

MORTGAGE FRAUD IS A FELONY IN GEORGIA



The Georgia Residential Mortgage Fraud Act (O.C.G.A. § 16-8-100, *et seq.*) is one of the most comprehensive anti-mortgage fraud laws in the country.

- **Conduct Prohibited**—The Act prohibits anyone from knowingly making or helping someone else make a misrepresentation or omission during a loan application, origination, closing or any other part of the mortgage lending process. It also makes it illegal for anyone to receive any funds from a loan closing if that person knew the funds were obtained as a result of a misrepresentation or omission made during the mortgage lending process.
- **The Penalties**—Each violation of the Act is punishable by up to ten years in prison and a fine, and a pattern of mortgage fraud can result in up to 20 years imprisonment. All property used in or derived from mortgage fraud is subject to forfeiture to the state.
- **Who Prosecutes It**—The state's attorney general and all of Georgia's district attorneys have the authority to investigate and prosecute mortgage fraud cases.

For the protection of our neighborhoods, this information was compiled by **GREFPAC**
Georgia Real Estate Fraud Prevention and Awareness Coalition

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MORTGAGE FRAUD IS INVESTIGATED BY THE FBI



Mortgage Fraud is investigated by the Federal Bureau of Investigation and is punishable by up to 30 years in federal prison or \$1,000,000 fine, or both. It is illegal for a person to make any false statement regarding income, assets, debt, or matters of identification, or to willfully overvalue any land or property, in a loan and credit application for the purpose of influencing in any way the action of a financial institution.

Some of the applicable Federal criminal statutes which may be charged in connection with Mortgage Fraud include:

- 18 U.S.C. § 1001 - Statements or entries generally
- 18 U.S.C. § 1010 - HUD and Federal Housing Administration Transactions
- 18 U.S.C. § 1014 - Loan and credit applications generally
- 18 U.S.C. § 1028 - Fraud and related activity in connection with identification documents
- 18 U.S.C. § 1341 - Frauds and swindles by Mail
- 18 U.S.C. § 1342 - Fictitious name or address
- 18 U.S.C. § 1343 - Fraud by wire
- 18 U.S.C. § 1344 - Bank Fraud
- 42 U.S.C. § 408(a) - False Social Security Number

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