



Department of Justice



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**FORMER ALABAMA REAL ESTATE INVESTOR PLEADS GUILTY
TO MAKING FALSE STATEMENT IN CONNECTION WITH REAL ESTATE
FORECLOSURE AUCTION INVESTIGATION**

WASHINGTON – A former investor in the Alabama real estate foreclosure auctions industry pleaded guilty today to one count of making false statements, the Department of Justice announced.

Ali Forouzan, of Mobile, Ala., pleaded guilty in the U.S. District Court for the Southern District of Alabama in Mobile to making materially false and fictitious statements to a Special Agent of the FBI and a Department of Justice Antitrust Division prosecutor. The false statements were in regard to his knowledge of, and participation in, bid rigging and other fraudulent schemes in the Alabama real estate foreclosure auction industry.

According to the charge, in February 2012, Forouzan was interviewed, with counsel present, about the fraudulent schemes under investigation. Forouzan was aware of the nature of the investigation and knew that it was material for the FBI and the Antitrust Division to obtain his full knowledge of such unlawful acts as bid-rigging agreements and other fraudulent schemes relating to real estate foreclosure auctions; unlawful payoffs that he and others made and received in furtherance of such schemes; and secret, second auctions in which Forouzan and others participated. However, Forouzan willfully and knowingly provided false and fictitious information during his interview.

“The Antitrust Division views attempts to compromise the integrity of its investigations as a serious offense,” said Bill Baer, Assistant Attorney General in charge of the Department of Justice’s Antitrust Division. “Today’s filing should send a clear signal that the Antitrust Division is committed to prosecuting vigorously attempts to cover-up illegal, anticompetitive conduct.”

“The success of this investigation exemplifies the FBI’s continued commitment to fight fraud in the real estate industry and serves to deter those who wish to illegally profit from fraud schemes,” said Stephen E. Richardson, FBI Special Agent in Charge of the Mobile Field Office. Special Agent in Charge Richardson praised the perseverance of agents and prosecutors in this complex investigation.

Including Forouzan, to date, nine individuals and two companies have pleaded guilty as a result of the department's ongoing investigation into the Alabama real estate foreclosure auction industry.

Forouzan faces a maximum penalty of five years in prison, three years of supervised release and a \$250,000 fine.

The charge against the defendant arose from an ongoing investigation into bid rigging and other fraudulent schemes in the Alabama real estate foreclosure auctions industry. Anyone with information concerning bid rigging or fraud related to public real estate foreclosure auctions should call 404-331-7116 or visit www.justice.gov/atr/contact/newcase.htm.

Today's charges were brought in connection with the President's Financial Fraud Enforcement Task Force. The task force was established to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. Attorneys' offices and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed nearly 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,900 mortgage fraud defendants. For more information on the task force, please visit www.StopFraud.gov.

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