



U.S. Department of Justice



United States Attorney
District of Maryland
Northern Division

Rod J. Rosenstein
United States Attorney

Vickie E. LeDuc
Public Information Officer

36 South Charles Street
Fourth Floor
Baltimore, Maryland 21201

410-209-4800
TTY/TDD: 410-962-4462
410-209-4885
FAX 410-962-3091
Vickie.LeDuc@usdoj.gov

June 29, 2012

FOR IMMEDIATE RELEASE

www.justice.gov/usao/md

**Contact AUSA VICKIE E. LEDUC or
MARCIA MURPHY at (410) 209-4885**

**CATONSVILLE REAL ESTATE APPRAISER PLEADS GUILTY IN SCHEME TO
OBTAIN OVER \$4.3 MILLION IN FRAUDULENT MORTGAGE LOANS**

Conspired to Obtain 17 Fraudulent Loans Resulting in Losses of More Than \$2.6 Million

Baltimore, Maryland - Real estate appraiser David C. Christian, age 62, of Catonsville, Maryland pleaded guilty today to conspiracy to commit wire fraud.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Richard A. McFeely of the Federal Bureau of Investigation; Inspector General Steve A. Linick of the Federal Housing Finance Agency; Acting Postal Inspector in Charge Peter R. Rendina of the U.S. Postal Inspection Service - Washington Division.

According to his guilty plea, Christian appraised a number of properties on behalf of purchasers who were seeking financing through a mortgage brokerage company operating out of an office on Gough Street in Baltimore. From April 2004 to April 2008, at the request of a co-conspirator who controlled the mortgage brokerage company, Christian prepared at least 17 fraudulent appraisals for \$4,306,950 in loans originated at the mortgage company. Christian falsified the appraisals by using fake photos and descriptions of the properties, misrepresenting the condition of the properties, and used inappropriate comparable properties. The total loss for the 17 loans amounted to \$2,661,366.

In March and June 2007, Christian used his co-conspirator as the mortgage broker to refinance property that he and his wife owned in Catonsville. Christian submitted false appraisals that inflated the property value and caused another appraiser to sign the documents to avoid the obvious conflict of performing an appraisal on his own property. With Christian's knowledge, his co-conspirator processed the loan in Christian's wife's name, falsifying her income and employment, as well as the balance in the couple's bank account and misrepresented other information. The loans were funded by another mortgage company, and Christian and his wife eventually defaulted on the loan, resulting in a loss of nearly \$140,000.

Christian faces a maximum sentence of 20 years in prison followed by three years of supervised release. U.S. District Judge James K. Bredar scheduled his sentencing for October 18, 2012, at 1:00 p.m.

The Maryland Mortgage Fraud Task Force was established to unify the agencies that regulate and investigate mortgage fraud and promote the early detection, identification, prevention and prosecution of mortgage fraud schemes. This case, as well as other cases brought by members of the Task Force, demonstrates the commitment of law enforcement agencies to protect consumers from fraud and promote the integrity of the credit markets. Information about mortgage fraud prosecutions is available www.justice.gov/usao/md/Mortgage-Fraud/index.html.

This law enforcement action is part of President Barack Obama's Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

United States Attorney Rod J. Rosenstein commended the FBI, Federal Housing Finance Agency - Office of Inspector General, and U.S. Postal Inspection Service. Mr. Rosenstein thanked Assistant U.S. Attorney Gregory R. Bockin and Special Assistant U.S. Attorney Stephen Learned, assigned from the Federal Housing Finance Agency's Office of Inspector General, who are prosecuting the case.