

**Section 13A-9-130**

**Residential mortgage fraud.**

(a) This article shall be known and may be cited as the Alabama Residential Mortgage Fraud Act.

(b) For the protection of the general public, including borrowers and lending institutions, and for the integrity of the mortgage lending process, the Legislature enacts the "Alabama Residential Mortgage Fraud Act."

(c)(1) An individual commits the offense of residential mortgage fraud when with the intent to defraud, he or she does any of the following:

a. Knowingly makes any material deliberate misstatement or misrepresentation, knowing the same to be a misstatement or misrepresentation during the mortgage lending process with the specific intention that it be relied on by a mortgage broker, mortgage lender, mortgage servicer, mortgage processor, borrower, or any other party to the mortgage lending process.

b. Knowingly uses or facilitates the use of any material deliberate and known misstatement or misrepresentation knowing the same to contain a misstatement or misrepresentation during the mortgage lending process with the specific intention that it be relied on by a mortgage broker, mortgage lender, mortgage servicer, mortgage processor, borrower, or any other party to the mortgage lending process.

c. Files or causes to be filed with any public office any document that the person knows to contain a material deliberate misstatement or misrepresentation with the specific intent to cause a residential mortgage fraud.

(2) For the purposes of venue, any violation of this section shall be considered to have been committed at any of the following:

a. In the county in which the residential property for which a mortgage loan is being sought is located.

b. In any county in which any act was performed in furtherance of this violation.

c. In any county in which any individual alleged to have violated this section had control or possession of any proceeds of this violation.

d. If a closing occurred, in any county in which the closing occurred.

e. In any county in which a document containing a deliberate misstatement, misrepresentation, or omission was filed with a public official.

(3) District attorneys and the Attorney General shall have the authority to conduct the criminal investigations of all cases of residential mortgage fraud under this section.

(4)a. Residential mortgage fraud is a Class C felony.

b. Each residential mortgage transaction subject to a violation of this section shall constitute a separate offense and shall not merge with any other crimes set forth in this section.

*(Act 2009-752, §1.)*