



BUTLER COUNTY WOMAN PLEADS GUILTY IN MORTGAGE FRAUD SCHEME

Acting United States Attorney Robert S. Cessar announced today, December 21, 2009, that on December 18, 2009, Karen Atkison, a resident of Butler County, Pennsylvania, pleaded guilty in federal court to a charge of Wire Fraud Conspiracy in connection with a mortgage fraud scheme.

Atkison, age 50, pleaded guilty to one count before United States District Judge Nora Barry Fischer.

In connection with the guilty plea, Assistant United States Attorney Brendan T. Conway advised the court that Atkison participated in a mortgage fraud scheme with a mortgage broker in which they submitted documents to lenders falsely representing that borrowers had made down payments in connection with the closings when, in fact, they had not made down payments. Rather, prior to the closings, Atkison forwarded funds to the mortgage broker, who converted those funds to cashier's checks or certified checks that the broker then brought to the closings. All of that was done to make it falsely appear to the lenders that the borrowers made down payments at the closings.

Judge Fischer scheduled sentencing for April 9, 2010. The law provides for a total sentence of 20 years in prison, a fine of \$250,000, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed is based upon the seriousness of the offense and the criminal history, if any, of the defendant.

The Mortgage Fraud Task Force conducted the investigation that led to the prosecution of Atkison. The Mortgage Fraud Task Force is comprised of investigators from federal, state and local law enforcement agencies and others involved in the mortgage industry. Federal law enforcement agencies participating in the Mortgage Task Force include the Federal Bureau of Investigation; the Internal Revenue Service, Criminal Investigation; the United States Department of Housing and Urban Development, Office of Inspector General; the United States Postal Inspection Service; and the United States Secret Service. Other Mortgage Fraud Task Force members include the Allegheny County Sheriff's Office; the Pennsylvania Attorney General's Office, Bureau of Consumer Protection; the Pennsylvania Department of Banking; the Pennsylvania Department of State, Bureau of Enforcement and Investigation; and the United States Trustee's Office.

Mortgage industry members with knowledge of fraudulent activity are encouraged to call the Mortgage Fraud Task Force at (412) 894-7550. Consumers are encouraged to report suspected mortgage fraud by calling the Pennsylvania Attorney General's Consumer Protection Hotline at (800) 441-2555.

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