

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

UNITED STATES OF AMERICA : **CASE NO. ~~1110CR~~ 013**
v. : **INFORMATION**
FRANCISCA E. WEBSTER : **18 U.S.C. § 1349**

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. E.D., a co-conspirator known to the United States Attorney, was self-employed as a tax preparer and interior designer. E.D. also owned a purported property management corporation called Rivendale Property Management Group, L.P., Maineville, Ohio (“Rivendale”).
2. T.M., a co-conspirator known to the United States Attorney, was a vice president in Exclusive Management Capital, a division of Huntington National Bank, Cincinnati, Ohio. E.D. was a neighbor of T.M. and his wife, M.M., an individual known to the United States Attorney. T.M. and M.M. owned the residence located at 298 Southwind Court, Maineville, Ohio (“298 Southwind”).
3. B.K., a co-conspirator known to the United States Attorney, owned and operated a residential development construction business known as Kurlemann Homes of Long

Cove, Mason, Ohio. B.K. was the builder/owner of the residence located at 8662 Hampton Bay Place, Mason, Ohio (“8662 Hampton Bay”).

4. B.S., a co-conspirator known to the United States Attorney, owned and operated a residential development construction business known as Sanneman Homes, Inc., Mason, Ohio. B.S. was the builder/owner of the residence located at 8670 Hampton Bay Place, Mason, Ohio (“8670 Hampton Bay”).

5. Defendant **FRANCISCA E. WEBSTER** was a client and close associate of E.D.

6. Washington Mutual Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation, Certificate No. 32633.

7. Franklin Financial was a private lending company that funded mortgage loans to individuals.

8. From in or about May 2006 to in or about August 2007, in the Southern District of Ohio, defendant **FRANCISCA E. WEBSTER** conspired and agreed with others known and unknown to the United States Attorney, to commit an offense against the United States, that is, wire fraud, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS

9. It was part of the conspiracy that defendant **FRANCISCA E. WEBSTER** participated in a scheme to defraud Washington Mutual and Franklin Financial (“the lending institutions”) to obtain money and assets by means of false and fraudulent pretenses, representations, and promises when she purchased three properties, 8670 Hampton Bay, 298 Southwind, and 8662 Hampton Bay (“the properties”), by submitting Uniform Residential Loan

Applications Form 1003 (which forms included supporting documentation) (“loan application”) and HUD-1 Settlement Statements (“settlement statement”) containing false material misrepresentations and omissions in order to fraudulently obtain loans from the lending institutions that were disbursed by interstate wire and totaled approximately \$3,959,121.

It was further part of the conspiracy that:

10. Defendant **FRANCISCA E. WEBSTER** agreed to act as a straw buyer at E.D.’s request and purchase the properties in name only. Defendant **WEBSTER** had a strong credit history but could not legitimately qualify for the loans to buy the properties.

11. With defendant **FRANCISCA E. WEBSTER**’s knowledge and consent, E.D. completed the loan applications for the properties in defendant **WEBSTER**’s name with fraudulent information, including false monthly income information and false supporting asset documentation which were fictitious account statements from Exclusive Capital Management, a division of Huntington National Bank. Defendant **WEBSTER** also knew that material misrepresentations and omissions were also contained on the settlement statements including but not limited to, the amount of earnest money represented.

12. Defendant **FRANCISCA E. WEBSTER** knowingly signed each of the fraudulent loan applications and settlement statements upon which the lending institutions relied to fund the loans and attended the closings as if she was the buyer for the properties.

13. Defendant **FRANCISCA E. WEBSTER** knowingly transmitted and caused to be transmitted in interstate commerce, by means of or wire certain writings, signs, signals, pictures and sound (including a wire transfer of funds), for the purpose of executing the scheme to defraud.

OVERT ACTS

In furtherance of the conspiracy, defendant **FRANCISCA E. WEBSTER** and others known and unknown to the United States Attorney, committed the following overt acts in the Southern District of Ohio:

a. On or about May 15, 2006, defendant **FRANCISCA E. WEBSTER** signed an agreement of sale with Sanneman Homes to purchase the residence located at 8670 Hampton Bay for \$2,000,000. B.S. signed for Sannemen Homes as the seller.

b. On or about September 9, 2006, defendant **FRANCISCA E. WEBSTER** signed two loan applications for a \$1,300,000 loan and a \$300,000 loan to purchase 8670 Hampton Bay. The loan applications contained several false statements including but not limited to defendant **WEBSTER's** employer, Rivendale Property Management, her monthly income of \$41,000, assets of \$1,241,472, and \$400,000 earnest money.

c. On or about October 4, 2006, defendant **FRANCISCA E. WEBSTER** signed two loan applications for a \$464,000 loan and a \$116,000 to purchase 298 Southwind. The loan applications contained several false statements including but not limited to defendant **WEBSTER's** employer, Rivendale Management, her monthly income of \$41,000, and a stock-trust account of \$1,950,000.

d. On or about October 15, 2006, defendant **FRANCISCA E. WEBSTER** signed a purchase contract with T.M. and M.M. to purchase the residence located at 298 Southwind for \$580,000. T.M. and M.M. signed as the owners.

e. On or about October 16, 2006, defendant **FRANCISCA E. WEBSTER** signed an agreement of sale with Kurlmann Homes of Long Cove, LLC to purchase the

residence located at 8662 Hampton Bay for \$2,300,000. B.K. signed for Kurlemann Homes of Long Cove as the owner.

f. On or about November 7, 2006, defendant **FRANCISCA E. WEBSTER** signed another loan application for a \$1,600,000 loan to purchase 8670 Hampton Bay. The loan application contained several false statements including but not limited to defendant **WEBSTER's** employer, Rivendale Management, her monthly income of \$41,000, a stock-trust account of \$1,950,000, and \$400,000 earnest money.

g. On or about November 9, 2006, defendant **FRANCISCA E. WEBSTER** signed purchase contract with Kurlemann Homes of Long Cove, LLC to purchase the residence located at 8662 Hampton Bay for \$1,979,000. B.K. signed for Kurlemann Homes of Long Cove as the owner. Defendant **WEBSTER** signed an addendum to the purchase contract stating that she provided B.K. with a down payment of \$200,000.00 on December 1, 2006 when she had not made any down payment.

h. On or about November 22, 2006, a closing was held for 8670 Hampton Bay. At the closing, defendant **FRANCISCA E. WEBSTER** signed a settlement statement that contained false statements including but not limited to, the false representation that she was the real buyer and that the seller, B.S., had received \$400,000 earnest money when B.S. had not received any down payment. B.S. signed the statement on behalf of the seller. On or about November 22, 2006, defendant **WEBSTER** also signed a final loan application that contained the same or similar false information as the loan applications signed on or about September 9 and November 7, 2006. The lender approved the loan, and the loan proceeds were disbursed through a wire transfer.

I. On or about December 4, 2006, defendant **FRANCISCA E. WEBSTER** signed another loan application for \$464,000 to purchase 298 Southwind. The loan application contained several false statements including but not limited to defendant **WEBSTER's** employer, Rivendale Management, her monthly income of \$41,000, and a stock-trust account of \$1,950,000.

j. On or about December 11, 2006, a loan application in the amount of \$1,779,121 was prepared in defendant **FRANCISCA E. WEBSTER's** name to purchase 8662 Hampton Bay. The loan application contained several false statements including but not limited to defendant **WEBSTER's** employer, Rivendale Management, her monthly income of \$41,000, and a stock-trust account of \$1,726,375.

k. On or about December 22, 2006, a closing was held for 298 Southwind. At the closing, defendant **FRANCISCA E. WEBSTER** signed two settlement statements for a loan of approximately \$464,000 and a loan of approximately \$116,000 that contained false statements including but not limited to, the false representation that she was the real buyer. T.M. and M.M. signed the settlement statement on the \$464,000 loan as the sellers. On or about December 22, 2006, defendant **WEBSTER** also signed final loan applications that contained the same or similar false information as the loan applications signed on or about October 4 and December 4, 2006. The lender approved the loan, and the loan proceeds were disbursed through a wire transfer.

l. On or about January 12, 2007, a closing was held for 8662 Hampton Bay. At the closing, defendant **FRANCISCA E. WEBSTER** signed a settlement statement for a loan of approximately \$1,779,121 that contained false statements including but not limited to, the

false representations that she was the real buyer and that the seller, B.K., had received \$200,000 earnest money when B.K. had not received any down payment. C.T., an employee of B.K. and an individual known to the United States Attorney, signed the statement on behalf of the seller, B.K. On or about January 12, 2007, defendant **WEBSTER** also signed a final loan application that contained the same or similar false information as the loan application signed on or about December 11, 2006. The lender approved the loan, and the loan proceeds were disbursed through a wire transfer.

All in violation of Title 18, United States Code, Section 1349.

CARTER M. STEWART
UNITED STATES ATTORNEY


BRENDA SHOEMAKER
FINANCIAL CRIMES CHIEF