

TOMMY K'S EVERYWHERE

This was a story I was expecting to see: a report that, in recent years of lax oversight, a large number of people have been defrauding mortgage companies.

The number of mortgage fraud cases has grown so fast that government agencies that investigate and prosecute them cannot keep up, lenders and law enforcement officials have said.

Reports of suspected mortgage fraud have doubled since 2005 and increased eightfold since 2002. Banks filed 47,717 reports this year, up from 21,994 two years ago, according to statistics from the Federal Bureau of Investigation and the Financial Crimes Enforcement Network of the Treasury Department. In 2002, banks filed 5,623 reports.

"I don't think any law enforcement agency can keep up with mortgage fraud, because it's such a growth industry," said Chuck Cross, vice president of mortgage regulatory policy for the conference of state bank supervisors, an organization of regulators and bankers. "There's too many cases, not enough agents."

Mortgage fraud covers crimes like false statements on mortgage applications and elaborate "flipping" schemes that involve multiple properties and corrupt appraisers, title companies and straw buyers.

What I'm waiting for, now, is news of what these people used their fraudulent money for. Are these tens of thousands of cases of mortgage fraud just con men getting rich in the easiest way possible? Or were they funneling their ill-

gotten money to something or another. In the case of Tommy K, he used his fraudulently gained money bribing Republican Congressmen. Was he the only one capitalizing on the corporatists' refusal to regulate industry to funnel more money to corporatists?