



TRAFFORD APPRAISER CHARGED WITH TWO COUNTS OF BANK FRAUD

United States Attorney Mary Beth Buchanan announced today, May 20, 2009, that Perry Berardino of Trafford, Pennsylvania, has been indicted by a federal grand jury in Pittsburgh, Pennsylvania on charges of Bank Fraud.

The two-count indictment named Berardino, age 50.

According to the indictment presented to the Court, Berardino was a licensed appraiser who submitted fraudulent appraisals of real estate that was to serve as collateral for loans. The misrepresentations contained in the appraisals included, among other things, the value of the subject properties, the income the properties were generating, and the condition of the properties. Berardino also compared property sales that were not the most equivalent to the properties that were the subject of the appraisals, and ignored property sales that were more equivalent to the subject property to justify the overstated value of the subject property. He also allegedly failed to include in his appraisals relevant information related to the properties, including, but not limited to the fact that one of the properties was located on Route 28, and that major renovations of the properties were needed before they could be occupied.

Assistant United States Attorney Brendan T. Conway, who presented the case to the grand jury, indicated that the law provides for a maximum total sentence of 60 years in prison, a fine of \$2,000,000, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed would be based upon the seriousness of the offenses and the prior criminal history, if any, of the defendant.

The Mortgage Fraud task Force conducted the investigation leading to the indictment in this case. 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 Investigations; 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.

An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

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