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For Immediate Release

AREA COUPLE ARE INDICTED ON FRAUD, MONEY LAUNDERING AND TAX EVASION CHARGES IN CONNECTION WITH A \$2 MILLION DOLLAR MORTGAGE FRAUD SCHEME

St. Louis, Missouri: An area couple has been indicted on fraud, money laundering and tax evasion charges in connection with a \$2 million dollar mortgage fraud scheme, United States Attorney James G. Martin announced today.

This case was investigated by the Internal Revenue Service Criminal Investigation Division and the Housing and Urban Development Office of Inspector General. Assistant United States Attorney David Rosen is handling the case for the U.S. Attorney's Office.

KIMBERLY WILLIAMS, 45, and her husband CHRISTOPHER WILLIAMS, both of the 1700 block of Stifel, Town & Country, Missouri, were indicted by a federal grand on multiple felony charges including bank and wire fraud. Additionally, Kimberly Williams was charged with money laundering and tax evasion and a forfeiture count which, if convicted, will require the forfeiture of money and property derived from proceeds of the offenses charged. Subject to forfeiture is over \$2,248,856 in United States currency and the property located in Town & Country, Missouri.

If convicted, these charges carry a penalty range of five to thirty years in prison and/or fines up to \$1,000,000.

According to the indictment, from June, 1999 to December, 2000, the Williams' participated in a \$2 million mortgage fraud scheme. The defendants purchased residential properties in the St. Louis area for the true value of the property, paying cash and putting the properties in the name of a third party. The indictment alleges that at or near the time of the original purchase, the defendants arranged for each property to be sold to another person, obtaining a mortgage to fund the sale at a significantly higher price than the true value of the property. It was further part of the scheme that the defendant submitted false loan applications to lenders to justify the mortgage being applied for to purchase the property. Examples of false representations in the loan applications, alleged in the indictment, included the source of funds for down payments, the employment status of the person listed as the borrower, the value of the property and the purpose to which the funds would be used. The defendants got most of the proceeds of the mortgage which they used to buy a personal residence and other personal items and to make repairs to the properties purchased.

The indictment further alleges that in that period of time, Kimberly Williams also laundered funds received from the fraud described in the indictment. The indictment alleges six different transfers

of funds, over a value of \$10,000, which related to funds received as part of the bank or wire fraud.

Finally, the indictment alleges that in April 2000, Kimberly Williams filed a false income tax return for the year 1999, stating that her taxable income was \$14,512, with a tax due of \$780. The indictment alleges that her actual income for that year was \$141,823 with a tax due of \$42,203. The indictment also alleges that in 2000 Kimberly Williams had a taxable income of \$246,954 with income tax due of \$84,128 that she failed to report by failing to file an income tax return in order to evade payment of the tax owed.

“Money laundering where the underlying conduct is a violation of the income tax laws is a serious crime,” said Michael Yasofsky, Jr., Special Agent in Charge of IRS Criminal Investigation. “The prosecution of these types of schemes is critical to the enforcement of our tax and money laundering laws.”

The charges set forth in an indictment are merely accusations, and each defendant is presumed innocent until and unless proven guilty.