



## U.S. Department of Justice

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November 5, 2008

### **ROCKFORD LOAN OFFICER CONVICTED OF MORTGAGE FRAUD**

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

Late yesterday afternoon, a federal jury in Rockford returned guilty verdicts against Rockford loan officer **MITCHEL A. FUCHS**, (also known as “Mike Fox”), 41, of Rockford, on fourteen counts of fraud. The jury’s verdict followed a 7-day jury trial.

Fuchs had been indicted on December 18, 2007. Also charged in the indictment were **FRANK G. ANAST**, 59, of Rockford, and **JESSICA L. GIBSON**, 26, of Loves Park, Illinois. Specifically, the indictment alleged that Fuchs, Anast, and Gibson defrauded commercial lenders by causing unqualified loan applicants to receive commercial loans.

The indictment charged that from at least 2002 through approximately August of 2004, Fuchs was employed as a loan officer at Mortgage Solutions, a mortgage brokerage company located at 2222 East State Street in Rockford. From approximately August of 2004 through at least October of 2005, the indictment alleges, Fuchs was employed as a loan officer at Leader Mortgage, located at 1437 Myott Avenue in Rockford. Both Mortgage Solutions and Leader Mortgage earned fees by assisting customers in obtaining mortgage-backed loans from commercial lenders. From approximately February of 2004 through August of 2004, Gibson worked for Fuchs as a loan processor at Mortgage Solutions. During this same time period, Anast was self-employed doing computer work.

The indictment alleged that while he worked at Mortgage Solutions, Fuchs defrauded several commercial lenders by deceiving them into funding loans for unqualified loan applicants. Specifically, the indictment charged that Fuchs caused numerous fraudulent documents to be created and sent to the lenders. Among other things, the indictment alleged that: (1) Fuchs paid Anast to create fictitious pay stubs and W-2s for Fuchs’ loan customers; (2) Fuchs and Gibson falsely altered pay stubs and W-2s for other loan customers; (3) Fuchs and Gibson falsely altered credit reports for Fuchs’ loan customers; (4) Fuchs created fictitious cashier’s checks and official bank checks to falsely show that his loan customers had invested their own funds in the properties they were purchasing; and (5) Fuchs and Gibson created fraudulent investment statements in order to show that loan customers had sufficient funds available to close on the loans they were seeking. The indictment further charged that Fuchs continued to commit fraud after he left Mortgage Solutions and went to work at Leader Mortgage.

According to the indictment, the fraudulent conduct committed by Fuchs, Anast, and Gibson placed various commercial lenders at risk of losing hundreds of thousands of dollars. The indictment further stated that Fuchs profited from the scheme by earning commissions on loans he arranged for unqualified applicants.

Fuchs was convicted of thirteen counts of wire fraud and one count of interstate carrier fraud. Each of the wire fraud and interstate carrier fraud charges carries a maximum penalty of up to 20 years imprisonment and a fine of up to \$250,000. Fuchs' actual sentence will be determined by the United States District Court, guided by the United States Sentencing Guidelines.

The sentencing hearing for Fuchs is scheduled for Wednesday, February 4, 2009, at 2:30 p.m. The sentencing hearing will be conducted by United States District Judge Frederick J. Kapala at the federal courthouse in Rockford.

Anast pled guilty to one count of wire fraud on February 21, 2008. Gibson pled guilty to one count of wire fraud on May 9, 2008. The sentencing hearings for both Anast and Gibson will be conducted by Judge Kapala on Friday November 14, 2008.

The case was investigated by the Rockford office of the FBI, with assistance from the Rockford Police Department. The case is being prosecuted in federal court by Assistant United States Attorneys SCOTT A. VERSEMAN and JOHN G. MCKENZIE.

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