

# Keller Rohrback L.L.P. Announces Investigation of JPMorgan Chase Bank and Other Lenders Regarding FHA Mortgage Insurance

SEATTLE--(BUSINESS WIRE)-- Attorney Advertising. Keller Rohrback L.L.P. ([www.krclassaction.com](http://www.krclassaction.com)) is currently investigating JPMorgan Chase Bank (NYSE:JPM), Washington Mutual (NYSE:WAMUQ), Bear Stearns Residential Mortgage (NYSE:BSC), Bank of America (NYSE:BAC), Countrywide, Citigroup (NYSE:C), and HSBC (NYSE:HBC), among others, for alleged mortgage originator abuse of the Federal Housing Administration ("FHA") mortgage insurance offered through the Direct Endorsement Lender program. In particular, the investigation focuses on lax lender mortgage selection practices, deficient appraisal practices, and inappropriate evaluation of borrower income by lenders to make mortgages qualify for the government's FHA guarantee. These abusive practices allowed lenders to obtain FHA mortgage insurance, thereby making the mortgages marketable in the secondary mortgage market. When these borrowers defaulted, the FHA was forced to pay millions of dollars in insurance claims inappropriately. The U.S. Attorney for the Southern District of New York filed suit on May 3, 2011, against Deutsche Bank AG and MortgageIT, Inc. for similar practices.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the Federal False Claims Act, individuals or whistleblowers with information regarding abuses impacting securities regulated by the Securities and Exchange Commission or commodities regulated by the Commodities Futures Trading Commission, or fraud against the federal government, may be entitled to significant rewards. These rewards can range from ten to thirty percent of penalties, restitution, and damages derived from successful enforcement actions brought by the government relating to losses by investors or the government, or from private *qui tam* law suits brought by whistleblowers.

If you have knowledge regarding any of the above-described mortgage underwriting practices at JPMorgan Chase Bank, Washington Mutual, Bear Stearns Residential Mortgage, Bank of America, Countrywide, Citigroup, HSBC, or any other FHA-approved lender that engaged in the conduct described above, you may qualify as a whistleblower under federal law. Please contact paralegal Alicia Novak or attorneys Gretchen Obrist, Laura Gerber, or Lynn Sarko at **800-776-6044** or via email at [info@kellerrohrback.com](mailto:info@kellerrohrback.com) for more information.

Keller Rohrback, with offices in Seattle, Phoenix, Santa Barbara and New York, has obtained judgments and settlements on behalf of clients in excess of seven billion dollars.

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