



# Department of Justice

United States Attorney David E. Nahmias  
Northern District of Georgia

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CONTACT: Patrick Crosby

(404)581-6016

FAX (404)581-6160

## **PERPETRATOR OF \$14 MILLION INVESTMENT FRAUD SCHEME SENTENCED TO PRISON**

### *Anthony Christou Going To Federal Prison For Nearly Ten Years*

Atlanta, GA - ANTHONY G. CHRISTOU, 57, of Dunwoody, Georgia, was sentenced today to over 9 years in federal prison by United States District Judge William S. Duffey on charges of wire fraud and money laundering arising from a multi-million dollar investment fraud scheme.

United States Attorney David E. Nahmias said, "Today's sentence reflects the seriousness of this awful crime, which disrupted the lives and financial security of numerous victims. He took in over \$30 million over the years, all based on lies. In the end, the losses were almost \$15 million. We hope this case sends two messages: First, perpetrators of these egregious crimes will face prosecution and prison. Second, if someone solicits you to invest or lend money for a business venture, even if you know the person, please protect yourself and diligently research the investment."

IRS-Criminal Investigation Special Agent In Charge Reginael D. McDaniel said of today's sentence, "This case is an example of someone dangling the promise of big bucks to lure investors into giving up their hard-earned money. The sentence for this defendant is just punishment for a very egregious crime."

CHRISTOU was sentenced to nine years, nine months in prison to be followed by three years of supervised release, and was ordered to pay \$14.3 million in restitution. CHRISTOU was found guilty of four counts of wire fraud and three counts of money laundering following a two week trial in February 2008.

According to United States Attorney Nahmias and the information presented in court: From approximately the late 1990s through 2005, CHRISTOU solicited over \$30 million from almost 100 people, as part of what turned out to be a phony real estate financing business. According to the testimony or statements otherwise introduced from several of these victims, CHRISTOU told them that he would use their money to fund specialized short term "bridge" loans at high rates of interest, to real estate developers and

others who needed such financing. He lured this investment by offering extraordinary interest rates – often as high as 5% in 20-30 days. He claimed he could pay these rates because he was earning even higher rates of interest on the bridge loans he was making.

At the time, CHRISTOU actually operated a mortgage brokerage firm, “Atlas Mortgage.” He claimed that his bridge loan financing business grew out of his brokerage experience and contacts.

However, CHRISTOU never actually made any short term loans or otherwise used any of the victims’ money for any business purpose. Instead, he used the money for himself. Among other things, evidence at trial showed that he spent more than \$7 million alone gambling in just two years.

CHRISTOU was operating what is often referred to as a “Ponzi” scheme. He paid the money due each month to his investors, not through any actual earnings, but just by luring more and more people to invest every month. He used new investor’s money to immediately pay returns promised to earlier investors; and when the time came to pay the new investor, he would lure in even more new investment from someone else. In 2004 and 2005 alone, he cycled more than \$20 million through his bank account to and from victims.

CHRISTOU was able to keep the fraud scheme afloat for years. But, as with all Ponzi schemes, it eventually collapsed. In early 2005, CHRISTOU defaulted on the interest payments he was due to pay, and confided to numerous investors that all of their money was gone. In the end, over 20 victims lost more than \$14 million. Several of these victims testified at trial, including retirees who have had to alter retirement plans, individuals who took out home equity loans to invest with CHRISTOU, and others whose finances have been substantially disrupted. Some of these victims personally knew CHRISTOU, were former mortgage clients of his, or knew of him from the community.

This case was investigated by Special Agents of the Internal Revenue Service, Criminal Investigation.

Assistant United States Attorney Justin S. Anand prosecuted the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).