



MEMORANDUM OF INTERVIEW

(b)(7)(C) date of birth (b)(7)(C) social security number, (b)(7)(C)
(b)(7)(C) (b)(7)(C) work (b)(7)(C) was interviewed by Special Agent
(b)(7)(C) U. S. Department of Housing and Urban Development, Office of Inspector General.
(b)(7)(C) was apprised of the identity of the interviewing agent and the nature of the interview.
(b)(7)(C) voluntarily provided the following information.

Employment

(b)(7)(C) stated she worked at Fairbanks Capital Corp. from (b)(7)(C) through the end of
(b)(7)(C). Specifically, she worked in the foreclosure unit. Her supervisor was (b)(7)(C)
(b)(7)(C), Director/Manager of the Foreclosure unit. She went to work for Fairbanks since her
own loan processing business had a decrease in business. She worked nights at her own
company, Loan Processing Specialists, when she worked at Fairbanks. She left Fairbanks since
her business picked up and she wanted to be self-employed. (b)(7)(C) stated (b)(7)(C)
(b)(7)(C) is a current supervisor in the Fairbanks Combat Collections unit.

Pennsylvania Letters

(b)(7)(C) stated when Fairbanks acquired the (b)(7)(C) loans during late 2000 she had heard that
Fairbanks employees had intentionally created notice of foreclosure letters and pre-dated them.
Specifically, the state of Maryland required a special demand letter in the case of foreclosure.
When Fairbanks employees learned that (b)(7)(C) had failed to issue the letter required by Maryland,
they artificially created them. (b)(7)(C) stated (b)(7)(C) was aware of the practice and may have
even started it. (b)(7)(C) stated prior to this event her supervisor at the time, (b)(7)(C)
(b)(7)(C) or (b)(7)(C) Last Name Unknown (LNU), had asked her to provide a training
class to other Fairbanks employees on the unique requirement of Maryland. As a result,
(b)(7)(C) stated that Fairbanks supervisors were aware of the requirement before the Maryland
foreclosure letters were created and pre-dated.

Former Employees

(b)(7)(C) stated (b)(7)(C) also worked in the Foreclosure unit and now works at New
Line Mortgage (d.b.a Republic Mortgage, 455 South 700 East). (b)(7)(C) stated (b)(7)(C) Last
Name Unknown (LNU) would be very helpful. (b)(7)(C) stated the gentlemen that took over her
task of servicing some of the Pennsylvania loans would be helpful and she would try and find his
name (she was moved to work loans from other states prior to the (b)(7)(C) acquisition).

Problem Resolution Team

(b)(7)(C) stated Fairbanks had a very small team of approximately 4 people in the Problem

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Resolution Department. (b)(7)(C) stated these people were overworked since each was assigned 400-500 loans to research and resolve. (b)(7)(C) stated this was an impossible task for these people to accomplish and management was aware of the problems. (b)(7)(C) stated that management took on too much business too fast and knew they could not handle it.

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INTERVIEW AGENT: S/A (b)(7)(C)

DATE OF INTERVIEW: May 16, 2003

DATE TRANSCRIBED: May 19, 2003