

STATE OF COLORADO

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DORA's Division of Real Estate takes aggressive stance against Greeley real estate brokers involved in potential mortgage fraud scheme

Denver, Colorado – February 28, 2008 – The Department of Regulatory Agencies (DORA) announced today that the Division of Real Estate has taken enforcement actions against two real estate brokers involved in alleged mortgage fraud schemes in Greeley. The Division permanently revoked the license of Tracy T. Todd, and issued a 90-day suspension against Steve G. Boyer.

The Division asserts that Mr. Todd offered to purchase residential real estate in Greeley at artificially inflated prices with the intent of receiving large sums of money back at closing. The cash back at closing was directed to a company called Medicine Creek Consulting, LLC owned by a business partner of Mr. Todd. In one instance, a residence was on the market for 9 months with an asking price of \$300,000. Mr. Todd approached the buyer and offered \$425,000 for the property, executing a commission agreement separate from the sales contract requiring a \$135,000 “consulting fee” to be paid to Medicine Creek Consulting at closing. Mr. Todd operated as the buyer’s agent. The buyer was Grace Todd, a relative of Mr. Todd.

In another case, Mr. Todd executed a contract to buy a Greeley residence for \$425,000 that included a \$72,250 consulting fee to Medicine Creek consulting. The buyer was Mr. Todd’s mother-in-law. Steve Boyer was the listing agent. Mr. Boyer’s suspension was a result of his participation in this transaction.

“This type of unscrupulous activity contributes to our high foreclosure rate by artificially inflating property values,” said Erin Toll, Director of the Colorado Division of Real Estate. “The Division of Real Estate is aggressively pursuing illegal activities that could lead to foreclosures, especially in Weld County, which has one of the highest foreclosure rates in the nation,” she said.

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment. Consumer protection is our mission.

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