



Department of Justice

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WAYNESVILLE MAN CONVICTED IN MORTGAGE FRAUD SCHEME

Conspiracy Netted More Than \$7.9 Million

DAYTON – Gregory S. Chew, 42, formerly of Waynesville, was convicted today by a federal jury following a 15-day trial for his role in a mortgage fraud scheme involving 57 property investors and 246 residential properties located throughout the greater Dayton area.

Carter M. Stewart, United States Attorney for the Southern District of Ohio; Jose A. Gonzalez, Special Agent in Charge, Internal Revenue Service Criminal Investigation; Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation; Ohio Attorney General Richard Cordray, and other members of the Greater Dayton Mortgage Fraud Task Force announced the verdict returned today at the conclusion of a trial before U.S. District Judge Thomas M. Rose.

Chew was convicted of conspiring with a co-defendant, Richard C. Confer Jr., age 42 of West Carrollton, in a scheme to fraudulently obtain more than \$17 million in mortgage loans from more than 39 victimized mortgage lending institutions. They obtained more than \$7.9 million for their personal use from the fraudulent transactions.

In the trial which began on February 22, the jury was presented evidence that Chew, a real estate facilitator, approached Confer, a mortgage broker with Aleva Mortgage Company, in January, 2003 and agreed to collaborate with him in extensive real estate investments. Further evidence revealed that the pair continued a business relationship for another six years, preparing numerous false, fictitious and forged mortgage loan applications and HUD-1 settlement statements to secure fraudulent loans.

Chew deposited over \$2.2 million of disbursement checks from various title agencies in his own personal accounts. Chew utilized these ill-gotten funds to pay his co-conspirators, fund fraudulent down-payment checks, and for his own personal gain including the purchase of several vehicles.

After deliberating 28 hours, the jury convicted Chew of one count of money laundering, one count of conspiracy to launder money, and three counts each of mail fraud and wire fraud. Chew's conviction carries possible prison sentences of up to 30 years for wire fraud and mail fraud, 20 years for conspiracy, and 10 years for money laundering.

Confer pleaded guilty on February 19, 2010 to one count of conspiracy to commit money laundering for his role in the scheme. He faces a sentence of up to 20 years imprisonment, a fine \$500 thousand or twice the value of the property involved, whichever is greater, and three years of supervised release. Confer is scheduled to be sentenced on May 20, 2010 by Judge Rose.

Stewart commended the joint investigation by the members of the Greater Dayton Mortgage Fraud Task Force and Assistant U.S. Attorney Dwight Keller, who prosecuted the case. Agencies participating in the Greater Dayton Mortgage Fraud Task in addition to the FBI and IRS-CI include the Ohio Department of Commerce Division of Financial Institutions, the Ohio Attorney General's Office, the U.S. Postal Inspection Service, the U.S. Department of Housing and Urban Development Office of Inspector General, the Federal Deposit Insurance Corporation Office of Inspector General.

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