedings.

In a second fraudulent transaction, BILLS and LACEY used another straw buyer to obtain a loan in the amount of \$495,000 to buy a property in the Bronx that they had purchased for \$300,000 through an entity they controlled. The loan application submitted on behalf of this straw buyer contained numerous false statements, including false employment, income, and residency information.

BILLS, 36, of Briarcliff Manor, New York, and LACEY, 36, of Pembroke Pines, Florida, are each charged with one count of conspiracy to commit bank fraud, which carries a maximum sentence of thirty years in prison and a fine of the greater of \$1,000,000 or twice the gross gain or loss resulting from the crime. BILLS and LACEY are expected to be presented later today before United States Magistrate Judge THEODORE H. KATZ in Manhattan federal court.

Assistant United States Attorney AMY LESTER is in charge of the prosecution.

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

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