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## Cox Files Charges in Massive Detroit-Area Real Estate Ponzi Scheme

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**LANSING** - Attorney General Mike Cox today announced the early morning arrest of a Grosse Ile woman accused of defrauding dozens of people in a massive real-estate Ponzi scheme. Rita Gosselin, 58, is charged with racketeering and multiple counts of obtaining money under false pretenses for orchestrating numerous fraudulent real estate investments and stealing hundreds of thousands of dollars from Michigan families.

"Taking advantage of Michigan families, especially in today's economy, will not be tolerated," said Cox.

Rita Gosselin was arrested by investigators from the Attorney General's office and the Southgate Police Department at her home early this morning. She is charged with one count of continuing criminal enterprise (racketeering), a 20-year felony, and 3 counts of false pretenses over \$20,000, each a 10-year felony. Gosselin was arraigned this afternoon in the 33rd District Court in Woodhaven before Judge Michael McNally. The court imposed a \$300,000 cash bond and Gosselin is next due in court for a preliminary examination scheduled at 8:30 a.m. on December 15.

Between April 2007 and September of 2008, Gosselin is accused of orchestrating a real-estate investment ponzi scheme in metro-Detroit. Gosselin allegedly enticed investors with claims she was able to purchase foreclosed and distressed properties in bulk and renovate the homes to sell at a profit. Gosselin allegedly promised investors regular monthly payments. As security for these investments, Gosselin allegedly provided investors with promissory notes.

Few investors received any of the payments promised and all lost some, if not all the money they invested. Gosselin's scheme may have taken in as much as half a million dollars from as many as 20 victims.

Attorney General Cox has made prosecuting mortgage and real-estate fraud a priority for his office. In 2008, Cox created a mortgage fraud unit and teamed up with the Michigan State Police and other law enforcement agencies to tackle the problem. Cox's office has also held seven mortgage foreclosure forums to help families stay in their homes during these difficult times.

A criminal charge is merely an accusation and the defendant is presumed innocent unless proven guilty.



-30-

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