

My Story and Impact of Predatory Lending by NAB and ANZ Bank.

I grew up in Victoria and started an arboricultural business in 1978, which I ran for 21 years. In 1999 I moved to Queensland. I was keen to invest in real estate and in 2001 I purchased my first ever property. Over the next few years my property portfolio expanded quickly and spruikers encouraged to borrow as much as possible as an investment strategy. I mainly bought land, which had no income but was achieving strong capital growth. I wanted to grow my investments to secure my retirement.

In 2005 I went to a broker wanting to borrow about \$250,000. A finance company lent me \$240,000. I was unaware NAB had knocked back my application. 3 months later I got a call from the broker who told me that NAB was willing to lend me \$650,000 at 80% loan to value ratio. My properties were vacant land with no income.

NAB FRAUD

NAB is required by law to supply a copy of my Loan Application Form, but NAB claimed they lost it. I then asked NAB for my figures recorded on their computers. NAB refused, so I went to the Privacy Commissioner, who got this chart from them. My comments in red.

Self-Employed Income		Year 1 (Oldest)	Year 2 (Recent - < 18 mths)
NAB was not able to say what years exactly			
Gross Business Income	NAB Fraud Fictitious figures.	\$214,235.00	\$263,935.00
Less Expenses		\$81,092.00	\$108,127.00
Net Income/Loss		\$133,143.00	\$155,808.00
Plus Depreciation		\$81.00	\$228.00
Plus Interest		\$0.00	\$0.00
Plus Lease	I had no lease income	\$44,000.00	\$60,000.00
Total Taxable Income		\$177,224.00	\$216,036.00
Less Tax Paid		\$72,721.00	\$91,474.00
Net Income/Loss After Tax		\$104,503.00	\$124,562.00
Average Net Monthly Income Over a Two Year Period			\$9,544.38

NAB claimed my total gross income for 'Year 2' was \$323,935
According to the tax returns I gave NAB, my gross income in the years prior to taking out the loan in 2004 averaged less than \$50,000. NAB forged my gross income, increasing it by about 700%.

NAB gave me the above table (my comments are in red). NAB refused to give me anymore information. The NAB fraudulently increased my income by about 700%, without my knowledge after I signed the loan application form (LAF). They claimed my total Gross income was \$323,935 when my income was under \$50,000.

When I asked for my personal information (including loan application form) they just fast tracked the sale of the properties. The NAB sold nine blocks of land we owned without notifying me or my family. NAB sold the land quickly to avoid a compensation claim for maladministration in lending.

When I lodged complaints with FOS about the NAB they refused to investigate them and allowed NAB to sell my properties. In my experience FOS is particularly corrupt because they are paid by the bank.



My only hope of justice was through protest. (Broadbeach NAB Bank branch.)

ANZ Fraud and Predatory Lending

I borrowed from the ANZ in 2006. In 2008 I borrowed again from ANZ when I bought my home in March and two other houses for investment in July. I also borrowed again to renovate in November. At this point I had five loans with the ANZ bank. In 2010 I also refinanced a loan.

I faced financial difficulties in 2011 because of an illness and a property downturn and by 2012 was no longer able to pay my loan payments as my income was insufficient. By 2013 I thought bankruptcy would be my only option. I was recommended to contact Denise Brailey (BFCSA support group), who told me about predatory lending and advised me to get a copy of my loan application forms (LAFs) from my lenders. ANZ sent me the documents with half the pages missing and refused to send the rest, presumably because of incriminating evidence. I lodged complaints with ASIC, Financial Ombudsman Service (FOS) and the Privacy Commissioner but they all refused to compel ANZ to provide the missing pages.

On the pages I did receive, I was shocked to find there was extensive fraud contradicting the tax returns I gave them.

1. ANZ inflated my income by nearly 400%.
2. ANZ understated my liabilities by 74%.
3. ANZ even failed to include my ANZ mortgages & ANZ credit card loans as liabilities.
4. ANZ left out other liabilities and expenses including a NAB loan and a B H Knowles loan. There was also no provision for Council rates on the properties.
5. ANZ falsley stated I was a real estate agent (not a property investor).

ANZ fraudulently altered my Income and Expenses by 400%

NOT my handwriting: **ANZ Fraud!**

**Correct
Figures**

\$1,604,000 →

\$429,000 →

Loan Application - Personal Statement of Financial Position

Total Assets (1)	\$2,033,000	Total net monthly income (3)	\$13,202
Total Liabilities (2)	\$416,000	Total net monthly expenditure (4)	\$4,942
Net Assets (=1-2)	\$1,617,000	Customer stated unaccounted directly income (=3-4)	\$8,260

*Excludes repayment for this facility

The totals must be consistent with details provided and submitted in the online application by the ANZ Mortgage Solutions Representative.

No Genuine Savings Borrowers Contribution Acknowledgement & Declaration

When the "Details of Contribution" field is completed, I/we declare that I/we wish to apply for lending under the ANZ No Genuine Savings Policy, and confirm the following:

- Any contribution that I/we will make towards the purchase price of the property or the amount to be refinanced with ANZ from another financial institution and which is provided in support of my/our loan application has not, directly or indirectly:
 - resulted from or arisen out of, any illegal activity; or
 - been obtained through a loan which is unsecured; or
 - been obtained from a gift that is repayable.
- I/we acknowledge that:
 - ANZ will determine whether to approve my/our loan application; and
 - ANZ's lenders mortgage insurer will determine whether to issue a mortgage insurance contract in respect of my/our loan, in reliance upon the information I/we have provided in this Acknowledgement and Declaration and the information provided in connection with my/our loan application.

Details of Contribution

**Correct
Figures**

\$3,461 monthly income
in 2007 tax return

\$19,202 monthly
expenses

PAGE 2/19 * RCVD AT 10/12/2008 12:11:22 PM [AUS Eastern Daylight Time] * S/R: FAXAU102FRM05/11 * DNS: 94383697 * CSID: +61 7 55022994 * DURATION (mm:ss): 47:34

I lodged a complaint with FOS. ANZ wrote to the FOS and said that my expenses were \$11,385 and not the \$4,942 they had stated in the loan application forms. I counted nine different expense figures referring to my 2008 loans on ANZ documents and letters. ANZ was obviously pulling figures out of the air.

ANZ falsified my documents, understating liabilities by 74%

Liabilities

ANZ Fraud

Liability Type	Description	Liability Limit	Amount Owning	Joint Owner?
ANZ Mortgages	EQM	\$72,000.00	\$0.00	No
ANZ Credit Cards	456462100276601	\$5,000.00	\$0.00	No
Other Fin Inst Credit/Store Cards		\$30,000.00	\$0.00	No
ANZ Mortgages	ANZ HOME LOAN	\$416,000.00	\$416,000.00	No
ANZ Mortgages	EQM APPROVED 26/7/2008	\$85,500.00	\$0.00	No
Total:			\$416,000.00	

Correct Figures

\$64,236.85

\$10,000

\$100,000

Total Liabilities were
\$1,604,000
(nearly 400% higher)

ANZ did not list my other ANZ loans and other liabilities.

See below:

ANZ Mortgage 3648-30873 not listed above - \$82,438.50

ANZ Mortgage 648-61266 not listed above - \$87,961.50

ANZ credit cards not listed above - \$45,008.00

NAB Loan not listed above - \$638,813.79

BH Knowles Loan not listed above - \$215,472.61

FOS said they could see no evidence of fraud despite the fact that they accepted I had given ANZ my tax returns and that ANZ had used different conflicting figures.

ANZ Fraud - increased my income by nearly 400% and changed my personal details.

Current Employment Type:	Full Time Employment
Current Occupation Group:	Sales
Current Occupation:	Real Estate Agent/Manager
Current Employer Type:	Private Sector
Current Employer Name:	GOOMAI GUBERI JALUMBA P/L 92 098 683 375
Current Employer Address:	MAUDSLAND RD, MAUDSLAND, QLD
Current Employer Contact Number:	0408332057
Current Time At Employment:	8 Years, 0 Months
Current Gross Monthly Income:	\$16,000.00
Current Net Monthly Income:	\$12,000.00
Income Verified:	No
Is Employee under a Probation Period?:	No

The correct information I gave the ANZ is below.

Property Investor

NOT a real estate agency.

\$4,553 in my 2007 tax return supplied to ANZ
\$3,461 in my 2007 tax return supplied to ANZ

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Original chart from 'ANZ Online Applications - All details' for PAUL HERMAN

Unfortunately FOS sees no evil and turns a blind eye to fraud. FOS deceptively masquerades as an Ombudsman service. They are really an advocate for the Banks and they betray people who are victims of bank crimes.

ANZ Fraud: ANZ increased my income and left out ANZ loans as well as other bank loans so that my expenses appeared lower.

ANZ Online Applications - All Details

Net Monthly Income

Income Type	Stated Amount	Income Verified?
PAYE for PAUL MARK HERMAN	\$12,000.00	No
Rental	\$1,202.00	No
Total	\$13,202.00	

Falsified information

\$3,461 as stated in 2007 tax return supplied to ANZ.

Expenses

Expense Type	Description	Declared Amount
Total Living Expenses		\$940.00
Other Loans at ANZ	L-EQM	\$0.00
Credit/Store Cards	L- 456462100276601	\$0.00
Credit/Store Cards	L-	\$900.00
Other Loans at ANZ	L-ANZ HOME	\$3,102.00
Other Loans at ANZ	L-EQM APPROVED	\$0.00
Total		\$4,942.00

Correct figures

\$2,000

\$2,800

\$3,500

Loans not listed:

NAB loan - \$4,000

B H Knowles Loan - \$1,900

Council Rates - \$1,000

\$19,202 (nearly 400% higher)

Original chart from 'ANZ Online Applications - All details' for PAUL HERMAN

It was obvious FOS was working for the ANZ. So to get justice without the time and expense of court action I **decided to take the law into my own hands and conduct a citizen's arrest on the ANZ bank. On the 28-6-16 I put a chain around a pylon at the Miami branch and handcuffed the ANZ Bank. I read ANZ Bank its right to remain silent and read the ANZ Bank the charges of fraud.** Channel Nine attended and ran the story on the evening news.



Video of when I arrested the ANZ Bank.

The impact of predatory lending on me personally.

NAB and ANZ lent me far more money than I was able to repay. I had always repaid my debts and had almost never been late with a payment. The personal impact on me was:

- When I found myself unable to make the repayments, I worked doubly hard to try to rectify the situation.
- I was very stressed and very frightened because I could not make my repayments.
- I eventually became seriously ill with repeated bouts of pneumonia.
- I borrowed \$200,000 from my mother who is elderly, trying to gain more time to rectify the situation. This affected my mother who was struggling financially also as a result.
- NAB and ANZ are in the process of trying to liquidate all my assets and presumably want to bankrupt me. It looks like I could lose everything. If they had lent me only what I could afford I would have preserved most of my property portfolio.
- I am continuously hassled by debt collectors, including for my credit cards.
- My life has been on hold for 6 years as I have tried to pay my debts and fought the banks over fraud.
- I have had bitter fights with the Council because I am late with rates.
- There is continuous stress as I try to get justice from a corrupt Financial Ombudsman.
- I have had to develop new strategies to get justice utilising social media and protesting outside banks, making videos etc.
- I have had to go to the media to try to get justice. I am way outside my comfort zone.
- I am living in poverty, still having to borrow money.
- It has seriously affected my personal life, friendships and family.

I have also started a Facebook pages: NAB Fraud Fighters and ANZ Unhappy Customers.

Video of when I arrested the ANZ Bank.