



U.S. Department of Justice

United States Attorney
Eastern District of Wisconsin

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News Summary

Steven M. Biskupic, United States Attorney for the Eastern District of Wisconsin, announced today that a federal grand jury has returned an indictment charging that a real estate agent for the State of Wisconsin, solicited a kickback in connection with the proposed sale of a \$30 million state office building located at 101 E. Wilson Street in Madison. The indictment also alleges that the real estate agent later lied to an agent of the Federal Bureau of Investigation, the federal law enforcement agency investigating the kickback scheme.

The indictment alleges that Larry J. Lupton, a vice president with real estate firm UGL Equis Corporation, sought a kickback from a broker for a potential purchaser of the building. That potential buyer was one of several firms that had submitted proposals to purchase the building. After soliciting the kickback, Lupton disclosed to the broker the specific terms of proposals submitted by other competing prospective buyers.

According to the indictment, Lupton told the broker that the payment could be either in cash or by check made payable to a company called North American Commercial Opportunities. In later interviews with the FBI, Lupton falsely denied ever suggesting that the broker pay him directly in cash or by a check made out to a company other than Equis. Lupton also falsely denied disclosing to the broker the specific details of a competitor's proposal.

Lupton is charged with violating the federal bribery and wire fraud statutes, as well as with making materially false statements to an FBI agent. If convicted, Lupton faces up to 40 years in prison and a fine of \$1,000,000.

A criminal complaint filed earlier in the case alleges that Lupton sought up to \$75,000 in illegal kickbacks in connection with the proposed sale. According to the complaint, the broker whom Lupton approached notified authorities of the kickback scheme. The broker then cooperated in the investigation, working with federal and state law enforcement agents to secretly record conversations with Lupton.

The case has been investigated by agents of the FBI and the Wisconsin Department of Justice-Division of Criminal Investigation, and is being prosecuted by Assistant United States Attorney Gregory J. Haanstad.

The public is cautioned that an indictment is merely the formal method of returning charges against an individual and does not constitute evidence of his or her guilt. A person is presumed innocent until such time, if ever, as the government establishes his or her guilt beyond a reasonable doubt.

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