



Florida Housing

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Office of Inspector General

Investigative Report

170221-01

September 11, 2019

Chris Hirst, Inspector General

Enhancing Public Trust in Florida's Affordable Housing

**Office of Inspector General
Investigative Report
Case Number 170221-01**

INTRODUCTION

On February 21, 2017, the Florida Housing Finance Corporation (Florida Housing) Office of Inspector General (OIG) received an email from Nicole Gibson, Assistant Director of Homeownership Programs, who reported the following about Marcel Loudort, Hardest Hit Fund (HHF) Program recipient:

It appears that this applicant is altering his bank statements, especially the statement from TD Bank. You can see at least 2 different fonts and font sizes, plus the original asset TD Bank statement appears to have the exact same electronic payments (same amount and same vendor) as the most recent QT [Quarterly Touch] attached. It appears that this has been going on since the beginning but no one found the discrepancies. The ID is [REDACTED]. He is currently funded and receiving payments. Let me know if we should suspend monthly payments during the review.

Ms. Gibson also provided the documents Mr. Loudort submitted to his HHF Advisor, which contained the bank statements in question (Exhibit 1). A quick review of these bank statements confirmed the irregularities. Therefore, the OIG initiated an investigation based on the allegation provided; and his payments were suspended on February 21, 2017, pending the results of the investigation.

ALLEGATIONS

It is alleged Marcel Loudort provided falsified documents and made false statements/certifications on his HHF Program application and his QTs involving, but not limited to his TD Bank account records, in order to be found eligible to receive payments from HHF Program funds.

If supported, these allegations would constitute a violation of federal and/or state laws, including:

- Title 18, United States Code, §1001, False Statements;
- Section 817.03, Florida Statutes (F.S.), Making false statement to obtain property or credit;
- Section 817.545, F.S., Mortgage Fraud; and/or
- Section 837.06, F.S., False Official Statements.

EXECUTIVE SUMMARY

From February 21, 2017 to April 27, 2017, OIG staff conducted interviews and reviewed significant documentation related to the allegations.

As a result of the investigation, OIG staff determined that the allegation of Marcel Loudort providing falsified documents and making false statements/certifications on his HHF Program application and QTs involving, but not limited to his TD Bank account statements, in order to be found eligible to receive payments from HHF Program funds was **Supported**. In addition, OIG staff determined that Mr. Loudort made false statements/certifications during his QTs by: not providing bank statements from his Navy Federal Credit Union (CU) checking accounts as proof of deposits [REDACTED]; [REDACTED] in Hardship Letters dated November 12, 2016 and February 14, 2017; and by not

notifying his HHF Advisor of his employment with and/or separation from employment with Kathleen Van Wieringen, which began on July 9, 2016.

COMPLAINANT INTERVIEW

Although Ms. Gibson reported the complaint to the OIG, she had been notified of the possible issue by Maria Gaitan, Director of Housing Counseling, Consolidated Credit Solutions, Incorporated, the HHF Advising Agency. Specifically, in an email dated February 15, 2017, Ms. Gaitan requested Ms. Gibson contact her and she forwarded an email from Emanuel Mishaikoff, Housing Administrative Support Specialist, in which he stated:

It is unfortunate that I have to bring this to your attention, but it is my duty to notify you of suspected fraud against the Florida Hardest Hit Fund program. I recently received the attached QT documents from client Marcel Loudort. Upon review, I noticed the bank statement looked like it was tampered with. The date range of the statement is from **December 26, 2017 [sic] – January 25, 2017** and the balances do not add up. I checked the Initial and the second QTs (also attached) and the bank statements are nearly identical. The fonts on the statement also are clearly different. The Florida HHF website gives instructions on how to report suspected fraud. Please let me know how you would like me to proceed.

Therefore, On March 7, 2017, OIG staff conducted a recorded telephone interview of Mr. Mishaikoff and Ms. Gaitan, who both had knowledge of the questionable documents provided by Mr. Loudort.

During the interview, Mr. Mishaikoff stated the following (paraphrased):

- He was not Mr. Loudort's original HHF advisor and had not processed his original HHF Program application;
- As required by the HHF Program funding, Mr. Loudort emailed the required documents as part of his QTs to their agency;
- When he reviewed the documents provided by Mr. Loudort for the last QT, he noticed the following about the TD Bank statement:
 - The date range was December 2107 [sic] to January 2017;
 - The "fonts looked off";
 - The account balance information was "very strange," with a beginning balance of zero, one deposit of \$550, but an ending balance of \$1,308.02;
 - When he compared this bank statement to other ones Mr. Loudort provided in earlier QTs, he noticed that the statements were "almost identical, except for the dates";
 - He banks at TD Bank, knows the fonts, and how his own statement looks; and
 - Since he felt "it was fishy," he reported it to his supervisor Ms. Gaitan.

Note: Mr. Mishaikoff was aware that Mr. Loudort said his reason for his hardship was due to unemployment, after being laid off from Bank of America due to restructuring.

During the interview, Ms. Gaitan stated the following (paraphrased):

- Regarding the letter Mr. Loudort provided with a signature for a Veronica Acevedo, Assistant Store Manager, TD Bank, she said, "It looked like it was totally made-up":
 - It was addressed to "To whom it may concern";
 - It was "horribly written";
 - It did not appear to be on "official TD Bank letterhead"; but

- They did not contact the bank to verify the authenticity of the TD Bank documents provided by Mr. Loudort.

HHF PROGRAM MANAGER'S REVIEW

As previously reported above, Ms. Gibson, provided the details of her review of this matter when she notified OIG staff of the complaint and the advisor's request for guidance on the processing of Mr. Loudort's HHF Program application. Ms. Gibson also suspended Mr. Loudort's HHF Program funding at the beginning of this investigation.

DOCUMENTATION/RECORDS ANALYSIS

OIG staff conducted reviews of the documents associated with Mr. Loudort's HHF Program funding, which included: the HHF Program files on the Counselor Direct (CD) database, the HHF Program loan documents (Loan # [REDACTED]), and the HHF Program funding information. The results of the reviews are listed below by related documents, which are listed in bold:

HHF Program Application

Mr. Loudort's HHF application (Exhibit 2), shows he listed his home residence as 306 Belmont Place, Boynton Beach, FL 33436, and signed the application on May 31, 2016. The results of the review of his application are listed below by related documents, which are listed in bold:

- On his **HHF Intake Form**, which is the HHF Program application, Mr. Loudort stated that:
 - His primary reason for his hardship was due to "unemployment"; and
 - He was previously employed as a "Financial Center Manager".
- In his **Hardship Letter** dated May 31, 2016, Mr. Loudort stated the following about his hardship, "I was laid off from previous employment at Bank of America due to restructuring because of that affect I've loss [sic] my income of \$62,000 a year to [REDACTED] . . ."
- By signing his **HHF Homeowner/Advisement Contract**, Mr. Loudort agreed to several items, with relevant items listed below:
 - I/we will always provide honest and complete information to my/our HHF Advisor, whether verbally or in writing;
 - I/we will contact the HHF Advisor about any changes in our situation immediately; and
 - I/we authorize Florida Housing & HHF Advisor Agency and/or lender and/or servicer handling my/our loan to verify employment, income or assets in conjunction with qualification for assistance.
- On his **Hardship Affidavit**, Mr. Loudort made certifications to ten items, and the items related to the allegations are listed below:
 1. Under penalty of perjury. I/we certify that all of the information in this affidavit is truthful and the event(s) identified above has/have contributed to my/our financial hardship.
 2. I/we understand and acknowledge that FHFC & HHF Advisor and/or its agents may investigate the accuracy of my/our statements, may require me/us to provide supporting documentation, and that knowingly submitting false information may violate Federal and/or state law.
 4. I/we understand that if I/we have intentionally defaulted on my/our existing mortgage, engaged in fraud or misrepresented any facts(s) in connection with this Hardship Affidavit, or if I/we do not provide all of the required documentation, I may not qualify for HHF assistance.
 10. In making this certification, I/we certify under penalty of perjury that all of the information in this document is truthful and that I/we understand that the Servicer, the U.S. Department of Treasury, or their agents may investigate the accuracy of my statements by performing routine background checks, including automated searches of federal, state and county databases, to confirm that I/we have not been convicted of such crimes. I/we also understand that knowingly submitting false information may violate federal law.

HHF Program Loan Documents

On August 25, 2016, Mr. Loudort signed the HHF Program Loan documents (Exhibit 3), certifying:

- As stated on the **HHF Approval Letter**:

. . . Your signature means that you agree to fulfill your obligations under the Florida Hardest Hit Fund, and if you do not fulfill those obligations, your participation and eligibility for assistance under the program(s) described above may be terminated. In addition, if at any time it is determined that you provided inaccurate or false information, or withheld information, in making application for assistance under the Florida Hardest Hit Fund, or if you fail to notify Florida Housing of events that would disqualify or render you ineligible for further assistance under the program(s) described above, your participation in the program(s) will be automatically terminated.

- On the **Promissory Note**, the property address was listed as 306 Belmont Place, and Mr. Loudort acknowledged the following (emphasis added):

Item 7. DEFAULT

Default. I will be in default under their Note if: (i) I do not repay the HHF Loan as required in section 4 above; (ii) I submit incomplete, false or misleading information to the Lender, or anyone acting on Lender's behalf, before or after the approval of their HHF Loan; or (iii) I fail to provide to the Lender, or to anyone acting on Lender's behalf, on a timely basis any information required by the Lender in order for the Lender to monitor my continuing compliance with the terms and conditions of this Note. At the Lenders' option, I may be declared in default if I fail to comply with any of the terms and conditions in the Loan Documents or in the HHF Approval Letter issued to me in connection with the HHF Loan. If I am in default, the Lender may, its option, enforce this Note by any lawful means and require me to pay the Lender's costs and expenses as described in (D) below. . .

Item 11. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated (jointly and severally) to pay the full amount owed and to keep all of the promises made in this Note. The Lender may enforce its rights under this Note against each of us individually or against all of us together and may enforce its rights against any of us in any order. This means that any one of us may be required to pay all of the amounts owed under this Note. Notwithstanding the terms and conditions in this section 11, the personal liability of any Borrower is limited in the manner and to the extent as provided in section 12 below.

Item 12. LIMITS ON PERSONAL LIABILITY

(B) The Borrower shall be personally liable to the Lender for the full repayment of the indebtedness evidenced by this Note if the indebtedness, or any portion of the indebtedness, is obtained or created as a result of fraud or misrepresentation, including the submission of false, misleading or incomplete information, by the Borrower in connection with the application for or creation of the indebtedness or in connection with any advance or disbursement of the indebtedness made by the Lender on Borrower's behalf during the term of this Note.

- The **Rider to Promissory Note** states (emphasis added):

Item D. Conditions to Lender's Agreement to advance HHF Loan Proceeds. In addition to the conditions described in C.I.(b) above, The Lender's agreement to advance the HHF Loan proceeds

under C. above is subject to and conditioned upon the following: (i) The Borrower must occupy the Property at all times as the Borrower's primary residence; **(ii) the Borrower must continue to suffer financial hardship in the form of unemployment, underemployment, or reduced income from self-employment such that the Borrower lacks sufficient income to resume making the monthly mortgage payments required under the Borrower's First Mortgage Loan or to reinstate the loan;** (iii) the Borrower must provide to the Lender of to the Borrower's assigned HHF advisor on a quarterly basis documentation and evidence necessary to demonstrate that the Borrower continues to suffer financial hardship. . .

- On the **Subordinate Mortgage**, the property address was listed as 306 Belmont Place, and Mr. Loudort acknowledged the following (emphasis added):

PROVIDED ALWAYS that if Borrower shall pay to Lender, all sums due or to become due under the Note or this Mortgage and shall perform, comply with, and abide by each and every stipulation, agreement, condition, and covenant of the Note and of this Mortgage. . .

Item 15. Acceleration; Remedies. Upon the Borrower's breach of any covenant or agreement of the Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, or in the event that the Borrower shall have made a material misrepresentation or material omission in Borrower's application for the loan evidenced by the Note, **Lender, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. . .and**

Item 20. Special Provisions:

(a) Default. In addition to any other event of default under this Mortgage, the Borrower will be in default if any of the following occur: **(i) if Borrower submits incomplete, false or misleading information to the Lender before or after the approval of the Loan; (ii) if Borrower violates any terms and conditions of the Note, the terms and conditions of which are incorporated herein by reference, or any other loan document governing the Loan. . . (iii) if Borrower fails to provide to the Lender on a timely basis any information required by the Lender in order for the Lender to monitor Borrower's continuing compliance with the terms and conditions of the Loan.**

HHF Program Funding and QTs

Between September 1, 2016 and February 1, 2017, Mr. Loudort's mortgage lender received HHF Program funding on his behalf, which consisted of:

- One Mortgage Loan Reinstatement Program (MLRP) payment of 1,187.21 on September 8, 2016; and
- Six months of payments from the Unemployment Mortgage Assistance Program (UMAP) totaling \$7,123.26.

During that time, Mr. Loudort provided information and explanations to his HHF Advisor for the closing of his HHF Program loan and as required for his QTs. As part of three QTs, Mr. Loudort provided his HHF Advisor with the following information:

- In **Hardship Letters** dated November 12, 2016, and February 14, 2017 (Exhibit 4), Mr. Loudort reported that he was still unemployed [REDACTED];
- He also provided statements from the following banks:
 - Bank of America (BOA), checking account number: [REDACTED]; and savings account number: [REDACTED] (Exhibit 5), with Pod Herve Loudort also listed on the account;
 - Navy Federal CU, mortgage account number [REDACTED] (Exhibit 6); and
 - TD Bank, primary account number: [REDACTED] (see Exhibit 1), for the following dates:
 - May 17, 2016 – May 25, 2016;
 - September 17, 2016 – October 25, 2016; and
 - December 26, 2017 [sic] – January 25, 2017.

The BOA and Navy Federal CU statements did not appear to have any irregularities. However, as previously reported above, the original complaint information identified that the TD Bank statements provided by Mr. Loudort had two different fonts and font sizes, with the same electronic payments listed on the three different statements. Details and examples of these and additional irregularities are listed below, with the areas of the bank statements listed in bold:

- Two different fonts and font sizes:

STATEMENT OF ACCOUNT	STATEMENT OF ACCOUNT	STATEMENT OF ACCOUNT
Page: 1 of 3 Statement Period: May 17 2016-May 25 2016 Cust Ref #: [REDACTED] Primary Account #: [REDACTED]	Page: 1 of 3 Statement Period: Sept 17, 2016-Oct 25, 2016 Cust Ref Primary Account #: [REDACTED]	Page: 1 of 3 Statement Period: Dec 26, 2017-Jan 25, 2017 Cust Ref Primary Account #: [REDACTED]

- **Electronic Payments** on all three statements have the exact same electronic payments (same amount, same vendors, and same dates of transactions):
 - The transactions are listed as "AUT 052416 DDA PURCHASE¹" and "AUT 052516 DDA PURCHASE."
 - According to a representative of a financial processing business, "AUT is the date the purchase was authorized"; and
 - Transactions authorized in May 2016 would not be listed on bank statements for the time periods in Sep/Oct 2016 or Dec 16/Jan 2017.

Electronic Payments		
POSTING DATE	DESCRIPTION	AMOUNT
10/01	DEBIT POS, *****45142990064, AUT 052416 DDA PURCHASE WAL MART SUPER CENTER BOYNTON BEACH * FL	1.89
10/13	DEBIT POS, *****45142990064, AUT 052516 DDA PURCHASE PUBLIX BOYNTON BEACH * FL	56.50

Electronic Payments		
POSTING DATE	DESCRIPTION	AMOUNT
01/10	DEBIT POS, *****45142990064, AUT 052416 DDA PURCHAS E WAL MART SUPER CENTER BOYNTON BEACH * FL	1.89
01/13	DEBIT POS, *****45142990064, AUT 052516 DDA PURCHASE PUBLIX BOYNTON BEACH * FL	56.50

- The **Statement of Account** area on the last statement provided has the incorrect time frame, Dec 26, 2017 [sic] – Jan 25, 2017, which should be Dec 26, 2016:

STATEMENT OF ACCOUNT	
Page: 1 of 3	
Statement Period: Dec 26, 2017 Jan 25, 2017	
Cust Ref Primary Account #: [REDACTED]	

- Most of the **Account Summary** information/calculations are listed as the same amounts on all three statements:
 - The **Beginning Balance** for each statement is listed as zero, which would only be accurate for the initial statement, when the account was opened.
 - The **Ending Balances** are the same, which would not reflect calculations from the deposits, other credits, and/or electronic payments;

¹ DDA PURCHASE stands for Demand Deposit Account, which is a different term for a checking account, per the Consumer Financial Protection Bureau, <https://www.consumerfinance.gov/askcfpb/953/what-difference-between-checking-account-demand-deposit-account-and-now-negotiable-order-withdrawal-account.html>.

- The Other Credits INTEREST PAID is listed as .02 for each statement, which would not be possible due to the different number of days on the initial statement as compared to the other statements, with the additional amount of interest earned over time; and
- The Days in Period are listed as "9", which may have been correct for the initial statement, but would not be correct for the other statements, which were for the time-periods of approximately 30 days:

ACCOUNT SUMMARY		ACCOUNT SUMMARY		ACCOUNT SUMMARY		ACCOUNT SUMMARY	
Beginning Balance	0.00	Average Collected Balance	1,308.02	Beginning Balance	0.00	Average Collected Balance	1,308.02
Deposits	1,308.02	Interest Paid This Period	0.02	Deposits	1,308.02	Interest Paid This Period	0.02
Electronic Deposits	758.00	Interest Paid Year-to-Date	0.02	Electronic Deposits	758.00	Interest Paid Year-to-Date	0.02
Other Credits	0.02	Annual Percentage Yield Earned	0.02%	Other Credits	0.02	Annual Percentage Yield Earned	0.02%
Electronic Payments	58.39	Days in Period	9	Electronic Payments	58.39	Days in Period	9
Ending Balance	1,308.02			Ending Balance	1,308.02		
Other Credits		Other Credits		Other Credits		Other Credits	
POSTING DATE	DESCRIPTION	AMOUNT		POSTING DATE	DESCRIPTION	AMOUNT	
5/25	INTEREST PAID	0.02		08/29	INTEREST PAID	0.02	
Subtotal:		0.02		Subtotal:		0.02	

- The Daily Account Activity areas show the following discrepancies:

- For Deposits, the "ACH Transaction - [REDACTED]" is listed as a Deposit on the May 2016 bank statement, but is listed under the Electronic Deposits on the Sep/Oct 2016 and Dec/Jan 2017 bank statements:

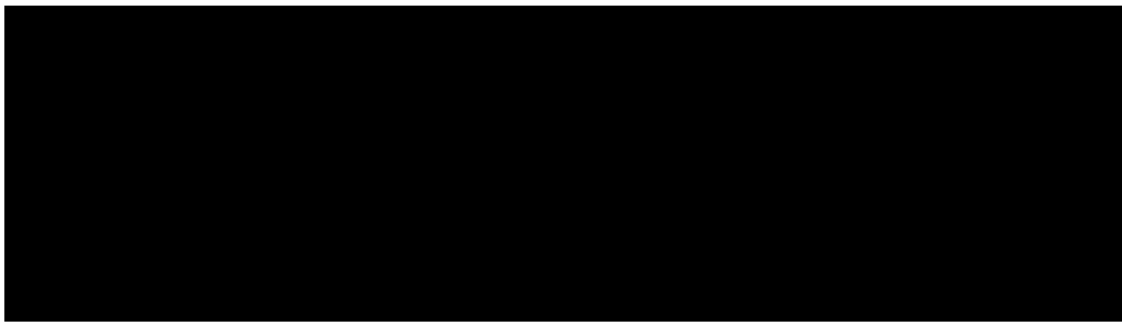
Deposits		
POSTING DATE	DESCRIPTION	AMOUNT
5/23	ACH Transaction - [REDACTED]	550.00
Subtotal:		550.00

Electronic Deposits		
POSTING DATE	DESCRIPTION	AMOUNT
5/23	ACH DEPOSIT, VENMO-0 CASHOUT ****08088	758.00
Subtotal:		758.00

Electronic Deposits		
POSTING DATE	DESCRIPTION	AMOUNT
10/21	ACH Transaction - [REDACTED]	550.00
Subtotal:		550.00

Electronic Deposits		
POSTING DATE	DESCRIPTION	AMOUNT
01/20	ACH Transaction - [REDACTED]	550.00
Subtotal:		550.00

- [REDACTED]



SUBJECT INTERVIEWS

In a recorded telephone interview with OIG staff on March 31, 2017, Mr. Loudort stated the following (paraphrased):

- He believed he started to apply for HHF Program funds in April or May 2016;
- He submitted the documents to his HHF Advisor via email and facsimile;
- When asked whether TD Bank was his primary bank for his savings and checking account he said, “yes” and he acknowledged that he had opened the account on May 17, 2016;
- When asked whether it would be helpful to email the TD Bank statements in question to him for his review and response, he said “It would be, but I don’t have access to a computer right now”;
- When told that in comparison of the three statements, the statements have the different dates, but the content of the statements was almost identical, he said:

I don’t know truthfully, because those were [sic], I requested them from the bank and they were faxed over. So, I’m not sure. Maybe that could be a factor. I’m not sure. Yah, so I’m not sure.

- When informed that some of the TD Bank statements appeared to be Adobe files, with some in color, and that the statements did not have marks from a fax machine, he did not provide a response;
- When asked whether the information could be faxed to him, he said “Yah,” but then said, “I don’t have that fax with me. Ah, can you email it to me? I’ll reply to your email later on today.”
- When asked about the additional name of Pod Herve Loudort, listed on the Bank of America statements he provided to his HHF Advisor, he said that is his brother, who is the “beneficiary”;
- He said the Navy Federal CU account is for his mortgage;
- He was informed that his HHF Program benefits had been suspended after the irregularities were discovered with his bank statements;
- He believed the last HHF Program payment he received was in February; and
- He said he would respond to the email about the bank statements, and was given the option to call back or to provide a response via email.

In an email dated March 31, 2017, Mr. Loudort was provided the bank statements, along with details of some of the irregularities found. He was asked to review the information and provide a response. Mr. Loudort responded via email on April 3, 2017, in which he stated, “I’m looking at what you sent me and I’m not sure how to explain since I’m not an expert bank statements. I’m not sure if these things happened during scanning or printing process.”

RESPONSE FROM TD BANK AND DEO

In order to verify the authenticity of the records Mr. Loudort provided to the HHF Advising Agency, OIG staff contacted the:

- TD Bank location listed on the letter he provided, with the TD Bank statements (see Exhibit 1); and
- DEO, OIG, with details listed below:

TD Bank, Lake Worth, FL

- On April 5, 2017, OIG staff:
 - Called the telephone number listed on the letter Mr. Loudort provided and requested to speak with Veronica Acevedo, Assistant Manager, who was listed as the author of the letter, with a signature;

- Ms. Acevedo requested to see the letter because she said they usually do not provide letters for clients;
- Emailed the letter, bank statements, and Mr. Loudort's release to Ms. Acevedo, who provided the following response:
 1. No, the letter is not authentic, I did not issue this nor sign it.
 2. Yes, the statements are authentic.
- Sent an additional email to Ms. Acevedo requesting she conduct a further review of the bank statements and provided some details of the irregularities as noted in the Document/Records Analysis section above.

Note: Ms. Acevedo responded via email stating that she would respond by the close of business on April 5, 2017. OIG staff responded via email and said she could take some additional time if needed. However, to date, she has not provided an additional response.

DEO, OIG and [REDACTED]

In an email dated March 29, 2017, OIG staff requested DEO OIG staff to provide assistance with [REDACTED]
[REDACTED]
[REDACTED] In an email dated March 30, 2017, the DEO OIG forwarded the request to [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

In an email dated March 31, 2017, OIG staff asked [REDACTED]
[REDACTED]
[REDACTED]

- [REDACTED]

[REDACTED]

Note: As reported above, Mr. Loudort provided Navy Federal CU statements (see Exhibit 6) for his mortgage, but not for his checking account.

- [REDACTED]

In an email dated April 6, 2017, OIG staff requested the source of the employment information regarding Kathleen Van Wieringen, [REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

ADDITIONAL ISSUES

[REDACTED] for Kathleen Van Wieringen, OIG staff conducted an Internet search, which revealed the information listed to the right about Ms. Van Wieringen:

- On April 6, 2017, OIG staff called Ms. Van Wieringen’s office, left a message with one of her employees, and sent an employment verification request, along with Mr. Loudort’s release via email;
- On April 7, 2017, Ms. Van Wieringen left a voicemail for OIG staff, but did not provide any details about Mr. Loudort’s employment; and
- On April 10, 2017, OIG staff attempted to contact Ms. Van Wieringen again; however, to date, she has not provided a response.

State Farm
STATE FARM® INSURANCE AGENT
Kathleen Van Wieringen, LUTCF




Main Location

Street Address 6250 Lantana Road Suite 8 Lake Worth, FL 33463-6608 View map & get directions	Office Phone: 561-434-5699 Toll Free: 888-434-5699 Fax: 561-434-5689
Landmarks SE corner of Lantana & Jog Road behind Outback Restaurant, Pinewood Square Plaza	Office Hours M, Tu, Thur, F 9:00am to 5:00pm Wednesday 9:00am to 7:00pm Saturday By Appointment
Mailing Address 6250 Lantana Rd Ste 8 Lake Worth, FL 33463-6609	Languages English Español Italian Creole License: FL-A272176

www.kvanwieringen.com

Due to Mr. Loudort's possible employment at an insurance agency, OIG staff conducted searches of the Internet and determined the following on April 10, 2017:

- Mr. Loudort is listed as associated with the following businesses (Exhibit 8):

Mr. Loudort's Positions	Associated Businesses
<p>Registered Agent and President, from 5/24/16-5/31/16</p> <div data-bbox="269 373 695 747" style="border: 1px solid black; padding: 5px;"> <p>NAME OF CORPORATION: PMH GLOBAL ENTERPRISE INC</p> <p>DOCUMENT NUMBER: P16000045846</p> <p>The enclosed <i>Articles of Amendment</i> and fee are submitted for filing.</p> <p>Please return all correspondence concerning this matter to the following:</p> <p>MARCEL LOUIDORT Name of Contact Person</p> <p>PMH GLOBAL ENTERPRISE INC Firm/ Company</p> <p>306 BELMONT PL Address</p> <p>BOYNTON BEACH/ FL 33436 City/State and Zip Code</p> <p>MARCEL.LOUIDORT@HOTMAIL.COM E-mail address: (to be used for future annual report n</p> </div>	<p><u>PMH Global Interprise [sic]: Fictitious name registration on 5/6/16</u></p> <div data-bbox="899 365 1308 562" style="border: 1px solid black; padding: 5px;"> <p>APPLICATION FOR REGISTRATION OF FICTITIOUS NAME</p> <p>REGISTRATION# G16000046252</p> <p>Fictitious Name to be Registered: PMH GLOBAL ENTERPRISE</p> <p>Mailing Address of Business: 306 BELMONT PL BOYNTON BEACH, FL 33436</p> <p>Florida County of Principal Place of Business: MULTIPLE</p> <p>FEI Number: FILED May 06, 2016 Secretary of State</p> <p>Owner(s) of Fictitious Name: LOUIDORT, MARCEL 306 BELMONT PL BOYNTON BEACH, FL 33436</p> </div> <p>Business registration on 5/24/16: PMH Global Enterprise, Inc.</p> <div data-bbox="1003 569 1349 751" style="border: 1px solid black; padding: 5px;"> <p>PMH GLOBAL ENTERPRISE INC (Name of Corporation as current)</p> <p>P16000045846 (Document Number)</p> <p>Pursuant to the provisions of section 607.1006, Florida Statutes, this is its Articles of Incorporation:</p> <p>A. If amending name, enter the new name of the corporation: MARCEL LOUIDORT INSURANCE AGENCY, INC.</p> </div>
<p>Registered Agent and President, from 5/31/16-present</p> <div data-bbox="565 779 776 999" style="border: 1px solid black; padding: 5px;"> <p>Registered Agent Name & Address</p> <p>LOUIDORT, MARCEL 306 BELMONT FL BOYNTON BEACH, FL 33436</p> <p>Officer/Director Detail</p> <p>Name & Address</p> <p>Title P</p> <p>LOUIDORT, MARCEL 306 BELMONT FL BOYNTON BEACH, FL 33436</p> </div> <p>Tax Preparer (unknown dates)</p> <div data-bbox="201 1031 743 1171" style="border: 1px solid black; padding: 5px;"> <p>For tax preparation in Boynton Beach FL, you can count on Marcel L. Loudort at Marcel Loudort Insurance Agency Inc. Marcel L. Loudort assists taxpayers and small businesses with taxes in Boynton Beach FL and the surrounding communities. Whether you are an individual or a local business in or around Boynton Beach FL, Marcel L. Loudort has years of valuable experience as an IRS registered tax preparer. Contact Marcel L. Loudort, tax filing specialist in Boynton Beach FL, for help with your taxes.</p> <p>Looking to find the best rated tax preparer in Boynton Beach FL? Marcel L. Loudort is a local tax preparer at Marcel Loudort Insurance Agency Inc located in Boynton Beach FL. Marcel L. Loudort and other tax preparers located in Boynton Beach FL will help you with tax preparation, tax planning, bookkeeping, estate and trust taxes, and so much more.</p> </div>	<p><u>Marcel Loudort Insurance Agency, Inc.: Renamed on 5/31/16</u></p> <div data-bbox="906 835 1300 1094" style="border: 1px solid black; padding: 5px;"> <p>Detail by Entity Name</p> <p>Florida Profit Corporation MARCEL LOUIDORT INSURANCE AGENCY, INC.</p> <p>Filing Information</p> <p>Document Number P16000045846</p> <p>FEI/EIN Number NONE</p> <p>Date Filed 05/25/2016</p> <p>Effective Date 05/24/2016</p> <p>State FL</p> <p>Status ACTIVE</p> <p>Last Event NAME CHANGE AMENDMENT</p> </div>
<p><u>Insurance Agent (unknown dates)</u></p> <div data-bbox="250 1213 711 1388" style="border: 1px solid black; padding: 5px;"> <p>Marcel Loudort Reviews & Info</p> <p>Marcel Loudort is an insurance agent employed by TD Wealth Management Services Inc, operating out of their Miami Lakes, FL office...</p> <p>Insurance Company / Agency: Td Wealth Management Services Inc</p> <p>Contact: 16200 NW 57TH Ave Hialeah, FL 33914 Main: 305-817-9725</p> <p>Licensed States: FL</p> <p>Policies: ▶ Annuities ▶ Life ▶ Health</p> </div>	<p><u>TD Wealth Management Services, Inc., Hialeah, FL</u></p> 
<p><u>Insurance Agent/Broker (unknown dates)</u></p> <div data-bbox="240 1444 699 1612" style="border: 1px solid black; padding: 5px;"> <p>Marcel Loudort Insurance Agent/Broker at</p> <p>Member since September 2015 Profile https://www.linkedin.com/company/marcel-loudort/ 0 Reviews</p> <p>Marcel Loudort is an insurance agent/broker in North Miami, FL. Marcel can help fully with their insurance needs in the metro area of Florida.</p> <p>Contact: Marcel Loudort</p> <p>Phone: 305-688-8899</p> <p>Address: 12600 NW 7th Ave, North Miami, FL, 33168, USA</p> </div>	<p><u>Chase Mortgage, North Miami, FL</u></p> 
<p><u>Personal Financial Representative (unknown dates)</u></p> <div data-bbox="207 1654 662 1829" style="border: 1px solid black; padding: 5px;"> <p>Marcel Loudort</p> <p>Visit my agent page</p> <p>(561) 402-5254 Email</p> <p>685 Royal Palm Beach Blvd Ste 105 Royal Palm Beach, FL 33411</p> </div>	<p><u>Allstate, Royal Palm Beach, FL</u></p> 

- The Florida Department of Financial Services (DFS) shows that between August 19, 2010 and July 1, 2016, Mr. Loudort obtained the following three insurance licenses (Exhibit 9):

Type	Original Issue Date	Qualifying Appointment
LIFE INCL VARIABLE ANNUITY(0214)	8/19/2010	YES
GENERAL LINES (PROP & CAS)(0220)	7/18/2016	YES
HEALTH(0240)	6/1/2011	YES

- The DFS records also show that based on his insurance licenses, he obtained active appointments from five insurance agencies³ between August 26 and October 1, 2016, with details listed below:

Types and Classes of Active Appointments

LIFE INCL VARIABLE ANNUITY(0214)

Company Name	Original Issue Date	Exp Date	Type	County
AXA EQUITABLE LIFE INSURANCE COMPANY	9/21/2016	6/30/2019	STATE	Palm Beach
PRUCO LIFE INSURANCE COMPANY	9/21/2016	6/30/2019	STATE	Palm Beach
ALLSTATE ASSURANCE COMPANY	8/26/2016	6/30/2019	STATE	Palm Beach

LIFE INCL VAR ANNUITY & HEALTH(0215)

Company Name	Original Issue Date	Exp Date	Type	County
AMERICAN HERITAGE LIFE INSURANCE COMPANY	10/1/2016	6/30/2019	STATE	Palm Beach
ALLSTATE LIFE INSURANCE COMPANY	8/26/2016	6/30/2019	STATE	Palm Beach
LINCOLN BENEFIT LIFE COMPANY	8/26/2016	6/30/2019	STATE	Palm Beach

Due to Mr. Loudort's insurance licenses and possible employment as an insurance agent in the State of Florida, OIG staff contacted the following agencies:

Division of Insurance Agents and Agency Services, DFS

- In an email dated April 13, 2017, OIG staff notified Greg Thomas, Director, Division of Insurance Agents and Agency Services of the possible allegations against Mr. Loudort and of the insurance licenses/active appointments he has obtained.

Note: To date, the OIG has not received a response from the Division of Insurance Agents and Agency Services.

Records Management, DOR

- In an email dated April 17, 2017, the DOR was requested to verify the employment information reported on behalf of Mr. Loudort during his receipt of HHF Program funds, which was from September 1, 2016 to February 1, 2017. In an email dated April 25, 2017, [REDACTED] DOR, provided the following information (Exhibit 10) about Mr. Loudort:

[REDACTED]

This confidential state tax information is being provided in accordance with 20 CFR 603 and ss. 443.171(5) and 443.1715(1) and may be used by public employees in performance of their official duties. Public employees receiving this information must maintain the confidentiality of the information.

[REDACTED]

³ Allstate Assurance Company and Allstate Life Insurance Company are affiliated companies.

Note: [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

Note: It is unclear whether Mr. Loudort received any unreported income from his Internet advertisement as a tax preparer or of his employment status as an insurance agent with the agencies listed above.

TIMELINE OF ACTIVITY AND ANALYSIS

Based upon the information reviewed, a timeline of activity (Exhibit 11) was created and has been attached for further information. Some noteworthy items are listed below regarding Mr. Loudort providing falsified documents and making false statements/certifications on his HHF Program application and QTs in order to be found eligible to receive payments from HHF Program funds:

Source	Information from DEO Records:	Information provided by Mr. Loudort:
DEO	[REDACTED]	<ul style="list-style-type: none"> • He said the reason for his hardship was due to unemployment, after being laid off from Bank of America due to restructuring; • In his Hardship Letters dated November 12, 2016, and February 14, 2017 (see Exhibit 4), he reported that he was still unemployed [REDACTED] • He did not provide copies of his two Navy Federal CU checking accounts, instead he falsified TD Bank statements showing: <ul style="list-style-type: none"> ○ [REDACTED] and ○ [REDACTED]
	<ul style="list-style-type: none"> • Mr. Loudort started to work with Ms. Van Wieringen the week ending July 9, 2016, 	<ul style="list-style-type: none"> • He did not report his employment with Ms. Van Wieringen to his HHF Advisor immediately or during a QT.
DOR	Information from DOR Records:	Information provided by Mr. Loudort:
	<ul style="list-style-type: none"> • [REDACTED] 	<ul style="list-style-type: none"> • As reported above, he did not notify his HHF Advisor about his employment with Ms. Van Wieringen; and <p>Note: Due to the amount of wages he earned with Ms. Van Wieringen and since no employers or wages were listed for Mr. Loudort in the fourth quarter 2016 or first quarter 2017, it appears that his employment with her ended. Therefore, he should have also notified his HHF Advisor about his reason for leaving his employment with Ms. Van Wieringen.</p>

Note: Due to his initial interview and his email response dated March 31, 2017, Mr. Loudort was not contacted to respond to the additional issues of his failure to: provide copies of his Navy Federal CU checking account statements; [REDACTED] and report of his employment with Ms. Van Wieringen. In an email dated May 2, 2017, Ms. Gibson confirmed that Mr. Loudort should have provided copies of his Navy Federal CU checking account, and she stated the following about his employment with Ms. Van Wieringen, "Yes, he should have reported this income. If it was just received once it wouldn't have even impacted the determination."

FINDINGS/CONCLUSIONS

It is alleged Marcel Loudort provided falsified documents and made false statements/certifications on his HHF Program application and QTs involving, but not limited to his TD Bank account records, in order to be found eligible to receive payments from HHF Program funds. The allegation was **Supported** by:

- The TD Bank statements:
 - Ms. Gibson, Mr. Mishaikoff and Ms. Gaitan, reviewed them and believed they had been altered; and
 - Ms. Acevedo confirmed that she did not author or sign the letter Mr. Loudort provided with the statements.
- The DEO records, which showed that Mr. Loudort:
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - Started to work for Ms. Van Wieringen the week ending July 9, 2016.

In addition, the HHF Program documents, [REDACTED] show that Mr. Loudort made false statements/certifications during his HHF Program application process and QTs when he:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED] and
- Failed to notify his HHF Advisor of his employment and/or separation from employment with Kathleen Van Wieringen, which began on July 9, 2016.

Note: It is unclear whether Mr. Loudort received any unreported income from his advertisement as a tax preparer or of his employment status as an insurance agent.

In accordance with §20.055(7)(c), F.S., on May 11, 2017, this investigation was coordinated with the Florida Department of Law Enforcement (FDLE) and the Office of the Special Inspector General for Troubled Asset Relief Program (SIGTARP) for possible violations of federal and/or state laws, including:

- Title 18, United States Code, §1001, False Statements;
- Section 817.03, Florida Statutes (F.S.), Making false statement to obtain property or credit;
- Section 817.545, F.S., Mortgage Fraud; and/or
- Section 837.06, F.S., False Official Statements.

ADDITIONAL HHF PROGRAM MANAGER'S REVIEW

In an email dated April 30, 2019, Ms. Gibson responded to a request from Vivian Vega, Special Agent, SIGTARP, who provided additional information regarding Mr. Loudort's income and bank statements that he had not provide as part of his HHF application and/or QT reviews. As Ms. Gibson explained in the email, Agent Vega requested a review of the documents for program compliance and a written summary for FDLE and the State Attorney. Ms. Gibson's summary is listed below, with details pertaining to Mr. Loudort's eligibility highlighted in yellow:

⁴ This date was during the time [REDACTED], but all payments were made to his Navy Federal CU checking accounts.

To: Vivian Vega-Zacherl, Special Agent, SIGTARP

From: Nicole Gibson, Assistant Director of Homeownership, Florida Housing Finance Corporation

Date: April 30, 2019

Re: Review of Marcel Loudort's Earnings for HHF Program Compliance

I've reviewed the spreadsheet provided to me from SIGTARP that included Mr. Loudort's W-2 or 1099 information. Wages or income on this spreadsheet included Bank of America (January – April 2016), FL [REDACTED] State Farm (July 2016) and Allstate (October – December 2016). I also reviewed all bank statement provided by SIGTARP for Navy Federal Credit Union (Navy FCU) and used them to confirm receipt of the income from the spreadsheet.

When calculating income for Hardest Hit Fund (HHF) compliance, we look at current income utilizing the last 60 days of income at program entry and the last 30 days for quarterly reviews for continued eligibility. We use the current income to project that income over the next 12 months. As Mr. Loudort's qualifying hardship for the HHF was unemployment, [REDACTED] the income from Bank of America would not be considered in any of the income calculations.

Mr. Loudort was deemed eligible for the HHF Program in June 2016. Again at this time Mr. Loudort [REDACTED] his annual income was calculated as \$14,300 (\$275 weekly benefit x 52). Monthly income is \$1,191.67 (\$14,300/12). An additional test is used in the HHF program as a way to determine if the mortgage is affordable to the homeowner. We call this the 31% test. If the mortgage debt to monthly income ratio (DTI) is over 31% percent, the mortgage payment would be deemed unaffordable. We use all mortgage debt disclosed to us in the DTI calculation and also include Homeowner Association (HOA) fees. Mr. Loudort had a monthly mortgage payment of \$1,187.21 and monthly HOA dues of \$327.00 for a total monthly housing debt of \$1,514.21. At program entry, Mr. Loudort's DTI was calculated at 127.07%.

Florida Housing collects updated information to ensure continued program compliance at closing of the HHF Loan and then quarterly thereafter for a total of 4 reviews. Mr. Loudort closed his HHF loan August 25, 2016. Based on the spreadsheet provided, Mr. Loudort received income from State Farm in July 2016. This income was not disclosed at closing of the HHF Loan. Mr. Loudort signed the Quarterly Review form that all the information provided was true and accurate and the only income was [REDACTED] Mr. Loudort received \$852.56 and \$1042.00 in July 2016 from State Farm. The average pay period income from these two payments is \$947.28 $((\$852.56 + \$1,042.00) / 2)$ and the annual income would be calculated as \$22,734.72 $(\$947.28 * 24)$. Monthly income is calculated at \$1,894.56 $(\$22,734.72 / 12)$. The DTI calculation was 79.92% $(\$1,514.21 / \$1,894.56)$. If this was the entirety of the income received just prior to closing the HHF loan, **Mr. Loudort would have been considered still eligible to receive assistance.**

Mr. Loudort's next quarterly review was due for November 2016. Based on the spreadsheet and backed up by the bank statements from Navy FCU, Mr. Loudort received \$664.50 for pay period 10/27/16 – 11/2/16, \$2,605.88 for pay period 11/3/16 – 11/6/16, \$299.70 for pay period 11/10/16 – 11/16/16 and \$520.94 for pay period 11/17/16 – 11/23/16 from Allstate. This income would be the 30 days of income received by Mr. Loudort just preceding the due date of the quarterly review. Averaging

this weekly pay would calculate to \$1,022.76 weekly $((\$664.50 + \$2,205.88 + \$299.70 + \$520.94) / 4)$. The annual income would calculate to \$53,183.26 $(\$1,022.76 * 52)$ and monthly income would calculate to \$4,431.94 $(\$53,183.26 / 12)$. Mr. Loudort's DTI in November, if all income was included in these calculations, would be 34.17% $(\$1,514.21 / \$4,431.94)$ and would have been considered still eligible to receive assistance. Mr. Loudort at the November 2016 Quarterly review signed that all the information provided was true and accurate and [REDACTED]

Mr. Loudort's next quarterly review was due for February 2017. Based on the spreadsheet and backed up by the bank statements from Navy FCU which ended 1/4/17, Mr. Loudort received \$0.00 for pay period 12/8/16 – 12/14/16, \$2,048.89 for pay period 12/15/16 – 12/21/16, \$4,915.86 for pay period 12/22/16 – 12/28/16 and \$1,739.63 for pay period 12/29/16 – 1/4/17 from Allstate. This 30 days of income was the closest provided to the due date of the quarterly review. Averaging this weekly pay would calculate to \$2,176.10 weekly $((\$0.00 + \$2,048.89 + \$4,915.86 + \$1,739.63) / 4)$. The annual income would calculate to \$113,156.94 $(\$2,176.10 * 52)$ and monthly income would calculate to \$9,429.75 $(\$113,156.94 / 12)$. Mr. Loudort's DTI in February, if all income was included in these calculations, would be 16.06% $(\$1,514.21 / \$9,429.75)$ and would have been considered no longer eligible receive assistance as long as that income was received for at least 60 days. Mr. Loudort at the February 2017 Quarterly review signed that all the information provided was true and accurate [REDACTED]

Based on this information, Ms. Gibson stated the following regarding the forgiveness of Mr. Loudort's HHF Program loan:

My recommendation is that Mr. Loudort receives no forgiveness and thus it is all due to Florida Housing. The rationale being that starting at the closing QT, Mr. Loudort did not disclose all income received. [REDACTED]

On August 30, 2019, Agent Vega provided the following update from Ryan Kelley, Assistant State Attorney, Economic and White Collar Crime Unit, Palm Beach County:

Based upon the additional information you and Detective Thomas Demetrios uncovered, the State cannot move forward on the proposed prosecution of the case against Marcel Loudort. In summary, the State cannot prove one of the legally required elements of Public Assistance Fraud under Florida law, i.e. that the alleged misrepresentation was material to the decision of the victim. Again, thank you for your presentation.

INSPECTOR GENERAL COMMENTS

The OIG recommends: HHF Program Management require Mr. Loudort to return the HHF Program fund totaling \$8,310.47 that he was provided in assistance; and that a demand letter be sent to Mr. Loudort by Florida Housing General Counsel staff.

CERTIFICATIONS

This investigation was completed in accordance with accreditation standards established by The Commission for Florida Law Enforcement Accreditation and has been conducted in compliance with the "Quality Standards for Investigations" found within the *Principles and Standards for the Office of Inspector General*.

Melanie Yopp, Director of Investigations

Name, Title, Office of Inspector General

APPROVALS

Melanie Yopp

Melanie Yopp
Director of Investigations

9/11/19

Date

Chris Hirst

Chris Hirst
Inspector General

9.12.19

Date