

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

**FILED**

FEB - 5 2009

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 MILTON H. OHLSEN, III, )  
 )  
 Defendant. )

U. S. DISTRICT COURT  
E. DIST. OF MO.  
ST. LOUIS

No.

**4:09CR00114 RWS**

**INDICTMENT**

**A. Introduction**

1. At all times relevant to this indictment the defendant, Milton H. Ohlsen, III, resided at 2309 North Ballas, St. Louis County, Missouri.

2. This residence was originally financed by a \$257,000.00 loan from New Century Mortgage Company in 2000.

3. A second mortgage was obtained from Bank One for \$45,000.00 in September 2000.

4. In 2002, the house was refinanced by Merrill Lynch Credit Corporation for approximately \$307,000.00.

5. In 2006, another loan for \$150,000.00 was obtained from Merrill Lynch Credit Corporation.

6. In or about June 2007, defendant Milton H. Ohlsen, III obtained a loan for approximately \$470,000.00 from Countrywide Home Loan.

7. Also in June 2007 defendant Milton H. Ohlsen, III obtained a home equity line of credit for approximately \$175,000.00 from Guaranty Bank. Collateral on both of these loans was 2309 N. Ballas Road, St. Louis County, Missouri 63131. At the time of these loans the house was appraised at approximately \$668,000.00. These loans paid off the prior existing Merrill Lynch loans.

8. On both of the June 2007 loans Milton H. Ohlsen, III falsely and fraudulently represented in loan application documents to Countrywide and Guaranty Bank that he had a monthly income of \$15,000.00 when, in fact, it was substantially less.

9. For tax year 2006, defendant Milton H. Ohlsen, III filed a federal income tax return representing he had made \$290.00 (adjustable gross income).

10. In August 2007, Countrywide assumed the total line of credit from Guaranty Bank.

11. Shortly after the original Countrywide and Guaranty loans defendant Milton H. Ohlsen, III became delinquent in monthly payments.

12. In December 2007, Countrywide suspended any further draws on the home equity line of credit due to payments being past due.

13. In May 2008, Countrywide filed a Notice of Default on the loan and line of credit which was six months behind in payment.

14. In June 2008, defendant Milton H. Ohlsen, III filed bankruptcy (Chapter 13) in U.S. Bankruptcy Court, St. Louis, Missouri, Eastern District of Missouri.

13. As of December 2008, defendant Milton H. Ohlsen, III was delinquent in monthly payments on the mortgage and home equity line of credit of approximately \$11,735.00 and late fees totaling approximately \$2,193.00.

16. At all times relevant to this indictment, Countrywide Home Loan and Guaranty Bank were financial institutions defined by Title 18, United States Code, Section 20 whose money, funds, credits, assets, securities and other property were insured by the Federal Deposit Insurance Corporation.

**COUNT ONE**

17. The Grand Jury charges that:

On or about June 19, 2007, in St. Louis County, in the Eastern District of Missouri,

**MILTON H. OHLSEN, III**

the defendant herein, did knowingly execute and attempt to execute a scheme and artifice to defraud a financial institution, Countrywide Home Loan and to obtain money, funds, credits, assets, securities and other property owned by and under the custody and control of Countrywide Home Loan by means of materially false and fraudulent pretenses, representations and promises by representing to Countrywide Home Loan for purposes of obtaining a loan and line of credit that he, Milton H. Ohlsen, III, made \$15,000.00 per month income when he made substantially less.

In violation of Title 18, United States Code, Sections 2 and 1344(1) and (2).

A TRUE BILL.

\_\_\_\_\_  
FOREPERSON

CATHERINE L. HANAWAY  
United States Attorney

\_\_\_\_\_  
MICHAEL W. REAP, #9156  
Assistant United States Attorney