



THE UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT *of* MISSOURI

[U.S. Attorneys](#) » [Eastern District of Missouri](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Eastern District of Missouri

FOR IMMEDIATE RELEASE

Monday, June 2, 2014

O'Fallon Man Sentenced To Prison On Fraud Conspiracy

St. Louis, MO – **JASON RAUSCHELBACH** was sentenced to 24 months in federal prison after pleading guilty to conspiring to defraud the United States and several banks through his business, The Mortgage Store, Inc., in 2008. United States District Judge Henry E. Autrey imposed the sentence today and also ordered Rauschelbach to pay restitution.

According to court documents, Rauschelbach was the CEO of The Mortgage Store, Inc. (TMS) and the president of Title America. By 2008, TMS was a major mortgage brokering business with officers in four states and hundreds of employees. The main offices were in Westport Plaza and Wentzville. The businesses were operating at a financial deficit in 2008. TMS incurred over \$600,000 in federal employment (including withholding) tax liabilities in the first three quarters of 2008 that were not paid over to the United States. There were not sufficient funds available to fund the disbursements from TMS and, in addition, to meet all of the expenses incurred by TMS, including the delinquent employment tax liabilities. In order to meet certain expenses and, at the same time, conceal the absence of adequate funds, Rauschelbach and others at TMS caused insufficient funds checks drawn on the checking accounts of both TMS and Title America to be deposited between those accounts in such a way that the "float" concealed the true balances of each account. The accounts were at Enterprise Bank in Clayton and at the First Bank of the Lake in Osage Beach, Missouri. The TMS account had a negative balance of approximately \$850,000 in June, 2008, when the banks stopped accepting the floated checks.

Rauschelbach's guilty plea also involved submitting a false net worth statement to HUD and failing to pay over about \$31,000 in employees' withholdings for a 401K plan and health insurance. Restitution payments will be first directed to reimburse those employees.

Court documents showed that Rauschelbach received substantial distributions from TMS and Title America in 2008 despite the federal employment tax delinquencies and other unpaid liabilities, as well as the artificial balances being maintained in the TMS and Title America checking accounts. In addition, he and others at TMS directed that TMS funds be paid on loans on properties at Tan Tar A Resorts in the Lake of the Ozarks, and for a ranch property in Breckenridge, Colorado. He was a partial owner of those properties

Rauschelbach, of O'Fallon, Missouri, will voluntarily surrender to a prison facility when it is designated.

This case was investigated by the FBI, IRS Criminal Investigation and the Inspector General Offices of HUD and the Department of Labor. Assistant United States Attorney James E. Crowe, Jr., is handling the case for the U.S. Attorney's Office.

Component(s):

USAO - Missouri, Eastern

Updated March 19, 2015