



## NEWS RELEASE

For Immediate Distribution

March 26, 2013

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### **Federal Grand Jury Indicts Former Fannie Mae Employee for Allegedly Taking Kickbacks from Arizona Real Estate Broker**

*LOS ANGELES* – A former sales associate with the Federal National Mortgage Association (Fannie Mae) was named today in a federal grand jury indictment that accuses him of taking kickbacks from a real estate broker in exchange for providing him with foreclosed properties to sell on behalf of the mortgage agency.

Armando Granillo, 44, of Huntington Beach, California was charged today with three counts of “honest services” wire fraud for soliciting kickbacks while working for Fannie Mae.

Granillo was arrested in this case on the morning of March 5, 2013, after he allegedly accepted an \$11,200 payment from the real estate broker, who at the time was working with federal authorities. Granillo was freed on a \$5,000 bond and is expected to be arraigned next month in United States District Court in Los Angeles.

Granillo, who worked in the Irvine Fannie Mae office as a Real Estate Owned Foreclosure Specialist, reviewed applications submitted by real estate brokers who wanted to list Fannie Mae foreclosure properties. Granillo had the authority to approve sale offers presented by the brokers. In late 2012, Granillo asked a real estate broker in Tucson to pay a percentage of the commissions the broker earned for selling Fannie Mae foreclosure properties. The broker brought the matter to the attention of federal law enforcement officials, and he began assisting in the investigation.

In subsequent conversations between Granillo and the broker, Granillo demanded 20 percent of the broker’s commissions.

In February 2012, Granillo traveled from Orange County to the Phoenix area, where he met with the broker. During the recorded meeting, Granillo stated that the kickback arrangement was a "natural part of business." Granillo then arranged to receive the \$11,200 payment from the broker.

Each wire fraud count alleged in the indictment carries a statutory maximum penalty of 20 years in federal prison.

*An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed to be innocent until and unless proven guilty in court.*

Fannie Mae is currently under the conservatorship of the Federal Housing Finance Agency. The investigation into Granillo was conducted by the Federal Housing Finance Agency's Office of Inspector General.

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