



Department of Justice

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BROOKSVILLE MAN SENTENCED TO MORE THAN EIGHT YEARS IN PRISON FOR RUNNING FRAUDULENT HOME INSPECTION BUSINESS

Tampa, FL - U.S. District Judge James S. Moody today sentenced Dean Counce (42, Brooksville) president and founder of American Mortgage Field Services, LLC (AMFS), to 8 years and one month in federal prison for conspiracy to commit wire fraud. The court also ordered Counce to forfeit his interest in real estate and jewelry, which are traceable to proceeds of the offense. In addition, the court entered a money judgment in the amount of \$12,774,102, which are the proceeds of the conspiracy. Counce pleaded guilty on September 14, 2012.

According to the plea agreement, Counce owned American Mortgage Field Services, LLC (AMFS). AMFS performed preservation and inspection work for homes in various phases of foreclosure, including homes that were owned by government entities such as Fannie Mae, Freddie Mac, and the Federal Housing Administration (FHA). The government entities paid servicing lenders, such as Bank of America, to protect and maintain their properties. Beginning in or around 2007, in order to protect the investments and to prevent unnecessary deterioration that may result from neglect or

vandalism, some of these servicing lenders retained Counce's company to conduct periodic inspection of government-owned or insured properties.

Each month, the servicing lenders would send Counce and AMFS a list of properties that required inspection. Counce performed some inspections personally and, as the business grew, he hired others to assist and eventually take over the inspection process. These inspections required Counce and other AMFS employees to visit a property, fill out an inspection report, and take photographs. Counce and others then compiled these inspection reports and transmitted them electronically to the servicing lender. The servicing lenders then paid Counce and AMFS a fee per inspection.

As the real estate market declined in Florida and throughout the country, Counce and AMFS began to receive an increasing number of requests for inspections on properties in foreclosure, the mortgages for most or all of which were owned or insured by Fannie Mae, Freddie Mac or FHA. The requests far exceeded Counce's or AMFS's capacity to deliver. As a result, Counce and other AMFS employees began fabricating inspection reports.

In total, between 2007 and 2009, Bank of America remitted \$4,490,398.87 to Mid-Florida Home Securing (later known as AMFS) and, between 2009 and 2012, Bank of America paid AMFS \$19,044,973.06 for inspections, a large percentage of which were never actually performed. As a result of this fraud, Counce and AMFS managed to keep overhead and expenses low and profits high, resulting in net profits to Counce of up to \$1 million in a single month. Based on employee reports of fabrication rates, the government estimates the loss in this case to be approximately \$12,774,102.

This case was investigated by the Federal Housing Finance Agency Office of Inspector General, Department of Housing and Urban Development Office of the Inspector General, and the United States Secret Service. It was prosecuted by Assistant United States Attorney Mandy Riedel.

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