



Department of Justice Press Release

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United States Attorney's Office

District of Maryland

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Laurel Man Pleads Guilty in \$428,000 Mortgage Fraud Scheme Used Stolen Identity Information and Straw Purchaser to Purchase Three Baltimore Properties

BALTIMORE, MD—Olu Campbell, formerly known as Oluseun Oshosanya, age 29, of Laurel, Maryland, pleaded guilty today to wire fraud in connection with a scheme to defraud a mortgage company of \$428,000.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Richard A. McFeely of the Federal Bureau of Investigation; and Special Agent in Charge Barbara Golden of the U.S. Secret Service - Baltimore Field Office.

According to Campbell's plea agreement, he was familiar with real estate renovations and the mortgage business because he had previously worked both as a loan officer at a mortgage company and as a self-employed building contractor. Beginning in the fall of the year 2008, Campbell began working with an associate who had experience preparing real estate appraisals and who had previously obtained loans for the purchase of residential properties based upon inflated appraisals and fraudulent income, employment, and asset information.

According to the plea agreement, on two occasions Campbell and his associate identified properties, one located at 2533 Oswego Avenue and the other located at 2451 Francis Street, both in Baltimore, and put together mortgage loan applications to purchase those properties using the identifying information of individuals whom they knew. Those individuals were not aware that their information was being used in these transactions. Campbell and his associate submitted the loan applications using the correct name, date of birth, social security number, and other identifying information of those individuals, but with false information about the individuals' employment and assets. In addition Campbell and his associate prepared and submitted false documentation to support the loan applications.

The lender approved a mortgage of \$124,669 for the Oswego Avenue property and \$105,669 for the Francis Street property. Campbell and other associates provided the title companies with checks to cover the borrower's expenses. On October 30, 2008, at the closing for the Oswego property the title company disbursed \$67,065 to Campbell's business, Metropolitan Housing Associates LLC, for "home conversion fees," and \$70,892.13 to another participant in the transaction, who repaid Campbell's associate for the money used to cover the down payment and the borrower's closing costs.

On November 24, 2008, at the closing for the Francis Street property, Campbell attended the closing pretending to be the buyer of the home. Campbell had false documents created in order to obtain a fake driver's license that had his photograph and the identifying information of the purported buyer. The title company disbursed \$110,208.38 to Campbell's company to pay a "contractor invoice." Campbell and his associate covered their expenses and compensated themselves from this sum, although Campbell received most of the proceeds from this transaction.

Finally, Campbell recruited an acquaintance to be the straw purchaser of 337 S. Payson Street in Baltimore, assuring her that there was a tenant in the property who was paying rent that could cover half of the monthly mortgage payment and that she would also receive part of the proceeds of the transaction, which she could use to meet the remaining balance of the mortgage payments. In the same way as with the first two properties, Campbell and his associate submitted a loan application using the straw purchaser's personal information but false information concerning her employment and assets. Campbell and his associate prepared and submitted false documentation to support the application. Based on the fraudulent information provided, the lender approved a loan of \$174,069 for the purchase of the S. Payson Street property and the closing was held on December 12, 2008. Campbell delivered a check for \$63,402.80 to the title company to cover the borrower's expenses. The title company disbursed \$103,271 to Campbell's business for "home repairs payoff," and also paid \$69,721.20 to Campbell's girlfriend, who deposited the check into Campbell's business account. On December 12,

2008, Campbell caused a wire transfer in the amount of \$48,000 to be made from his account to the account of a close friend of the straw purchaser of the S. Payson Street property, who subsequently transferred \$18,000 to the straw purchaser.

The Oswego Street and Francis Street properties went into default almost immediately, because the "purchasers" did not know that their identity had been used and therefore made no payments on the mortgage. The straw purchaser made the monthly mortgage payments on the S. Payson Street property for about a year, but that property also went into default. The loss to the lender on the three properties totaled \$428,000 (\$132,000 on Oswego Avenue, \$112,000 on Francis Street, and \$184,000 on S. Payson Street).

Campbell faces a maximum sentence of 20 years in prison and a \$250,000 fine for wire fraud. U.S. District Judge Marvin J. Garbis has scheduled sentencing for April 21, 2010 at 9:30 a.m.

The Maryland Mortgage Fraud Task Force was established to unify the agencies that regulate and investigate mortgage fraud and promote the early detection, identification, prevention, and prosecution of mortgage fraud schemes. This case, as well as other cases brought by members of the Task Force demonstrates the commitment of law enforcement agencies to protect consumers from fraud and promote the integrity of the credit markets. Information about mortgage fraud prosecutions is available at <http://www.usdoj.gov/usao/md/Mortgage-Fraud/index.html>.

United States Attorney Rod J. Rosenstein commended Assistant United States Attorney Jefferson M. Gray, who is prosecuting the case.

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