



U.S. Department of Justice

**Stephen J. Murphy
United States Attorney
Eastern District of Michigan**

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For Immediate Release:

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EVENT: Indictment

Defendant: Nishon Johnson

DETROIT RESIDENT INDICTED ON MORTGAGE FRAUD

A Detroit resident was indicted today on two counts of wire fraud for defrauding New Century Mortgage and Countrywide Home Loans, United States Attorney Stephen J. Murphy announced today.

U.S. Attorney Murphy was joined in the announcement by Andrew G. Arena, FBI Special Agent in Charge.

Nishon Johnson, 37, of Detroit, a loan originator, and others were involved in a scheme to defraud mortgage companies. According to the indictment, during 2005 and 2006, Johnson worked with Quick Michigan Mortgage, located in Southfield, to defraud New Century Mortgage and Countrywide Home Loans. After buying a single-family house, Johnson recruited a buyer to purchase the house at an inflated value. Johnson marketed the home as involving no down payments. As alleged in the indictment, Johnson submitted false loan applications to the mortgage companies which overstated the borrower's income, and understated his liabilities. In one case, the alleged borrower was not even aware of the loan, and his signatures were forged. The buyers were not able to pay the monthly mortgage, thus resulting in a loan default and foreclosure.

United States Attorney Stephen J. Murphy said, " When lenders are victimized

by unscrupulous real estate professionals who obtain loans by fraud and deceit, we all suffer -- including the lenders which have fewer assets to lend to deserving families, the borrowers are not able to hold on to their properties and foreclosure follows. These mortgage schemes have devastated our economy. The Department of Justice has made mortgage fraud a priority."

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

The case is being prosecuted by Assistant United States Attorney Christopher Varner.