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OFFICE OF THE UNITED STATES ATTORNEY

DISTRICT OF KANSAS

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FOR IMMEDIATE RELEASE

MISSOURI WOMAN FALSIFIED LOAN DOCUMENTS

FOR PURCHASE OF \$1 MILLION HOME

KANSAS CITY, KAN. – **Kara E. Robinson-Franks**, also known as **Kara E. Garrett**, 39, Grandview, Mo., has pleaded guilty to mortgage fraud charges, U.S. Attorney Lanny Welch said today.

She pleaded guilty to one count of wire fraud and one count of money laundering. In her plea, she admitted that in 2003 and 2004 she conspired with co-defendant **Wildor Washington, Jr.**, and others to obtain mortgage loans by submitting inflated property appraisals and other false information to lenders. The conspirators targeted borrowers with low incomes and little knowledge of the real estate industry. They urged borrowers to apply for real estate loans that were processed through various entities the conspirators controlled including Heritage Financial Investments, Legacy Enterprises, Atlantic Mortgage, Inc., T.E.R.M. Appraisers, the Real Estate Group, J.T.F. Enterprises, Liberty Escrow and AMSTAR Mortgage.

Many of the real estate appraisals submitted by Robinson-Franks and the conspirators contained inflated property values and forged signatures of licensed appraisers whose identities had been stolen. In addition, Robinson-Franks and other conspirators acted as home buyers and submitted loan applications containing false

income and asset information as well as false information about the appraiser of the property and the intended use of the property.

In November 2003, the defendant helped Washington and his girlfriend to fraudulently obtain financing for the purchase of a house valued at approximately \$1 million in the 4600 block of West 146th Street in Leawood, Kan. The defendant posed as buyer and borrower even though Washington and his girlfriend were going to live in the house. Washington paid an accountant \$75 per page to manufacture fraudulent W2 forms showing that Franks earned more than \$200,000 a year working for Washington's companies, Heritage Financial Investments and Legacy Enterprises. In fact, Franks earned about \$50,000 a year working as a manager for AT&T in Lee's Summit, Mo.

Robinson-Franks is set for sentencing Jan. 11, 2009. She faces a maximum penalty of 20 years in federal prison on each count.

Other defendants in the case include:

Maurice Ragland, who is set for Sentencing Dec. 21, 2009.

Victoria Bennett, who is set for sentencing Dec. 21, 2009.

Terrence Cole, who is set for sentencing Dec. 21, 2009.

Scott Alexander, who was sentenced to 12 months and a day.

Wildor Washington, Jr., who is set for trial Nov. 17, 2009.

Welch commended the Internal Revenue Service - Criminal Investigations Division, the Johnson County Sheriff's Department, the Overland Park Police Department, the U.S. Secret Service's Financial Crimes Task Force and Assistant U.S. Attorney Marietta Parker for their work on the case.

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