

Livingston County woman sentenced on real estate fraud charges

News

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A woman has been sentenced in federal court for real estate fraud in the Kansas City area. Thirty-three year old Angela Allen of Mooresville was sentenced to 10 months in federal prison without parole. On October 18, 2011, Mrs. Allen pleaded guilty to wire fraud in the attempted purchase of a home, as charged in a Sept. 30, 2010, indictment.

In May 2010, while her Olathe, Kansas home loan was in default, Mrs. Allen and her husband successfully listed their home for sale. Mrs. Allen and her husband owed more on the loan than the sale price, so in an attempt to avoid having to bring money to closing to sell the home, Mrs. Allen provided a false payoff statement to the title company closing the loan. When the title company discovered the fraud before the sale was finalized and Mrs. Allen did not bring the required funds for the sale, the sale was cancelled.

In June 2010, Mrs. Allen purchased two new Lexus vehicles, paying for them with personal checks drawn on her Chillicothe bank. Her account contained insufficient funds to cover the checks. She strung the bank along for weeks with promises and excuses, saying she was expecting a wire transfer of about \$500,000 and giving numerous excuses why the money had not yet arrived. The checks were ultimately covered by a family member.

In July 2010, Mrs. Allen's family purchased a home for her and her husband in Mooresville, which cost \$435,000 and was titled in the names of Mrs. Allen and her husband free and clear of any encumbrance.

In August 2010, Mrs. Allen entered into a contract to purchase a home for \$3 million cash in Parkville. She provided a personal check in the amount of \$100,000, drawn on her account at a Chillicothe bank, which contained insufficient funds to cover the checks. She also provided a fraudulent proof of funds letter, purportedly from a bank in the Cayman Islands, which said she and her husband had immediate access to and availability of more than \$4 million. Mrs. Allen had a friend make telephone calls pretending to be an account representative, falsely confirming that she had the Cayman Islands account with funds on deposit in the bank. Mrs. Allen also sent a fraudulent financial statement, representing that she and her husband had \$40 million in two Cayman Islands accounts. As the closing date approached and arrived, Mrs. Allen gave a series of excuses why the title company closing the sale did not receive either the \$100,000 or the \$3 million. Although the Allen's closed on the buyer's side of the purchase, the sellers learned of the fraud before they closed on the sale, and the sale did not go through.

This case was prosecuted by Assistant U.S. Attorney Linda Parker Marshall and was investigated by the FBI.