

Illinois Bank President Sentenced to Jail for Falsifying Records

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U.S. Attorney's Office, Eastern District of Missouri

BENTON, Ill. – The former president of a bank in southern Illinois was sentenced Thursday for his role in falsifying bank records to facilitate real estate loans.

Steven Cook was fined \$6,000 and sentenced to 50 hours of community service and two weekends in the Jackson County jail.

He will also likely be banned from the banking industry for life.

Cook fraudulently facilitated three different sales of commercial real estate to Lawler and Maze Properties LLC in 2022. Cook was the president of SouthernTrust Bank at the time, and was also on the bank's board of trustees and was a member of its loan committee. The bank has branches in Marion, Vienna and Goreville, Illinois.

Cook approved one loan that funded the sale of seven commercial rental properties in Williamson and Franklin counties from Results Home Buyers 2 to Lawler and Maze. The transaction was a new purchase of real estate, not a refinance, and the buyers were not using any cash to fund the purchase. But during an April 6, 2022, meeting with the seller and buyer, Cook and the others agreed to fraudulently make it appear as if the loan was a refinancing. Cook also agreed that the bank would supply the cash for the purchase. They agreed to backdate documents to falsely indicate the buyer purchased the properties on Feb. 1, 2022, for a falsely inflated price of \$545,152. The documents also falsely indicated that the bank was refinancing 80% of that loan, with the buyers bringing 20% in cash to the sale. The bank's loan to the buyers was approved by the bank's loan committee based upon the false information.

Results Home Buyers 2 is partially owned by former Williamson County State's Attorney Brandon Zanotti.

In August of 2022, Cook facilitated a second real estate transaction for the purchase of four properties by Lawler and Maze. Cook, the seller and Lawler and Maze agreed that the real estate contract would falsely list a sales price of \$413,000 instead of the actual price of \$330,400, and falsely state that the buyer would supply \$82,600 in cash.

In November of 2022, Cook facilitated an additional loan to Lawler and Maze for the purchase of a property in Marion. Bank documents falsely stated that the borrowers would supply \$21,500 cash.

Cook pleaded guilty in U.S. District Court in Benton in June to three felony counts of aiding and abetting the making of a false bank entry. Zanotti pleaded guilty in March to one count of the same crime. He was sentenced in May to two years of probation, a \$5,000 fine and 20 hours of community service. His conduct was reported to the Illinois Attorney Registration and Disciplinary Commission.

Lawler and Maze, LLC is owned by Justin Maze and David Lawler, who each entered into a pretrial diversion program in which they acknowledged their involvement in the criminal conduct by aiding and abetting Zanotti and Cook. As a condition of pretrial diversion, Maze was required to resign from his position as Williamson County Circuit Clerk and agreed not to seek re-election to any public office. Lawler's conduct was reported to the Illinois Attorney Registration and Disciplinary Commission.

"The FBI works daily to disrupt fraudulent activity and we recognize the impact it has on banking institutions," said FBI Springfield Field Office Special Agent in Charge Christopher Johnson. "FBI Springfield will continue to dedicate investigative resources for targeting fraud in its many forms to protect the integrity of the banking process."

"FHFA-OIG will continue to relentlessly investigate and pursue the prosecution of mortgage-related fraud, no matter who commits the crimes. Officers of financial institutions who have a duty to conduct honest business must be held accountable. We are proud to have partnered with our FBI colleagues and with Special Assistant United States Attorney Hal Goldsmith," said Korey Brinkman, Special-Agent-in-Charge of FHFA OIG's Midwest Regional Office.

The FBI Springfield Field Office and the Federal Housing Finance Agency Office of Inspector General investigated the case. The prosecution was handled by Special Attorney Hal Goldsmith from the Eastern District of Missouri. The U.S. Attorney's Office for the Southern District of Illinois was recused from the case.

Anyone with information about mortgage-related fraud can report it by contacting the Federal Housing Finance Agency – Office of Inspector General Hotline at 800-793-7724 or via the web at <https://www.fhfaig.gov/ReportFraud#hotlineform>

Contact

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