

Eugene mortgage loan officer pleads guilty in fraud scheme

by Bend_Weekly_News_Sources

Guilty plea in scheme involving fraudulent mortgage application and wire fraud.

EUGENE, Ore. - A Eugene based mortgage loan officer pleaded guilty Wednesday based on his participation in a scheme involving the use of fraudulent information on loan applications submitted to obtain mortgage loans.

Mark Harless Karin J. Immergut, United States Attorney for the District of Oregon, announced that Mark Todd Harless, 40, of Eugene, Oregon, was indicted by a federal grand jury in October 2006. The three count indictment charges that Harless, from January through April 2005, was employed as a loan officer at Allegiance Mortgage Company in Eugene, Oregon. Known as one of "The Boys of Allegiance" in company advertisements, Harless was charged with engaging in a scheme to provide false employment information for some of his customers in order to qualify them for mortgage loans.

According to the indictment, Harless listed in mortgage applications that three customers of Allegiance were each managers of a Eugene children's clothing store, earning at least \$3,000 per month, and had been employed there for at least two years. In reality, Harless' girlfriend owned the store and none of the Allegiance customers worked there. Harless was further charged with causing loan applications, containing the false employment and earning information, to be submitted to lenders for loan approval.

The indictment alleged that Harless arranged for someone at the used clothing store to falsely verify to lenders that the Allegiance customers were really working at the store, and earning the income falsely listed in the loan applications. The indictment states that, on one occasion, he charged an Allegiance customer \$200 for use of the false employment and earning information. The loans were funded by lenders, and Harless earned commissions for the loans.

Harless pleaded guilty to all three counts of the indictment, each of which charged him with wire fraud. Wire fraud is a felony offense, punishable by up to twenty years in prison and a \$250,000 fine. United States District Judge Ann Aiken presided over the guilty pleas and scheduled sentencing for July 31, 2007 at 10:30 a.m.

The Federal Bureau of Investigation and the State of Oregon, Division of Finance & Corporate Securities, jointly investigated this case.

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