

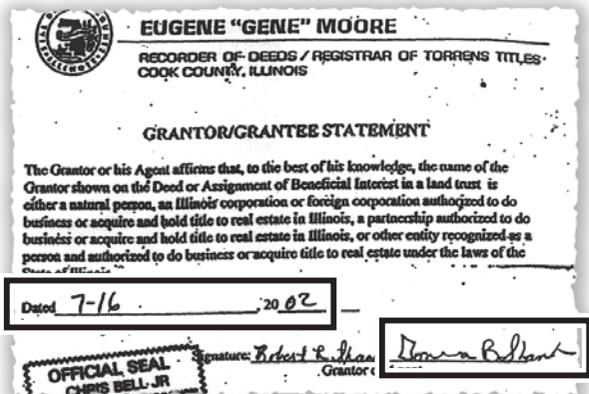
Anatomy of a swindle

In 2002, mortgage broker Edwin Evans helped arrange a \$94,000 mortgage loan on the home of David Shank, a mentally disabled man. State regulators called the mortgage “fraudulent” and levied a \$10,000 fine against Greater Investment Mortgage Corp., where Evans was a branch manager. Evans denied wrongdoing, and he was not charged with a crime in the case. Shank lost his home after the mortgage went unpaid.

How fraud occurred in the Shank case

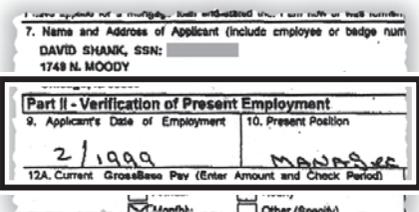
FRAUDULENT MORTGAGE PREPARED

1 Home transferred using forged deed
Two days after Shank’s mother died, on July 16, 2002, two of Evans’ co-workers filed a false quit claim deed purportedly transferring the Shank family home to David Shank.



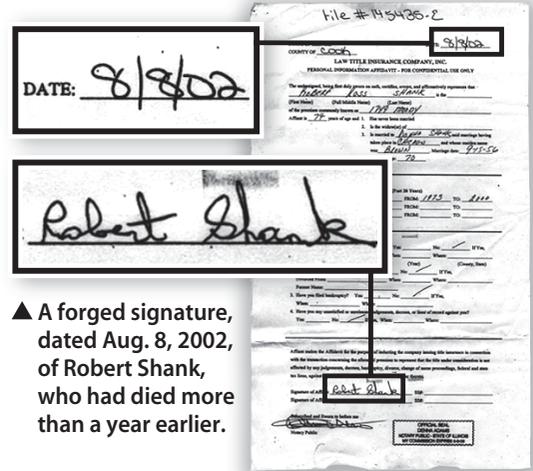
▲ Phony deed dated July 16, 2002, with purported signature of Donna Shank transferring home to David Shank.

2 Phony work history created for Shank
Shank’s home mortgage application said he was manager of a Harvey beauty salon. In fact, Shank never worked there, and the beauty salon wasn’t even incorporated in 1999, when Shank purportedly began managing it.



▲ A phony mortgage application identifying Shank as a manager.

3 Process eased with fake signature
At the signing for the mortgage, an employee for Law Title Insurance Co., who was working with Evans, notarized the forged signature of Shank’s deceased father. The phony signature helped speed the loan process.



▲ A forged signature, dated Aug. 8, 2002, of Robert Shank, who had died more than a year earlier.

WHERE THE \$94,000 MORTGAGE PROCEEDS WENT



FALSE DEBTS CREATED

4 Fictional bills added
Although Shank had clean credit, Shank’s fraudulent mortgage application said he owed \$10,000 to Evans & Hall Realty Investment Corp., a company run by Evans, and \$30,000 to ABC Counseling, a company owned by Yolanda Spearman, Evans’ subordinate.

COLLECTING ON THE FRAUD

5 Mortgage payment diverted
The Shank home was mortgaged for \$94,000. At the closing, the mortgage lender was directed to make a \$65,000 check payable to the Evans & Hall firm for “services rendered.”

6 Checks cut to accomplices
Evans took the \$65,000 check and gave Spearman two checks for \$20,000 each, court records show. One was made out to her personally and the other to her other company, ABC Credit.