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Father and Daughter Charged With Mortgage Loan Fraud

Jackson, Mississippi – United States Attorney Dunn Lampton announced today that a federal grand jury returned a 25-count indictment against Mark J. Calhoun and his daughter April Calhoun in connection with a mortgage loan fraud scheme. Mark Calhoun is charged with 12 counts of wire fraud. Mark and April Calhoun are both charged with conspiracy to commit money laundering and 8 counts money laundering offenses. Mark Calhoun is individually charged with an additional 4 counts of money laundering. “Mortgage fraud is a serious concern throughout the United States, including here in Mississippi. This case is part of our continuing efforts to bring to justice those people who are enriching themselves by committing crimes at the expense of borrowers and lenders,” said U.S. Attorney Lampton.

According to the 25-count indictment, Mark Calhoun worked as a mortgage broker as an employee of Professional Mortgage Consultants Corporation and as the operator of New World Mortgage d/b/a Silver Cross Financial Group, LLC where April Calhoun was employed. The indictment alleges that from September, 2004 through July, 2006 Mark Calhoun prepared false and fictitious documents to insure that lenders would make mortgage loans to prospective borrowers. If the mortgage loans were successful, Mark Calhoun received a fee for his brokerage services.

The false and fictitious documents, along with the loan application containing false information, were included in each loan application packet submitted to potential lenders by Mark Calhoun and others acting under his direction. False entries were also included with loan application packets which showed that the borrower paid cash at the closing of the loan when no such funds were paid by the borrower. During the time period covered by the indictment, Mark Calhoun obtained fraudulent loans for approximately 40 borrowers totaling over \$ 8.5 million.

According to the indictment, Mark Calhoun and April Calhoun conspired to create fictitious creditors to which these borrowers allegedly were indebted. These fictitious creditors were actually companies under the control of Mark Calhoun and April Calhoun, who received funds for these fictitious creditors from the loan closings. The investigation is continuing and other charges are expected in the near future.

This mortgage fraud investigation has been ongoing for over two years and is a joint investigation by the Federal Bureau of Investigation and the Internal Revenue Service, assisted by other participating agencies in the Jackson Financial Crimes Task Force, including the Internal Revenue Service-Criminal Investigations, Federal Bureau of Investigation, United States Postal Inspection Service, Federal Deposit Insurance Corporation-Office of Inspector General, Housing and Urban Development-Office of Inspector General, Mississippi Secretary of State's Office, Mississippi Real Estate Commission and Appraisal Board, Mississippi Department of Banking and Consumer Finance, Hinds County Sheriff's Office, Madison Police Department and the Madison-Rankin District Attorney's Office.

United States Attorney Lampton stressed that this indictment represents an accusation only and all defendants are entitled to a presumption of innocence.

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