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REAL ESTATE AGENT PLEADS GUILTY IN SCHEME

TO DEFRAUD MORTGAGE LENDERS

12 Fraudulently Obtained Properties End Up in Foreclosure

Greenbelt, Maryland - Real estate agent Oladipo Olafunmiloye, age 39, of Gambrills, Maryland, pleaded guilty today to bank fraud and money laundering in connection with a scheme to defraud mortgage lenders, announced United States Attorney for the District of Maryland Rod J. Rosenstein.

According to his plea agreement, Olafunmiloye owned a real estate company known as LAFA. From November 2004 to December 2006, Olafunmiloye organized a scheme in which co-defendants Sidney Okosun, Oyekunle Ikudayisi, Kolawole Aminu and others sought to fraudulently obtain mortgages and refinance loans to purchase properties for sale in Maryland and the District of Columbia that were owned by Olafunmiloye or LAFA, without identifying Olafunmiloye's ownership interest in the properties. To that end, the defendants recruited individuals to act as purchasers, when in fact, these "straw" buyers became owners of the properties in name only and made almost none of the payments related to the purchase of the properties, including down payments, closing costs and mortgage payments. Rather, Olafunmiloye made almost all of these payments. Members of the scheme obtained mortgage loans for the properties in their own names, using their good credit histories. Olafunmiloye supervised the submission of false statements on loan applications as to the straw buyers' incomes and their intent to make the properties their primary residences, in order to induce mortgage lenders to make loans at more favorable rates. Olafunmiloye also provided capital to the other defendants in order to perpetuate the scheme. Once the purchase of the properties had been funded, Olafunmiloye defaulted on mortgage payments, which forced the lenders to foreclose, thereby incurring losses.

During the course of the scheme, Olafunmiloye also provided false information to obtain loans in his own name, including loans on five properties, all of which went into foreclosure, resulting in losses to the mortgage lenders of over \$492,767, on these properties alone.

The estimated losses to mortgage lenders that resulted from the entire fraud scheme currently totals \$921,609; this figure will likely increase as more properties go into foreclosure and are sold by the mortgage lenders. The government will argue at sentencing that the defendant's fraudulent scheme incurred losses of between \$1 million and \$2.5 million; the defendant is expected to argue that the actual loss is less.

Finally, Olafunmiloye laundered money obtained from the fraud scheme, including 12 transactions from August 2005 to September 2006 totaling \$308,311.

"Mortgage fraud and money laundering, like all financial crimes, add to the underground economy, erode the integrity of our tax system and threaten the financial health of our communities," stated C. Andre' Martin, Internal Revenue Service - Criminal Investigation, Special Agent in Charge. "Money laundering is tax evasion in progress and constitutes a serious threat to our communities."

Olafunmiloye faces a maximum sentence of 30 years in prison and a \$1 million fine for bank fraud; and 10 years in prison for money laundering. As part of his plea agreement, Olafunmiloye has agreed to forfeit his interest in a Rolls Royce automobile and funds held in four bank accounts. U.S. District Judge Alexander Williams, Jr. has scheduled sentencing for May 11, 2009 at 9:30 a.m.

Sidney Okosun, age 40, a Nigerian national, previously pleaded guilty to bank fraud. Kolawole Aminu, age 45, a Nigerian national, and Oyekunle Ikudayisi, age 39, of White Plains, Maryland, previously pleaded guilty to conspiracy. Aminutpg was sentenced to 3 years probation and ordered to pay \$161,064 in restitution. Ikudayisi and Okosun have yet to be sentenced.

United States Attorney Rod J. Rosenstein thanked the U.S. Secret Service and the Internal Revenue Service - Criminal Investigation for their investigative work. Mr. Rosenstein commended Assistant United States Attorneys James A. Crowell IV and Robert K. Hur, who are prosecuting the case.