



Department of Justice

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Southern District of Iowa

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PELLA ATTORNEY PLEADS GUILTY TO WIRE FRAUD

PELLA, IA – On May 10, 2011, former attorney, Franklin R. York, of Pella, Iowa pled guilty in federal court in Des Moines to one count of wire fraud, announced United States Attorney Nicholas A. Klinefeldt.

According to the written plea agreement, York owned and operated Escrow and Closing Services of Marion County, LLC since 2005 and provided real estate closing and refinancing services. Funds from real estate purchases and refinancing were wired to the escrow account belonging to Escrow and Closing Services and were intended to be used to pay mortgage balances of real estate sellers or persons refinancing.

Beginning in at least 2009, York took money from the escrow account for his own use. To hide this, York would delay paying a mortgage balance and would use funds from a later transaction to then pay for the mortgage. As of February 1, 2010, there were ten mortgages that York received funds to pay but did not pay. These unpaid mortgages involved nine individuals and totaled \$907,600.00.

York entered his guilty plea before United States Magistrate Judge Ross A. Walters. Sentencing has been scheduled for August 12, 2011, at 10:00 a.m. at the United States Courthouse in Des Moines before United States District Judge Ronald E. Longstaff. York faces a maximum sentence of up to 20 years of imprisonment and a maximum fine of \$250,000.

This case was prosecuted by the United States Attorney's Office for the Southern District of Iowa and was investigated by the Federal Bureau of Investigation.

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