United States General Accounting Office 146650

GAO

Testimony

Before the Subcommittee on Oversight and Investigations
Committee on Energy and Commerce
House of Representatives

146650

For Release
on Delivery
Expected at
10 a.m. EDT
Wednesday
May 13, 1992

# RURAL RENTAL HOUSING

# Excessive Profits and Program Abuses in Multifamily Housing

Statement of Judy A. England-Joseph, Director,
Housing and Community Development Issues,
Resources, Community, and Economic
Development Division

054358/146650

GAO/T-RCED-92-63

GAO Form 160 (12/91)
OPR:OIMC/PCC

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the results of our work for this Subcommittee on the Farmers Home Administration's (FmHA) rural rental housing program. Under this program, FmHA provides loans to developers to build multifamily housing projects for low-income tenants in rural areas.

Concerned about the program, you asked us to examine two issues: (1) whether developers are receiving more federal financial assistance than is necessary to encourage the construction of these projects and (2) whether there are indications of fraud and abuse in the multifamily housing program by project developers or managers.

In summary, regarding the first issue, we believe that developers are receiving more federal financial assistance than is necessary to encourage the construction of multifamily housing projects. This situation exists because developers are able to combine FmHA's assistance (construction profit and overhead) with the Low-Income Housing Tax Credit. These benefits are awarded to projects by different administering agencies--FmHA and state tax credit allocation agencies--without oversight of the total amount of benefits provided to individual projects.[1] While provisions in

[1]In 1989, we testified how developers combined similar benefits, including tax credits, under the Department of Housing and Urban Development's (HUD) Moderate Rehabilitation Program to realize returns that greatly exceeded the cost of acquiring and rehabilitating projects.

the HUD Reform Act ~~of 1989~~ require FmHA to limit assistance provided to developers, FmHA (1) does not consider the financial benefits of tax credits when reviewing such assistance, and (2) is limited, under existing program statutes, in their ability to compensate for any excessive profits. Our analysis of three projects in FmHA's multifamily housing program showed that developers received excessive profits to build the projects--profits representing returns of 780 to 970 percent on the developers' initial cash investment. FmHA officials acknowledged that returns of this magnitude are excessive but that they are generally typical of the proceeds available to developers.

Regarding the second issue, as you know, we did not conduct our own investigation of fraud and abuse in the FmHA multifamily housing program. As agreed, we are providing you details concerning the general scope and subject matter of ongoing United States Department of Agriculture's (USDA) Office of Inspector General (OIG) investigations in this program. Based on our review of OIG's records and discussions with OIG officials, FmHA's multifamily housing program is high risk and subject to fraud and abuse. Fraudulent and abusive activities involve overstating construction costs, overcharging for project management and maintenance fees, and misusing or diverting project funds. Such activities are not new to the program and have been reported by the OIG over the years on a continuous basis. Within the last 5 years, the OIG's efforts have resulted in 35 indictments and 26 convictions against FmHA multifamily developers and project managers. FmHA officials acknowledge that its multifamily housing program is high risk and that, in the program, fraud and abuse and the opportunity for them are significant. Fraudulent and abusive activities exist because sufficient internal controls and trained staff are not present or available to detect and prevent these activities. FmHA is taking action to strengthen its internal controls, which should help minimize such activities in the future.

Before I discuss the results of our work in more detail, I believe it would be useful to first describe FmHA's multifamily housing program and developers' use of tax credits.

## FMHA'S MULTIFAMILY HOUSING PROGRAM AND TAX CREDITS

Section 515 of the Housing Act of 1949, as amended, authorizes FmHA to provide loans to build, purchase, repair, and operate multifamily housing projects for low-income tenants in rural areas. These loans are usually 97 percent of the project's cost or value, whichever is less. The remaining 3 percent represents the developer's cash downpayment. The loans have subsidized interest rates of 1 percent in most cases and must be repaid in 50 years or less. In addition, rents for tenants who qualify can be subsidized either through FmHA's or HUD's rental assistance programs.

The section 515 multifamily housing program became operational in 1963 when two loans totaling $117,000 were made. By the end of fiscal year 1991, FmHA had made loans totaling $11.5 billion for about 400,000 units. The annual funding of the program over the past 5 years has been about $570 million for 750 loans each year.

The section 515 program is very popular with developers, as evidenced by the fact that FmHA has a list of approved projects that are awaiting funding. As of January 1992, 1,143 eligible project applications totaling about $1.2 billion are awaiting funding. This is about double the amount of funding available annually for the program.

In addition to the financial assistance FmHA provides to developers, there is a second layer of financial assistance that the federal government uses to promote investment in housing for low-income families. This second layer of financial assistance is the Low Income Housing Tax Credit. The tax credit was initially authorized in the Tax Reform Act of 1986 as a 3-year program. The program has been extended and is currently set to expire on June 30, 1992. The Administration's budget proposal for fiscal year 1993 would extend the tax credit for 18 months through December 31, 1993.

The tax credit was intended to provide incentives for private investment in housing for low-income families at a time when many other tax benefits for real estate development, such as accelerated depreciation, were eliminated. State housing agencies were charged with the responsibility for establishing an allocation process to parcel out tax credits. For FmHA multifamily housing projects, the amount of tax credit is computed at about 4 percent of the cost of project development (excluding land costs). The 4 percent credit is provided annually for 10 years and provides a dollar-for-dollar reduction in tax liability. Ownership interests in projects eligible for the tax credit are commonly sold by the developer through syndicators to investors. In this way the developer, through syndicators, converts future tax credits into immediate cash.

## LAYERING OF FMHA LOANS AND TAX CREDITS RESULTS IN EXCESSIVE PROFITS FOR DEVELOPERS

At your request, we reviewed three newly constructed projects that are typical of FmHA's multifamily housing program. Our analysis showed that developers' proceeds were $247,000 for a 24-unit project, $338,000 for a 44-unit project, and $449,000 for a 40-unit project to build the projects and place them in operation. Because of the small initial cash investment required by FmHA--only 3 percent of the cost of project development--developers of the three projects were able to achieve returns of almost 8 to 10 times their initial investment. These returns were a direct result of combining FmHA's financial assistance with proceeds from selling tax credits to private investors. By combining government financial assistance in this manner, developers were able to realize such returns on limited investments, while undertaking very little risk.

## FmHA Does Not Consider Financial Benefits of Tax Credits to Developers Prior to Its Lending Decisions

In 1989, we pointed out how developers combined similar benefits under HUD's Moderate Rehabilitation Program to realize returns that greatly exceeded the cost of acquiring and rehabilitating projects.[2] Our work at that time indicated that this situation evolved because there was little or no centralized oversight of the total amount of financial assistance awarded to individual projects by different agencies. Subsequently, the Congress passed the HUD Reform Act of 1989, which required HUD and FmHA--after taking into account assistance from all federal, state, and local sources--to certify that the assistance they provide to

[2] Project Developer Cash Flows Under HUD's Section 8 Moderate Rehabilitation Program (GAO/T-RCED-89-58, Aug. 2, 1989) and Improving the Efficiency of Federal Housing Subsidies (GAO/T-RCED-89-72, Sept. 29, 1989).

any project is no more than what is necessary to provide affordable housing.

Although the HUD Reform Act requires FmHA to consider all forms of financial assistance when certifying that its assistance is no more than is necessary, FmHA still does not consider in its certification process the financial benefit of the tax credit. FmHA officials contend that they are unaware of the amount of tax credits received by developers because the credits are generally awarded after FmHA makes the loan and certifies that the amount of assistance is proper. Furthermore, FmHA officials said that they are unable to compensate for any excessive assistance by reducing their loan amount because they are limited by program statutes. Specifically, they pointed out that FmHA is bound by law to accept no more than a 3 percent downpayment on its multifamily housing projects.

## Cash Flow Analyses For Selected Projects Show that Developers Realized Excessive Profits

For the three projects reviewed, appendix I contains detailed schedules of the cash proceeds that developers received by combining FmHA's assistance with tax credits and a summary table of information on the proceeds of the project developers.[3] For these projects, tax credits were $366,630, $669,160 and $585,050 over the 10-year credit period. When developers sold these credits and combined the proceeds with FmHA's assistance, they were able to realize cash proceeds that greatly exceeded the cost of building the projects and placing them in operation. We estimated the developers' returns to be about $247,000 for a 24-unit project, $449,000 for a 40-unit project, and $338,000 for a 44-unit project. On a per-unit basis, the estimated cash returns for the projects were about $10,300, $11,200, and $7,700.

We compared the proceeds from these three projects to the proceeds we calculated for eight projects under HUD's Moderate Rehabilitation Program, which we reviewed in our previous work in 1989. For the HUD projects, we estimated cash proceeds ranging from about $3,600 to $11,400 per unit. The proceeds from the FmHA projects, at $7,700 to $11,200 per unit, are in the same range as those received by HUD developers prior to the HUD Reform Act.

FmHA officials reviewed our three case examples and agreed that they fairly represent the developers' cash proceeds and are generally typical of the proceeds available when tax credits are

---

[3]These schedules use the same format as those used in our previous work in 1989 on developers' proceeds under the HUD Moderate Rehabilitation Program. At that time, the schedules were reviewed by a variety of experts, who agreed that the schedules provided a fair and reasonable basis for estimating cash proceeds received by developers.

combined with the section 515 multifamily housing program. They acknowledged that when assistance provided under the program was combined with the proceeds from tax credits, the total amount of assistance was excessive. About 90 percent of multifamily housing projects now receive tax credits, according to FmHA officials. In total, about $1.5 billion in tax credits have been awarded on section 515 projects from 1987 (the first full year these credits were provided) through 1991.[4] FmHA made about $3 billion in new loans under the section 515 multifamily housing program during the same time period.

Mr. Chairman, before closing our discussion on this issue, I would like to point out that FmHA developers are able to achieve these substantial proceeds with relatively small cash investments and at low risk. Because FmHA developers are only required to make a 3 percent downpayment, their cash investments on the three projects were $26,000, $44,000 and $46,000, and the developers received returns of 950, 780, and 970 percent, respectively, on these cash investments. The small investment along with the 50 year loans at 1 percent and other subsidies, such as rental assistance, makes FmHA projects both low risk and highly profitable for developers.

[4]Total tax credit amount over the 10-year credit period.

## FRAUD AND ABUSE EXIST IN FmHA'S MULTIFAMILY HOUSING PROGRAM

Mr. Chairman, for the second issue, you asked us to determine if there are indications that fraud and abuse exist within FmHA's multifamily housing program. Our review of USDA OIG files and discussions with OIG officials indicate that fraudulent and abusive activities are being perpetrated by project developers and managers. The fraud has included such activities as inflating construction costs, diverting construction materials, and using project funds improperly. These activities are not new; in fact, they have been a recurring problem for years. The record of criminal convictions by USDA's OIG and its ongoing investigations of alleged fraudulent activities demonstrate that the program is high risk and is subject to fraud and abuse. Both FmHA and OIG officials have characterized the program as high risk and have stated that fraud and the opportunity for fraud are prevalent throughout a project's construction phase and its management operations. The causes of these fraudulent activities primarily involve inadequate internal controls and insufficient staff. Although FmHA has begun to initiate corrective actions, these fraudulent activities persist and continue to be highlighted in USDA's OIG reports.

## FRAUDULENT ACTIVITIES ARE OCCURRING THROUGHOUT THE PROGRAM

Within the last 5 years, the OIG has conducted 45 criminal investigations of alleged fraud in the program. These investigations have resulted in 35 indictments and 26 convictions. (See appendix II.) As of March 30, 1992, the OIG was conducting 65 criminal investigations of alleged fraud. These investigations involve 52 developers and 13 project managers in 31 states.

At your request, Mr. Chairman, we reviewed the information on five ongoing investigations to obtain an understanding of the types of alleged fraud currently being investigated. While, these investigations were initiated in three states, they encompass a total of 198 projects located in 34 states. According to OIG and FmHA officials, these cases are representative of the fraudulent activities occurring in the program. One case involves alleged fraudulent activities during construction that includes inflating building costs and diverting construction materials to non-FmHA projects. The remaining four cases involve alleged fraudulent activities by project managers, in particular, inflating operating and maintenance costs and misusing or diverting project funds.

## Fraud Involving Construction

Fraud during a project's construction can be accomplished through a variety of methods. One such method can occur when a developer has a financial interest in another company or subcontractor involved in the project. Such an arrangement, called an "identity of interest," generally exists for the purpose of inflating project costs or profits.

For one case we reviewed, a developer is suspected of inflating costs and profits on rural rental housing projects he built. In this case, the developer is accused of using another general contractor and several subcontractors in which he had an identity of interest. Other companies involved in the construction of these projects were alleged to be fictitious, existed only on paper, and had no employees, equipment, or places of business. These companies were established for the alleged purpose of layering construction expenses that subsequently increased the developer's profit. As a result of these alleged fraudulent activities, the developer fraudulently acquired about $117,000. In the same case, the developer also allegedly diverted enough construction material purchased for the FmHA project to build personal residences.

OIG officials stated that this case is typical of construction fraud and they acknowledged that such activities are not new. For example, in 1985 the OIG reported that a company constructing several projects defrauded FmHA by falsifying costs and substituting inferior materials. Similarly, the following year, two other developers, in constructing 12 multifamily housing projects, defrauded FmHA of over $1,067,000 by inflating subcontractors' costs and using loan funds to pay subcontractors for work on non-FmHA construction projects.

According to the OIG, such schemes and methods to defraud the multifamily housing program go back as far as the early 1980s, when the OIG issued a bulletin outlining such scams. While the OIG has reported on fraud during project construction, other instances have surfaced involving the management of projects.

## Fraud Involving Project Management

Fraud involving project management usually entails either falsely inflating operating and maintenance costs or misusing or diverting project funds. Four cases we reviewed demonstrate some of the various schemes project managers can use to defraud the project and FmHA.

One such scheme involves inflating maintenance and operating costs through the use of identity of interest companies. These companies provide a vehicle through which the project manager can produce inflated bills and invoices for payment. In one case we reviewed, the project manager allegedly committed fraud for almost 5 years by falsely inflating maintenance and supplies costs that were 70 to 107 percent above actual cost. This resulted in the projects paying approximately $175,000 in inflated billing for painting and cleaning expenses. By increasing the operating expenses of the projects, this type of scheme results in FmHA providing a greater rental subsidy to the project to meet the increased expenses and maintain rents at the appropriate level for low-income families.

The misuse or diversion of various project funds is another common means of fraud. For FmHA's multifamily housing projects, the loan agreement requires each project to maintain a number of operating and reserve accounts. Fraud is committed when a project manager makes unauthorized withdrawals from these accounts or fails to make the required deposits. For example, in one of the five cases, a project manager allegedly diverted from reserve accounts for 21 projects around $600,000 for his personal use. This alleged diversion went undetected by FmHA officials until the borrower voluntarily confessed. FmHA officials were surprised at this disclosure because the project manager was considered one of the most reliable in their state.

For another investigation we reviewed, the project manager allegedly diverted an estimated $153,000 in rental income from 22 multifamily housing projects located in three states. There were no funds left in the projects' reserve accounts, nor in the accounts for tenant security deposits, property taxes, or insurance. For the 22 projects under the project manager's control, repairs needed because of deferred maintenance were estimated by FmHA at around $226,000, unpaid real estate taxes totaled about $111,000, and unpaid bills totaled $12,000.

As with the cases of fraud involving construction, OIG reports for some time have brought to light fraud involving project managers who overbill or misuse project funds. For example, in 1987, a project manager diverted over $45,000 in loan funds from project accounts for his own personal use. In another case, in 1991, a project manager diverted $180,000 in unauthorized loans to himself from several project accounts. Additionally, this case revealed that the manager took another $185,000 from HUD-financed projects that were also under his management.

## Multifamily Housing Program's Risk and Vulnerability

FmHA and USDA's OIG officials acknowledge that the multifamily housing program has been and continues to be high risk and vulnerable to fraud and abuse. These officials had several explanations for why fraud exists throughout the program.

FmHA's Assistant Administrator for Housing acknowledged that fraud and abuse of the multifamily housing program does exist and characterized the problem as significant but not rampant or widespread. USDA's OIG officials expressed even greater concern over the extent to which fraud and abuse occur throughout the program. They described it as rampant or, at the very least, pervasive. In fact, two OIG investigation officials considered the fraud within FmHA's housing program to be comparable to the scandals that rocked HUD in the late 1980s.

Internal Controls
Needed to Prevent Fraud

FmHA and OIG officials cited a number of reasons for why the multifamily housing program is plagued by fraud. The most frequently mentioned reason was inadequate internal controls. According to the OIG, the absence of these controls is the primary reason why one project manager was allegedly able to defraud the project and FmHA for almost 5 years. The OIG believes that the lack of adequate internal controls is a systemic problem for FmHA and that until such controls are established, fraud and abuse will continue. Furthermore, FmHA officials acknowledged that inadequate internal controls are commonplace within the program as revealed by past and current audits and investigations conducted by the OIG.

These same officials also stated that fraud and abuse occur because the program is very complex and extremely lucrative. These officials stated that the complexity of the program requires highly qualified and well-trained staff. FmHA officials commented that FmHA employees responsible for overseeing the program get, at best, only about 1 week of training a year, which is inadequate if they are to effectively oversee project activities and ensure that fraud and abuse are detected in a timely manner.

FmHA officials stated that with the help of the OIG, they are in the process of revising regulations that address fraud and abuse. According to these officials, revised regulations will particularly address cost overruns, the use of identity of interest companies, and noncompliance with the loan agreements' requirements involving project funds.

## CONCLUSIONS

Mr. Chairman, FmHA does not consider the financial benefits realized by developers through tax credits when approving multifamily housing loans. Moreover, even if FmHA were to consider tax credit benefits, FmHA is limited in its ability to offset any excessive profits that may result because existing program statutes limit the amount of the cash downpayment it can require from developers. Consequently, despite the HUD Reform Act's attempt to limit the amount of financial assistance received by developers from all sources, developers of section 515 multifamily housing projects continue to receive excessive profits. Allowing FmHA the flexibility to require larger cash downpayments from its developers would not only result in eliminating excessive profits received by developers, but would free FmHA loan funds for use in constructing additional low-income housing.

USDA OIG's criminal investigations over the last five years and current ongoing criminal investigations related to alleged construction and project operating fraud in the section 515 multifamily housing program should send a clear message that effective internal controls are needed to better protect this high risk program. These controls are necessary to ensure that reported project costs are valid and that FmHA's interest in the projects is secure. FmHA is in the process of revising their regulations to address the internal control weaknesses that exist. We believe that these changes, if properly implemented, will help prevent and detect instances of fraud and abuse in FmHA's multifamily housing program.

RECOMMENDATION TO THE CONGRESS

Mr. Chairman, we recommend that the Congress take the necessary steps to eliminate the excess profit opportunities now available to developers under FmHA's section 515 multifamily housing program. Some alternatives for doing this would be to (1) eliminate the maximum downpayment requirement on section 515 multifamily housing loans so that developers have more equity in the project, (2) restrict FmHA section 515 projects from receiving tax credits, or (3) institute some combination of both. Since the tax credit is set to expire in June 1992, Congress may wish to consider this matter in its deliberations on renewing tax credits.

- - - - -

Mr. Chairman, this concludes my statement. We would be pleased to respond to any questions that you or Members of the Committee may have.

## THREE DEVELOPERS' ESTIMATED CASH FLOW SOURCES AND USES OF FUNDS

### Schedule 1: Developer's Cash Flow for the 24-Unit Village Apartments of St. Joseph II in St. Joseph, Illinois

**Sources of Funds**

| | | | |
|---|---|---|---|
| (A) | FmHA loan (closing date 11/1/90) | $840,900 | |
| (B) | Tax credit syndication proceeds[a] | 164,983 | |
| (C) | Owner's contribution | 26,010 | |
| (D) | Total sources of funds | | $1,031,893 |

**Uses of Funds**

| | | | |
|---|---|---|---|
| (E) | Construction costs | $759,041 | |
| (F) | FmHA-allowed profit and overhead | 115,378 | |
| (G) | Total development costs | $874,419 | |
| (H) | Total uses of funds | | $874,419 |

**Proceeds to Developer at Completion of Development**

| | | |
|---|---|---|
| (D) | Total sources of funds | $1,031,893 |
| (H) | Less: Total uses of funds | (874,419) |
| (F) | Add back: FmHA-allowed profit and overhead | 115,378 |
| (C) | Deduct: Owner's contribution | (26,010) |
| | Estimated proceeds to developer | $246,842 |
| | Estimated proceeds to developer per unit (24 units) | $10,285 |
| | Construction costs per unit (24 units) | $31,627 |

[a]The cash value of tax credits is based on syndication (sale of ownership interest). Actual tax credits awarded were $366,630 on March 29, 1991.

Note: The borrower is also required to contribute 2 percent of estimated development costs to provide operating capital for the project. These funds are returned to the borrower 2 to 5 years after the project has begun to operate, whenever sufficient funds are available in the operating account. The borrower may also use a letter of credit to satisfy this requirement.

## Schedule 2: Developer's Cash Flows for the 44-Unit Sylacauga Heritage Apartments in Sylacauga, Alabama

### Sources of Funds

| | | | |
|---|---|---|---|
| (A) | FmHA loan (closing date 4/30/91) | $1,406,500 | |
| (B) | Tax credit syndication proceeds[a] | 245,721 | |
| (C) | Owner's contribution | 43,500 | |
| (D) | Total sources of funds | | $1,695,721 |

### Uses of Funds

| | | | |
|---|---|---|---|
| (E) | Construction costs | $1,314,422 | |
| (F) | FmHA-allowed profit and overhead | 135,582 | |
| (G) | Total development costs | $1,450,004 | |
| (H) | Total uses of funds | | $1,450,004 |

### Proceeds to Developer at Completion of Development

| | | |
|---|---|---|
| (D) | Total sources of funds | $1,695,721 |
| (H) | Less: Total uses of funds | (1,450,004) |
| (F) | Add back: FmHA-allowed profit and overhead | 135,582 |
| (C) | Deduct: Owner's contribution | (43,500) |
| | Estimated proceeds to developer | $337,799 |
| | Estimated proceeds to developer per unit (44 units) | $7,677 |
| | Construction costs per unit (44 units) | $29,873 |

[a]The cash value of tax credits is based on syndication (sale of ownership interest). Actual tax credits awarded were $585,050 on July 2, 1991.

Note: The borrower is also required to contribute 2 percent of estimated development costs to provide operating capital for the project. These funds are returned to the borrower 2 to 5 years after the project has begun to operate, whenever sufficient funds are available in the operating account. The borrower may also use a letter of credit to satisfy this requirement.

## Schedule 3: Developer's Cash Flow for the 40-Unit Elk Court Apartments in Elkin, North Carolina

### Sources of Funds

| | | | |
|---|---|---|---|
| (A) | FmHA loan (closing date 1/28/91) | $1,498,514 | |
| (B) | Tax credit syndication proceeds[a] | 306,207 | |
| (C) | Owner's contribution | 46,346 | |
| (D) | Total sources of funds | | $1,851,067 |

### Uses of Funds

| | | | |
|---|---|---|---|
| (E) | Construction costs | $1,355,401 | |
| (F) | FmHA-allowed profit and overhead | 189,959 | |
| (G) | Total development costs | $1,545,360 | |
| (H) | Total uses of funds | | $1,545,360 |

### Proceeds to Developer at Completion of Development

| | | |
|---|---|---|
| (D) | Total sources of funds | $1,851,067 |
| (H) | Less: Total uses of funds | (1,545,360) |
| (F) | Add back: FmHA-allowed profit and overhead | 189,959 |
| (C) | Deduct: Owner's contribution | (46,346) |
| | Estimated proceeds to developer | $449,320 |
| | Estimated proceeds to developer per unit (40 units) | $11,233 |
| | Construction costs per unit (40 units) | $33,885 |

[a]The cash value of tax credits is based on actual proceeds received by the developer following syndication (sale of ownership interest). Actual tax credits awarded were $669,160 on July 9, 1991.

Note: The borrower is also required to contribute 2 percent of estimated development costs to provide operating capital for the project. These funds are returned to the borrower 2 to 5 years after the project has begun to operate, whenever sufficient funds are available in the operating account. The borrower may also use a letter of credit to satisfy this requirement.

Table I.1: Summary of Developers' Proceeds for Rural Rental Housing Projects

| | Village Apartments | Elk Court Apartments | Sylacauga Heritage |
|---|---|---|---|
| Number of units | 24 | 40 | 44 |
| Construction cost | $759,000 | $1,355,000 | $1,314,000 |
| Developer's downpayment | $26,000 | $46,000 | $44,000 |
| Estimated proceeds to developer | $247,000 | $449,000 | $338,000 |
| Proceeds per unit | $10,300 | $11,200 | $7,700 |

# CRIMINAL INVESTIGATIONS OF THE MULTIFAMILY HOUSING PROGRAM BY THE U.S. DEPARTMENT OF AGRICULTURE'S OFFICE OF INSPECTOR GENERAL 1987 TO 1992

Table II.1: Criminal Investigations of the Multifamily Housing Program by the U.S. Department of Agriculture's Office of Inspector General, 1987 to 1992

| | Number |
|---|---|
| Criminal investigations completed | 45 |
| Indictments | 35 |
| Convictions | 26 |
| Criminal investigations ongoing | 65 |

(385322)