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## Man accused in mortgage fraud scheme across Southern states set for plea hearing Tuesday

By HARRY R. WEBER, AP Business Writer

ATLANTA (AP) — A man accused of stealing the identities of homeless people as part of a massive mortgage fraud scheme is expected to change his plea Tuesday, according to court records.

An electronic docket entry in U.S. District Court in Atlanta says the case against Matthew Cox is scheduled for a "tender of plea" hearing.

Cox previously pleaded not guilty to a 42-count indictment, and such hearings are normally only scheduled when someone plans to change pleas. In this case, the only other plea option is a guilty plea.

Patrick Crosby, a spokesman for the U.S. attorney's office, declined to comment on Cox's plans, what charges he may admit to and what sentence he might get as a result. Crosby also declined to say if the plea is part of a negotiated settlement with prosecutors.

Cox's attorney, Mildred Dunn, did not immediately return a call Monday seeking comment.

Court records show that a change of plea hearing also had been scheduled in March, but it was put off for a reason the records do not disclose. The case was later declared ready for trial, though it is not clear if a date was set.

A federal magistrate judge in December ordered Cox held without bail pending trial.

At that time, a federal prosecutor disclosed that Cox, in addition to the charges in Georgia, also would face federal charges in Nashville, Tenn., and Tampa, Fla., but that those cases could be consolidated in Atlanta.

It's believed Tuesday's plea will address the charges in all three jurisdictions.

The Secret Service arrested Cox, one of its most-wanted fugitives, on Nov. 16 in Nashville on charges he and his partner stole identities to take more than \$1 million from victims in several Southern states. Authorities had issued a warrant for Cox and Rebecca Marie Hauck in 2004.

Prosecutors say Hauck and Cox rented properties, fraudulently erased mortgage liens on the properties and then stole the owners' identities and fraudulently took out multiple new mortgage loans.

They also used stolen identities to obtain driver's licenses, purchase vehicles, lease mail drops, rent apartments and open bank accounts to receive proceeds from their schemes in Georgia, Florida, Alabama, South Carolina and North Carolina, authorities said.

Prosecutors allege that Cox obtained some of the stolen identities from homeless people by posing as a Red Cross worker taking a survey. His indictment lists seven aliases.

Hauck, 34, and Cox, 36, were indicted on charges of bank fraud, wire fraud, interstate transportation of fraud proceeds, identity theft, money laundering and conspiracy.

Hauck was arrested in March 2006 while living under a stolen identity in Houston. She pleaded guilty and was sentenced to five years and 10 months in prison, followed by five years of supervised release. She was ordered to pay restitution of \$1.2 million.

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