



# Department of Justice

United States Attorney Gregory G. Lockhart  
Southern District of Ohio

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CONTACT: Fred Alverson  
614-469-5715

## **51-MONTH SENTENCE FOR FORMER MORTGAGE BROKER**

CINCINNATI – James Mahoney, age 57, of Mason was sentenced in United States District Court here today to 51 months imprisonment for fraud he committed in connection with his purchase of more than \$2.3 million in real estate.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio, Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation, Cincinnati Field Division, Gerald A. O'Farrell, Assistant Inspector in Charge, U.S. Postal Inspection Service, and Jon Rymer, Inspector General, Federal Deposit Insurance Corporation, announced the sentence handed down today by Senior U.S. District Judge Herman Weber.

Judge Weber also sentenced Mahoney to pay \$645,925 in restitution to financial institutions who were victims of the fraud and scheduled a hearing for May 14 to determine whether any additional restitution is appropriate.

In October, 2008, Mahoney pleaded guilty to one count of mail fraud. Mahoney kept \$730,000 from the sale of his house in Middletown in 2001 instead of paying off his mortgage and concealed the fact with a fraudulent "Satisfaction of Mortgage" document. In 2006, Mahoney secured a loan for \$1,625,000 to buy a house in Butler County. He again created a fraudulent document when he refinanced the loan in April, 2007 and kept the money instead of paying off his earlier loan.

For at least the last 15 years Mahoney worked in various aspects of the residential real estate lending business, having been employed by lending institutions and operating his own business.

Lockhart commended the cooperative investigation by FBI agents, postal inspectors and investigators with the FDIC, and Assistant U.S. Attorney J. Richard Chema, who prosecuted the case.

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