

NEWS RELEASE

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FOR IMMEDIATE RELEASE

Four Plead Guilty In Mortgage Fraud Case

WICHITA, KAN. – Four people in Wichita have pleaded guilty in a mortgage fraud case, U.S. Attorney Barry Grissom said today.

Christopher Ginyard, 27, Wichita, pleaded guilty to one count of wire fraud.

Henry Pearson, Jr., 28, Wichita, pleaded guilty to one count of bank fraud.

Janice Young, 26, Wichita, pleaded guilty to one count of wire fraud.

Henry Pearson, Sr., Wichita, pleaded guilty to one count of wire fraud.

In their pleas, the four defendants said they were recruited to make home purchases by co-defendant **Manjur Alam**, who prepared loan applications in which the defendants made false statements to lenders.

Young admitted making false statements that she was employed and had consistent rental history. In fact, she had no job and no rental history. She also falsely stated that she intended to live in the property she was buying. In fact, she intended it to be rental property. Based on the false statements, Flagstar Bank made a wire payment of \$76,299.50 to Lawyer's Title escrow account for the purchase of 2431 Lulu in Wichita.

Henry Pearson, Sr., made a false statement that he would live in the property he was buying. In fact, he rented it to a third party. Based on the false

statements, Lehman Brothers Bank wired \$138,330.55 to Lawyer's Title escrow for the purchase of 8431 Hildreth in Wichita.

Henry Pearson, Jr., submitted a false verification of rent and a false letter of credit and made a false statement that he intended to live in the property at 1510 N. Market in Wichita. When the home was eventually foreclosed on, the bank suffered a loss of \$56,000.

Christopher Ginyard falsely identified two employments in his loan application and made a false statement that he intended to live in the property at 2050 Santa Fe in Wichita. Based on the false statements, First Tennessee Bank made a payment of \$72,865.75 to Kansas Secured Title's escrow account.

Sentencing is set for Nov. 25. Each defendant faces a maximum penalty of 30 years in federal prison and a fine up to \$1 million. Grissom commended the Department of Housing and Urban Development, the Federal Housing Finance Agency - OIG, the Internal Revenue Service and Assistant U.S. Attorney Aaron Smith for their work on the case.

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