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## Investigation of Alleged Mortgage Fraud Scheme Leads to 83-Count Indictment

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(COLUMBUS, Ohio) – Ohio Attorney General Richard Cordray and the Ohio Organized Crime Investigations Commission announced today details of an investigation which has led to the indictments of 13 people alleged to have perpetrated a \$9 million mortgage fraud scheme involving more than 30 properties in central Ohio.

Benjamin Tubbs, 49, of Pickerington, Kevin Murphy, 50, of Blacklick, and Karl Mullins, 33, formerly of Columbus and now residing in Florida, are alleged to have acted as the mortgage brokers and orchestrators of a scheme to buy and sell houses at highly-inflated prices and to falsify loan documents in order to skim ten of thousands if not hundreds of thousands of dollars from each sale. Tubbs, Murphy and Mullins operated under the business names of Premier Mortgage Funding, North American Real Estate Services, One Residential and other names in a scheme that allegedly netted the group millions of dollars in fraudulent loan proceeds. Tubbs, Murphy and Mullins face charges including engaging in a pattern of corrupt activity, theft, receiving stolen property, and money laundering.

Cynthia Underdew, 53, of Columbus, also alleged to be among the primary orchestrators of the scheme, acted as a loan officer and mortgage loan coordinator for many of the loans involved, though investigators indicate she was not licensed to perform such work. Charges against Underdew include engaging in a pattern of corrupt activity, theft, identity fraud, falsification, and receiving stolen property. Underdew and Tubbs also are alleged to have fraudulently purchased properties using the personal identifying information of other individuals without their authority or permission.

Karen Axline, 48, of Granville, was indicted on charges of engaging in a pattern of corrupt activity and receiving stolen property. Axline operated the now-defunct Granville Title Agency in Granville and is alleged to have colluded with Tubbs, Murphy, Mullins and Underdew in structuring many of the transactions to deceive lenders.

Kevin Gray, 48, of Reynoldsburg, is alleged to have been a co-conspirator who purchased and sold a number of properties and is alleged to have laundered thousands of dollars in illicit proceeds. Charges against him include engaging in a pattern of corrupt activity, theft, money laundering, and receiving stolen property.

Real estate agents Nina Masseria and Tim Arrington of Carriage Trade Realty are alleged to have been involved in four of the sales and each was indicted on a charge of engaging in a pattern of corrupt activity. Appraisers Joseph Colegrove and Scott Walisa and Assistant Appraiser Terri White face charges including engaging in a pattern of corrupt activity, theft, and falsification.

Earron West, 38, of Columbus, allegedly acted as a loan officer in three of the transactions in question and was indicted on charges including engaging in a pattern of corrupt activity, theft, falsification, money laundering, and receiving stolen property. Nina Dearing, 29, of Columbus, is accused of purchasing and selling some of the properties involved and faces charges including engaging in a pattern of corrupt activity, theft, receiving stolen property, and money laundering.

Investigators report that more than 30 loan transactions are at issue in this case and some properties were recycled through multiple fraudulent loan transactions. It is alleged that loan applications and documents were falsified on behalf of borrowers, and that orchestrators made down payments allowing borrowers to secure loans in which tens of thousands of dollars were laundered through fictitious home contractor companies.

Further, most of these loans ended in foreclosure, exacting a detrimental toll on the neighborhoods within which the properties are located. Many of the houses are located in urban areas of Columbus that have experienced a stream of foreclosures in recent years. Some of the properties involved in the transactions in question include homes located at the following Columbus addresses: 988 S. Champion; 57 S. Champion; 1001-1003 Linwood; 1638 Granville; 471 S. Champion; 70 Wilson; 1590 Cordell; 1611 Sullivant; 49 N. Ohio; 932 Bryden; 1227 Bryden; 357 Linwood; 153 Monroe; 1000 Studer; and 256 E. North Broadway. Another home involved in one of the transactions is located at 106 Tar Heel in Delaware.

The indictments come as the result of a multi-agency collaboration among local, state and federal investigators in conjunction with the Ohio Organized Crime Investigations Commission. That collaborative body, known as the Central Ohio Mortgage Fraud Task Force, investigated the case over the past year. The task force is led by the Columbus Division of Police Economic Crime Unit. Other members of the task force include the Office of Inspector General for Housing and Urban Development, the Upper Arlington Police Department, the office of Ohio Attorney General Richard Cordray, the Internal Revenue Service, the U.S. Postal Inspection Service and the office of Franklin County Prosecutor Ron O'Brien.

In addition to the indictments and resulting arrests today of Murphy, Underdew, Gray, Masseria and White, task force partners report that a 2002 Jaguar XJ Sport automobile was seized; the car is

believed to have been purchased with proceeds from the scheme.

To read the indictment, [click here](#). Investigators report that as the investigation continues, more people could be charged.

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