

THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MISSOURI  
SOUTHERN DIVISION

AMERIQUEST MORTGAGE COMPANY, )

Plaintiff, )

vs. )

BRENT BARBER; LISA BARBER;  
EXPRESS MORTGAGE; ASSOCIATED  
MORTGAGE; SOMMERSET HOMES,  
INC.; SOMMERSET HOMES &  
INVESTMENT CORP.; MID-TOWNE  
RESTORATION, LLC; BRUSH CREEK  
MANAGEMENT COMPANY LLC; MID-  
CAPITAL MORTGAGE LLC; AARON  
CRISS; DAVID WITTROCK; CAMERON  
SIMCOR; ANDRE BROWN; ANNA  
JOHNSON; P.J. CAMPBELL; DAVID  
SPRINGFIELD; LAURA THOMPSON;  
TIM NEWMAN; DAVE WILLIAMS;  
RONNIE DOTSON; RITA CAMPBELL;  
THE BEEF PIT, a Missouri corporation;  
WANDA BARBER; LANCE STELLING;  
PINNACLE TITLE GROUP LLC;  
STEWART TITLE GUARANTY  
COMPANY; RODERICK NEIL CRISS;  
AVONDA LYNN NICODEMUS; CLINT  
CUNNINGHAM; CHAUNCEY JOSEPH  
CALVERT; DIANN ELIZABETH FINN  
CRISS; PEGGY J. RIES, individually and  
dba APPRAISALS BY PEGGY; DOUGLAS  
J. CURRY, individually and dba PINNACLE  
APPRAISAL; PINNACLE APPRAISAL  
GROUP LLC; JONATHAN C. TESTER;  
BOB MILIKEN; DOMINIQUE P. ALLEN;  
STEPHEN A. LOSEY; PHILLIP THOMAS,  
individually and dba THOMAS  
APPRAISAL SERVICE; THOMAS  
APPRAISAL SERVICE; DANIELLE  
BEASON; ROBERT BECKLEY; KAREN  
BURNHAM; BRANDON CUNNINGHAM;

CASE NO. 02-0922-CS-W-SOW

**COMPLAINT FOR:**

- 1. FRAUD;**
- 2. RESCISSION;**
- 3. CIVIL CONSPIRACY;**
- 4. NEGLIGENT MISREPRESENTATION;**
- 5. NEGLIGENCE;**
- 6. NEGLIGENT SUPERVISION REGARDING TITLE AND ESCROW ACTIVITIES;**
- 7. BREACH OF TITLE COMMITMENTS AND TITLE INSTRUCTION AGREEMENTS;**
- 8. RACKETEERING INFLUENCED AND CORRUPT ORGANIZATIONS ACT 18 U.S.C. SECTION 1962(C) - RACKETEERING;**
- 9. RACKETEERING INFLUENCED AND CORRUPT ORGANIZATIONS ACT 18 U.S.C. SECTION 1962(D) - CONSPIRACY;**
- 10. CONVERSION;**
- 11. RECOVERY OF MONEY DUE ON PROMISSORY NOTE**

WILLIAM CURP; MELVIN DORAN; )  
 DAWN DRIGGERS; ELIZABETH )  
 DURSO; ANDREW GANT; ZANDRA )  
 GIPSON; JULIE TENG; CASSAUNDRA )  
 GRAVES; STACI HARRISON; ROGER )  
 JOHNSON; TODD LECURU; DARLENE )  
 LIPARI-MURRAY; LARRY MONNIG; )  
 JUDY MONNIG; HARLAN MI LO )  
 MURRAY JR.; MICHAEL PARRISH; )  
 LANAIR PERRY; TRUC PHAM; BILLY )  
 RILEY; JACKIE ROBINSON, RUTH )  
 RUCKER; JOSE SALINAS; )  
 LASHAWNNA STANLEY; ADAM )  
 THOMPSON; FLOYD TITSWORTH; )  
 TODD WELLS; STEPHANIE WELLS; )  
 SOLOMON YOUNG, II; and DOES 1 )  
 through 100, inclusive, )  
 )  
 )  
 Defendants. )

**COMPLAINT**

Plaintiff Ameriquest Mortgage Company (“Ameriquest”), complains against defendants Brent Barber, Lisa Barber, Express Mortgage, Associated Mortgage, Sommerset Homes, Inc., Sommerset Homes & Investment Corp., Mid-Towne Restoration, LLC, Brush Creek Management Company LLC, Mid-Capital Mortgage LLC, Aaron Criss, David Wittrock, Cameron Simcor, Andre Brown, Anna Johnson, P.J. Campbell, David Springfield, Laura Thompson, Tim Newman, Dave Williams, Ronnie Dotson, Rita Campbell, The Beef Pit, a Missouri corporation, Wanda Barber, Lance Stelling, Pinnacle Title Group LLC, Stewart Title Guaranty Company, Roderick Neil Criss, Avonda Lynn Nicodemus, Clint Cunningham, Chauncey Joseph Calvert, Diann Elizabeth Finn Criss, Peggy J. Ries, individually and dba Appraisals by Peggy, Douglas J. Curry, individually and dba Pinnacle Appraisal, Pinnacle

Appraisal Group LLC, Jonathan C. Tester, Bob Miliken, Dominique P. Allen, Stephen A. Losey, Phillip Thomas, individually and dba Thomas Appraisal Service, Thomas Appraisal Service, Danielle Beason, Robert Beckley, Karen Burnham, Brandon Cunningham, William Curp, Melvin Doran, Dawn Driggers, Elizabeth Durso, Andrew Gant, Zandra Gipson, Julie Teng, Cassandra Graves, Staci Harrison, Roger Johnson, Todd Lecuru, Darlene Lipari-Murray, Larry Monnig, Judy Monnig, Harlan Milo Murray Jr., Michael Parrish, Lanair Perry, Truc Pham, Billy Riley, Jackie Robinson, Ruth Rucker, Jose Salinas, Lashawwna Stanley, Adam Thompson, Floyd Titsworth, Todd Wells, Stephanie Wells and Solomon Young, II as follows:

**PARTIES**

1. Ameriquest is a corporation organized under the laws of the State of Delaware, and has its principal place of business in Orange, California. At all relevant times, Ameriquest has acted as a lender that relies upon loan applications and other documentation submitted by a borrower, including but not limited to income documentation, title reports and appraisal reports, and loans money and receives mortgages to secure said loans. The loan applications, title documents, appraisal reports and other information and documentation received in connection with the loans which are the subject of this action were initially received by Ameriquest's Gladstone, Missouri branch office. The loan information is communicated electronically over interstate telephone lines and the documents due pouched to Ameriquest's Orange, California office.

**BARBER DEFENDANTS**

2. On information and belief, defendant Brent Barber (sometimes referred to as "Barber") is a resident of the State of Missouri.

3. On information and belief, defendant Lisa Barber is a resident of the State of Missouri. Mr. and Mrs. Barber will sometimes be collectively referred to herein as the “Barbers.”

4. On information and belief, defendant Express Mortgage was at all material times a Missouri Corporation with its principal place of business in Kansas City, Missouri. On further information and belief, the company is, and at all material times was, owned and/or controlled by defendant Brent Barber, and wrongfully received portions of Ameriquest’s loan proceeds and participated in the wrongful and illegal transactions described below.

5. On information and belief, defendant Associated Mortgage is either (1) a nonexistent fictitious company through which the Barbers has conducted the illegal and unlawful activities alleged herein, (2) a Missouri corporation with its principal place of business in Kansas City, Missouri owned and/or controlled by the Barbers, or (3) a fictitious business name used by the Barbers for one of the other corporate defendants named herein and is owned and/or controlled by the Barbers. Ameriquest is informed that Associated Mortgage wrongfully received portions of Ameriquest’s loan proceeds and participated in the wrongful and illegal transactions described below.

6. On information and belief, defendant Sommerset Homes, Inc. is a Missouri corporation with its principal place of business in Kansas City, Missouri. On further information and belief, the company is owned and/or controlled by the Barbers and wrongfully received portions of Ameriquest’s loan proceeds and participated in the wrongful and illegal transactions described below.

7. On information and belief, defendant Sommerset Homes & Investment Corp. is a Missouri corporation with its principal place of business in Kansas City, Missouri. On further information and belief, the company is owned and/or controlled by the Barbers and wrongfully received portions of Ameriquest's loan proceeds and participated in the wrongful and illegal transactions described below.

8. On information and belief, defendant Mid-Towne Restoration, LLC is a Missouri limited liability company with its principal place of business in Kansas City, Missouri. On further information and belief, the company is owned and/or controlled by the Barbers and wrongfully received portions of Ameriquest's loan proceeds and participated in the wrongful and illegal transactions described below.

9. On information and belief, defendant Brush Creek Management Company LLC is a Missouri limited liability company with its principal place of business in Kansas City, Missouri. On further information and belief, the company is owned and/or controlled by the Barbers and wrongfully received portions of Ameriquest's loan proceeds and participated in the wrongful and illegal transactions described below.

10. On information and belief, defendant Mid-Capital Mortgage LLC is a Missouri limited liability company with its principal place of business in Kansas City, Missouri. On further information and belief, the company is owned and/or controlled by the Barbers and wrongfully received portions of Ameriquest's loan proceeds and participated in the wrongful and illegal transactions described below.

11. On information and belief, defendants Roderick Neal Criss, Chauncey Joseph Culvert, Robert Beckley, Aaron Criss, David Wittrock, Cameron Simcor, Andre Brown, Anna

Johnson, and P.J. Campbell are individuals residing in Kansas City, Missouri and participated with the Barbers in the schemes which are the subject of this action. Ameriquest is further informed that at relevant times these individual defendants may have also been employed by Brent Barber and/or companies that he controlled which were involved in the schemes which are the subject of this action.

12. On information and belief, defendant Tim Newman is a resident of the State of Missouri and participated with the Barbers and their entities in the schemes which are the subject of this action.

13. On information and belief, defendant David Springfield is a resident of the State of Missouri and participated with the Barbers and their entities in the schemes which are the subject of this action.

14. On information and belief, defendants David Williams is a resident of the State of Missouri and participated with the Barbers and their entities in the fraudulent schemes which are the subject of this action.

15. Ameriquest is informed that defendant Ronnie Dotson was at all material times a resident of the State of Missouri and participated with the Barbers in the fraudulent schemes which are the subject of this action.

16. Ameriquest is informed that defendant Rita Campbell was at all material times a resident of the State of Missouri, is Brent Barber's aunt, and participated in at least one of the fraudulent schemes which are the subject of this action.

17. On information and belief, defendant Wanda Barber is a resident of the State of Missouri. Ameriquest is informed that Wanda Barber is Brent Barber's mother and has participated in at least one of the fraudulent loans which are the subject of this action.

18. On information and belief, defendant Laura Thompson is a resident of the State of Missouri has participated with the Barbers and their entities in the fraudulent scheme alleged herein.

19. On information and belief, The Beef Pit is a Missouri corporation with its principal place of business in Grandview, Missouri controlled and owned by the Barbers. Ameriquest is informed that the Beef Pit has participated in the fraudulent schemes alleged herein and has unlawfully received loan funds fraudulently procured from Ameriquest.

20. Defendants named herein as Does 21 through 40, inclusive, are unknown individuals or corporate entities which participated with Barbers in the schemes alleged in this complaint, received converted loan funds and/or were owned and controlled by the Barber Defendants and were involved in some manner in the matters which are the subject of this action. This complaint will be amended and the true names and capacities of these Doe defendants will be alleged when such information has been ascertained.

21. The aforementioned defendants will sometimes be referred to herein as the "Barber Defendants."

22. Ameriquest is informed that at all relevant times the individual Barber Defendants were the alter ego of the corporate/limited liability Barber Defendants and each of the corporate/limited liability Barber Defendants were the alter ego of the other corporate/limited liability Barber Defendants.

**TITLE DEFENDANTS**

23. On information and belief, defendant Lance Stelling is a resident of the State of Missouri. On information and belief, at all relevant times Stelling was an agent and employee of Pinnacle Title Group LLC and an agent for defendant Stewart Title Guaranty Company.

24. On information and belief, defendant Pinnacle Title Group LLC (“Pinnacle Title”) was at all times mentioned a Missouri corporation or limited liability company with its principal place of business in Independence, Missouri. At all relevant times herein, Pinnacle Title was acting as a duly authorized agent for defendant Stewart Title Guaranty Company.

25. On information and belief, defendant Stewart Title Guaranty Company (some times referred to as “Stewart”) is a Texas or New York corporation with its principal place of business in Texas or New York.

26. Defendants named herein as Does 1 through 10, inclusive, are unknown individuals who were either employees at Pinnacle Trust who participated in the schemes which are the subject of this action (Does 6 though 10) or were owners of Pinnacle Title (Does 1 through 5). This complaint will be amended and the true names and capacities of these Doe defendants alleged when such information is ascertained.

27. The aforementioned defendants will sometimes be collectively referred to herein as the “Title Defendants.”

28. Ameriquest is informed that defendants Lance Stelling, Douglas Curry and/or the other unknown Doe owners of Pinnacle Title were the alter ego of said entity.



**AMERIQUEST EMPLOYEE DEFENDANTS**

29. On information and belief, defendant Roderick Neil Criss is a resident of the State of Missouri. At all relevant times, Roderick Neil Criss was employed by Ameriquest as a branch manager at its branch in Gladstone, Missouri. While employed at Ameriquest, Criss, unbeknownst to Ameriquest, was assisting the other defendants to originate fraudulent loans through Ameriquest's Gladstone, Missouri branch office. Ameriquest is informed after Criss left the employment of Ameriquest, he was employed by the Barber Defendants.

30. On information and belief, defendant Avonda Nicodemus is a resident of the State of Missouri. At all relevant times, Avonda Nicodemus was employed by Ameriquest as an account executive at its branch in Gladstone, Missouri. While employed at Ameriquest, Nicodemus, unbeknownst to Ameriquest, was assisting the other defendants to originate fraudulent loans through Ameriquest's Gladstone, Missouri branch office.

31. On information and belief, defendant Clint Cunningham is a resident of the State of Missouri. At all relevant times, Clint Cunningham was employed by Ameriquest at its branch in Gladstone, Missouri from. While employed at Ameriquest, Cunningham, unbeknownst to Ameriquest, was assisting the other defendants to originate fraudulent loans through Ameriquest's Gladstone, Missouri branch office.

32. On information and belief, defendant Chauncey Joseph Calvert is a resident of the State of Missouri. At all relevant times, Chauncey Joseph Calvert was employed by Ameriquest as an account executive at its branch in Gladstone, Missouri. While employed at Ameriquest, Calvert, unbeknownst to Ameriquest, was assisting the other defendants to originate fraudulent

loans through Ameriquest's Gladstone, Missouri branch office. Ameriquest is informed that after Calvert left the employment of Ameriquest, he was employed by the Barber Defendants.

33. On information and belief, Defendant Diann Elizabeth Finn Criss is a resident of the State of Missouri. At all relevant times, Finn was employed by Ameriquest as a loan coordinator at its branch in Gladstone, Missouri. While employed at Ameriquest, Finn, unbeknownst to Ameriquest, was assisting the other defendants to originate fraudulent loans through Ameriquest's Gladstone, Missouri branch office. Ameriquest is informed that Finn Criss was the wife of Aaron Criss and sister-in-law of Roderick Criss.

34. Defendants named herein as Does 41 through 50, inclusive, are unknown individuals who were or are employees of Ameriquest who participated with the other defendants in the schemes alleged in this action. This complaint will be amended and the true names and capacities of these defendants alleged when such information is ascertained.

35. The aforementioned defendants will sometimes be collectively referred to herein as the "Ameriquest Employee Defendants."

#### **APPRAISER DEFENDANTS**

36. On information belief, defendant Peggy Ries is a resident of the State of Missouri. At all relevant times, Ries was purportedly licensed in the State of Missouri as a residential real estate appraiser and doing business under the name of Appraisals By Peggy. Ameriquest is informed that Ries was involved in the fraudulent schemes alleged herein.

37. On information and belief, defendant Douglas J. Curry is a resident of the State of Missouri. At all relevant times, Curry was purportedly licensed in the State of Missouri and/or Kansas as a residential real estate appraiser and sometimes doing business under the name of

Pinnacle Appraisal. Ameriquest is informed that Curry was involved in the fraudulent schemes alleged herein.

38. On information and belief, Pinnacle Appraisal Group LLC (“Pinnacle Appraisal”) is a Missouri corporation or limited liability company with its principal place of business in Independence, Missouri. At all relevant times, Pinnacle Appraisal purported to have (or acted through an individual that had) an appraisal license in the State of Missouri and/or Kansas.

39. On information and belief, defendant Jonathan C. Tester is a resident of the State of Missouri. At all relevant times, Tester was purportedly licensed in the State of Missouri as a residential real estate appraiser and was working for or with Douglas J. Curry and Pinnacle Appraisal. Ameriquest is informed that Tester was involved in the fraudulent schemes alleged herein.

40. On information and belief, defendant Bob Miliken is a resident of the State of Missouri. At all relevant times, Miliken was purportedly licensed in the State of Missouri as a residential real estate appraiser and was working for or with Douglas J. Curry and Pinnacle Appraisal. Ameriquest is informed that Miliken was involved in the fraudulent schemes alleged herein.

41. On information and belief, defendant Dominique P. Allen is a resident of the State of Missouri. At all relevant times, Allen was purportedly licensed in the State of Missouri as a residential real estate appraiser and was working for or with Douglas J. Curry and Pinnacle Appraisal. Ameriquest is informed that Allen was involved in the fraudulent schemes alleged herein.

42. On information and belief, defendant Stephen A. Losey is a resident of the State of Missouri. At all relevant times, Losey was purportedly licensed in the State of Missouri as a residential real estate appraiser and was working for or with Douglas J. Curry and Pinnacle Appraisal. Ameriquest is informed that Losey was involved in the fraudulent schemes alleged herein.

43. On information and belief, defendant Phillip Thomas is a resident of the State of Missouri. At all relevant times, Thomas was purportedly licensed in the State of Missouri as a residential real estate appraiser and doing business under the name of Thomas Appraisal Service. Ameriquest is informed that Thomas was involved in the fraudulent schemes alleged herein.

44. On information and belief, Thomas Appraisal Service is a Missouri corporation or limited liability company with its principal place of business within the State of Missouri. At all relevant times, Thomas Appraisal Service purported to have (or acted through an individual that had) an appraisal license in the State of Missouri and/or Kansas.

45. Defendants named herein as Does 11 through 20, inclusive, are unknown individuals who were either licensed appraisers, owners of the corporate appraiser defendants or unlicensed individuals who participated with the appraiser defendants in the preparation of the false, misleading and fraudulent appraisals which are the subject of this action. This complaint will be amended and the true names and capacities of these defendants alleged when such information has been ascertained.

46. The aforementioned defendants will sometimes collectively be referred to herein as the "Appraiser Defendants."

47. Ameriquest is informed that at all relevant times defendant Curry and/or the other unknown owners of Pinnacle Appraisal were the alter ego of such entity.

48. Ameriquest is informed that at all relevant times defendant Thomas and/or other unknown owners of Thomas Appraisal Service were the alter ego of each other.

**STRAW BORROWER DEFENDANTS**

49. On information and belief, defendant Danielle Beason is a resident of the State of Missouri.

50. On information and belief, defendant Robert Beckley is a resident of the State of Missouri. Ameriquest is informed that at relevant times Beckley was also employed by Barber Defendants.

51. On information and belief, defendant Karen Burnham is a resident of the State of Missouri.

52. On information and belief, defendant Brandon Cunningham is a resident of the State of Missouri. Ameriquest is informed that Cunningham is the cousin of Ameriquest Employee Defendant Clint Cunningham.

53. On information and belief, defendant William Curp is a resident of the State of Missouri. Ameriquest is informed that at relevant times Curp was a law partner of Lance Stelling.

54. On information and belief, defendant Melvin Doran is a resident of the State of Missouri.

55. On information and belief, defendant Ronnie Dotson is a resident of the State of Missouri. Ameriquest is informed that at relevant times Dotson was employed by the Barber Defendants.

56. On information and belief, defendant Dawn Driggers is a resident of the State of Missouri.

57. On information and belief, defendant Elizabeth Durso is a resident of the State of Missouri.

58. On information and belief, defendant Andrew Gant is a resident of the State of Missouri.

59. On information and belief, defendant Zandra Gipson is a resident of the State of Missouri.

60. On information and belief, defendant Cassaundra Graves is a resident of the State of Missouri.

61. On information and belief, defendant Staci Harrison is a resident of the State of Missouri.

62. On information and belief, defendant Roger Johnson is a resident of the State of Missouri.

63. On information and belief, defendant Todd Lecuru is a resident of the State of Missouri.

64. On information and belief, defendant Darlene Lipari-Murray is a resident of the State of Missouri.

65. On information and belief, defendant Larry Monnig is a resident of the State of Missouri.

66. On information and belief, defendant Judy Monnig is a resident of the State of Missouri. Ameriquest is informed that Larry and Judy Monnig are or were the in-laws of Ameriquest Employee and Barber Defendant Chauncey Calvert.

67. On information and belief, defendant Harlan Milo Murray, Jr. is a resident of the State of Missouri.

68. On information and belief, defendant Michael Parrish is a resident of the State of Missouri.

69. On information and belief, defendant Lanair Perry is a resident of the State of Missouri.

70. On information and belief, defendant Truc Pham is a resident of the State of Missouri.

71. On information and belief, defendant Billy Riley is a resident of the State of Missouri.

72. On information and belief, defendant Jackie Robinson is a resident of the State of Missouri.

73. On information and belief, defendant Ruth Rucker is a resident of the State of Missouri.

74. On information and belief, defendant Jose Salinas is a resident of the State of Missouri.

75. On information and belief, defendant Lashawna Stanley is a resident of the State of Missouri.

76. On information and belief, defendant Lance Stelling is a resident of the State of Missouri, at relevant times was the manager of Pinnacle Title and has acted as an attorney for Brent Barber.

77. On information and belief, defendant Floyd Titsworth is a resident of the State of Missouri.

78. On information and belief, defendant Todd Wells is a resident of the State of Missouri.

79. On information and belief, defendant Stephanie Wells is a resident of the State of Missouri.

80. On information and belief, defendant Solomon Young, II is a resident of the State of Missouri.

81. Defendants named herein as Does 61 through 80, inclusive, are other unknown straw borrowers of Ameriquest who participated in the schemes alleged in this action. This complaint will be amended and the above names and capacities of these defendants alleged when such information has been ascertained.

82. The aforementioned defendants shall sometimes be collectively referred to herein as the "Straw Borrowers" or "Straw Borrower Defendants."

83. Ameriquest is informed that each of the Straw Borrowers was involved in the fraudulent schemes alleged herein.



**OTHER DEFENDANTS**

84. On information and belief, defendant Teng is a resident of the State of Missouri.

**OTHER DOE DEFENDANTS**

85. Ameriquest is informed that other unknown individuals and/or corporate/limited liability companies named herein ad Does 81 through 100, inclusive, were involved in the schemes which are the subject of this action in unknown capacities. This complaint will be amended to name the true names and capacities of these defendants alleged when such information is ascertained.

**AGENCY**

86. Each of the defendants named herein was the agent and or employee of the remaining defendants and in doing the acts alleged herein were acting within the course and scope of said agency.

**ALTER EGO**

87. Each of the individual defendants who were or are the owners of the corporate/limited company defendants was and is the alter ego of said corporate/limited liability companies.

**JURISDICTION AND VENUE**

88. This Court has jurisdiction under 28 U.S.C. Section 1332. This is an action between parties of diverse citizenship and the amount in controversy exceeds \$75,000. This Court also has jurisdiction under 28 U.S.C. Section 1331 because Counts VIII and IX (RICO claims) arise under the laws of the United States.

89. Venue is proper under 28 U.S.C. Section 1391 because:

- (i) One or more of the defendants reside in this District;
- (ii) a substantial part of the events giving rise to this litigation occurred
- (iii) here; and
- (iv) all of the relevant real estate is located in this District.

### **INTRODUCTORY ALLEGATIONS**

90. This lawsuit concerns loans that the defendants fraudulently obtained from Ameriquest for approximately 75 properties in Kansas City, Missouri and its neighboring areas. As set forth in more detail below, the defendants defrauded Ameriquest by helping to create or by submitting loan applications and documents, title reports and appraisals, on which Ameriquest relied to its detriment, that misrepresented material facts and injured Ameriquest. Defendants organized numerous loan transactions which were based on fraudulent, false and inaccurate loan applications and on greatly inflated appraisals and false title reports in order to fraudulently induce loans from Ameriquest. In most of the loan transactions, Ameriquest loan funds were to be used to refinance allegedly existing loans secured by properties. These loans never existed. Ameriquest loan funds were diverted and converted by the defendants and, primarily, by the Barber Defendants (and by entities which they controlled).

### **THE FRAUDULENT SCHEME**

91. On information and belief, the fraudulent scheme which is the subject of this action typically worked as follows: Brent Barber, and other individuals working with him, referred loan files to Ameriquest. Brent Barber and Barber Defendants informed Ameriquest that his companies, Express Mortgage and Associated Mortgage, were attempting to change the direction of their business from that of subprime lending to a conforming lending business. Therefore, those defendants claimed they were willing to refer refinances from their subprime

business (purportedly existing loans made to homeowners by lenders, Express Mortgage and Associated Mortgage and other party lenders) to Ameriquest.

92. The Barber Defendants would either send a completed loan application to Ameriquest's Gladstone, Missouri branch, or would refer borrowers to call the branch. The loans were referred to Ameriquest employees who were working on commission and who were cooperating in the scheme (the "Ameriquest Employees" or "Ameriquest Employee Defendants"). The Ameriquest Employees prepared loan applications for execution by borrowers and processed the loans to closing at Ameriquest. The loan applications falsely represented that the borrower had owned a property for a number of years, misrepresented the value of the property and other income and credit information regarding the borrower, and misrepresented that the purpose of the application was to refinance allegedly existing loans secured by the properties.

93. The Barber and/or Ameriquest Employee Defendants also provided Ameriquest with false verifications of mortgages which purported to show that either Express Mortgage, Associated Mortgage, Sommerset Homes and other lenders held mortgages on the subject properties. The Barber Defendants and/or Ameriquest Employee Defendants would also provide Ameriquest with manufactured payoff demands and verifications of mortgage for these purported mortgages. The Barber and/or Ameriquest Employee Defendants and other defendants also provided Ameriquest with false income verifications regarding the borrowers.

94. Barber (and those working with him) requested that Ameriquest use defendant Pinnacle Title and its employee, Lance Stelling, as the escrow and title officer, to perform all of the title and escrow work on the loans referred to Ameriquest. The Ameriquest Employee

Defendants who were secretly working with the Barber Defendants directed all of the title and escrow work on the loans which are the subject of this action to Pinnacle Title and Lance Stelling. At all relevant times, Pinnacle Title was an agent authorized to issue policies for Stewart Title Guaranty Company and was acting within the scope and authority of that agency in conducting its escrow and title activities. Lance Stelling and Pinnacle Title provided title commitments (“title commitments”) on behalf of Stewart falsely showing that title was vested in the proposed borrower (“Straw Borrowers”). Ameriquest is informed that these title commitments were manufactured by “cutting and pasting” the borrowers’ names in the title commitments in place of the real owners’ names.

95. Ameriquest has learned that, on the great majority of its loans, neither Express Mortgage nor Associated Mortgage nor any other lenders which purportedly were being refinanced by Ameriquest ever actually held a lien of record on the properties nor did they have outstanding loans to the Straw Borrowers who submitted refinance applications to Ameriquest. Further, the loans that Ameriquest made to purportedly pay the loan payoffs funded by Ameriquest were diverted to the personal bank accounts of the Barber Defendants or other companies that he controlled. In some cases, Ameriquest believes the lenders purportedly being refinanced may have been nonexistent, fictitious entities.

96. Further, Ameriquest subsequently learned that the loan applications were false and fraudulent in that they contained false financial and/or employment information for the borrowers, and/or the borrowers were entirely fictitious. In most cases, the properties which were the subject of the loan applications were not owned by loan borrowers at the time of loan application but were controlled (or were in the process of being purchased) by Barber

Defendants. Ameriquest is informed and believes that most of the borrowers were paid by Barber to submit the applications to Ameriquest or were promised that they would be compensated in the future. The borrowers are referred to herein as the "Straw Borrowers."

97. As such, Ameriquest has discovered that, contrary to the title reports issued by the Title Defendants and the loan applications submitted by the various borrowers, the great majority of the borrowers were not the owners of record of the properties on which they obtained loans at the time the title commitments issued or at the time the Ameriquest loan funded, and in those cases where the borrowers did actually acquire title (often after Ameriquest's loans had funded), such title was held nominally and that the borrowers never held a material interest in the property. In truth in fact, Brent Barber and Barber Defendants at all times relevant controlled the properties and had fraudulently procured the Ameriquest loans using conspiring Ameriquest Employee Defendants, Straw Borrowers, Title Defendants and Appraiser Defendants. Moreover, Ameriquest has discovered that many of the properties were "flipped" back and forth between the Barber Defendants and several other persons and/or entities working with Barber and the Barber Defendants to defraud Ameriquest and other lenders. Ameriquest is informed that such scheme is continuing.

98. Another characteristic of the scheme was that all of the loan applications were "supported" by appraisals which were performed by one of the following appraisers: Peggy J. Ries, Douglas Curry, Pinnacle Appraisal, Stephen A. Losey, Jonathan Tester, Philip Thomas, Thomas Appraisal Service, Bob Miliken, or Dominique P. Allen, who are sometimes hereinafter referred to collectively as the "Appraiser Defendants." These appraisers were requested to be used by the Barber Defendants of the refinance referral and/or were selected by the Ameriquest

Employee Defendants secretly working with the Barber Defendants in these alleged refinance transactions. In each transaction, the appraisals by these Appraiser Defendants were clearly false and fraudulent in their representations of value. While Ameriquest generally makes loans which are between 70 and 80% of the value of the property, these inflated appraisals were used to induce Ameriquest to loan monies greatly in excess of the standard loan to value, and in many cases, greatly in excess of the true fair market value of the properties.

99. In many instances, the appraisals omitted material information on the purported comparable sales of the properties that would show that these comps were not comparable to the subject properties. Further, contrary to the representations made by the Appraiser Defendants that most of the subject properties were in average or good condition, many of the properties required extensive repairs, were dilapidated and completely run down. The appraisers also omitted facts of external obsolescence, such as the fact that the properties were located in high crime areas.

100. Ameriquest is informed that when the Ameriquest loans were funded, a majority of the funds were illegally directed by the Title Defendants and/or the Ameriquest Employee Defendants to Brent Barber and other Barber Defendants. Ameriquest is informed that a smaller amount of the loan proceeds were diverted to the Straw Borrowers, Title Defendants and Appraiser Defendants. In many instances, the Title Defendants failed to record the Ameriquest mortgages, leaving the Company unsecured. In violation of the title commitments provided to Ameriquest and the title instruction agreements, title policies were never issued to Ameriquest by the Title Defendants and loan funds were disbursed in situations where the borrower was not in

title, Ameriquest was not in a first mortgage position and/or Pinnacle and Stewart were not in a position to issue a title policy insuring that Ameriquest was in a first position.

101. In perpetrating this scheme, each of the defendants unlawfully conspired with each of the remaining defendants and/or each of the remaining defendant's agent.

102. As a result of these schemes, Ameriquest loaned approximately \$4,200,000 it otherwise would not have lent.

103. Ameriquest is informed and believes that Barber Defendants and some of the Straw Borrowers are involved in fraudulently "flipping" the properties between themselves and other straw borrowers and are defrauding other lenders in order to continue to obtain new funds and to make payments and/or payoffs on existing mortgages.

#### **DAMAGES SUFFERED BY AMERIQUEST**

104. Ameriquest typically packages and sells the loans and deeds of trust that it generates to certain investors in the secondary market. As part of these transactions, Ameriquest must represent and warrant to the investors that the mortgages adequately and fully secure the loans. Because Ameriquest cannot make such representations with respect to the subject loans and deeds of trust, it has been unable to sell these notes and deeds of trust, and has been deprived of the monies it would normally obtain by the sale of these notes and mortgages to its investors.

105. Moreover, many of the loans were sold to investors prior to Ameriquest's discovery of the fraudulent actions of the defendants herein. Because of the discrepancies in the loan applications, appraisals and title reports on the above properties, and further because of its representations to its investors, Ameriquest is subject to the requirement that it repurchase these notes and mortgages at a substantial loss to Ameriquest and damage to its reputation.

106. Ameriquest has also suffered damages independent of its obligations to its investors because its collateral on each of its loans has been impaired, and in most cases, the loan amount far exceeds the actual value of the property. In some cases, there existed undisclosed preexisting loans on the properties which have either foreclosed or are in the process of foreclosure. Moreover, many of the Ameriquest loans are in default or have been the subject of foreclosure by other undisclosed lenders. Ameriquest has additionally incurred substantial attorney fees and investigation expenses.

107. Subsequent to the funding of these loans, in October, 1999, Ameriquest began discovering various irregularities with various loans generated from its Gladstone, Missouri branch office. After an initial investigation, defendant Brent Barber was contacted and advised of those irregularities and Ameriquest's suspicions relating to his involvement. Barber agreed with Ameriquest that he would use his own funds or funds from lending companies that he controlled to purchase the various loans made by Ameriquest to the Straw Borrowers. The Barber purchases were to occur within a short time frame by acquiring Ameriquest's beneficial interest in the subject mortgages. Barber failed to comply with this agreement. However, during the next two years, Barber paid off the loan balances of many of the loans (purportedly from his own funds). More recently, however, Ameriquest has acquired information indicating that funds utilized to pay off these loans did not come from Barber but were obtained by fraudulently flipping the properties from one Straw Borrower to another and by fraudulently financing these purported transactions by loans from new lenders. During the last two years, the full extent of the schemes which are the subject of this complaint became apparent.



108. Many of the loans which are the subject of this action have not been paid off, and where loans have been paid off, such payments have not covered all of Ameriquest's damages thereon.

### **THE LOAN TRANSACTIONS**

109. During the period May through September, 1999, defendants prepared, submitted, participated in and conspired regarding numerous loan applications which were fraudulent. The specific loan transactions, and the misrepresentations and material facts associated therewith are summarized below.

#### **The Brent Barber Loans**

6008 E. 9<sup>th</sup> Street, Kansas City, Missouri

110. On or about July 7, 1999, Brent Barber, in the capacity of a borrower, submitted a loan application to Ameriquest. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Brent Barber sought refinancing of property located at 6008 E. 9<sup>th</sup> Street, Kansas City, Missouri. In the application, Brent Barber represented that he had owned the property since 1997, and had purchased it for \$30,000. Brent Barber further represented that the property had a then present value of \$40,200, and that American Sterling Bank held a mortgage on the property that was to be paid off through the loan. In support of the application, Ameriquest received an appraisal from Peggy Ries, which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Brent Barber and Lisa Barber. Brent Barber

and Lisa Barber executed a quit claim deed purporting to transfer all of their joint interest in the property to Brent Barber.

111. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012615456) for \$36,400. Ameriquest issued written instructions to the Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recordation of Ameriquest's mortgage. On or about July 15, 1999, Brent Barber signed the note and deed of trust. On or about July 21, 1999, the closing occurred, and Ameriquest thereafter wire transferred to the Title Defendants funds sufficient to pay off the alleged American Sterling Bank loan in the amount of \$29,876.15. Out of the loan proceeds, Ameriquest also issued a check in the sum of \$3,933.29 payable to Brent Barber, and a check in the sum of \$75.00 payable to KS Counselors and Brent Barber.

112. Ameriquest subsequently discovered that, notwithstanding its specific instructions to do so, the Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. Moreover, the Title Defendants never provided Ameriquest with a title policy on the property. In addition, the quitclaim deed from Brent Barber and Lisa Barber jointly to Brent Barber individually was never recorded. Further, Ameriquest is informed that American Sterling Bank never had a lien on the property. Ameriquest is informed that Barber and/or the Title Defendants converted the loan funds earmarked to pay off that alleged American Sterling loan. Ameriquest is further informed that the check intended for KS Counselors was converted by Barber and/or the Ameriquest Employee Defendants. Further, notwithstanding his representations that he had owned the property since

1997, Ameriquest discovered that Brent Barber had only acquired title on the property in April of 1999. Ameriquest is informed that in or about August, 1999, Barber flipped the subject property to another borrower and defrauded another lender. Contrary to Ameriquest's instructions and the title commitment, Ameriquest never received a title policy. Finally, Ameriquest discovered that Peggy Ries' appraisal grossly overstated the property's value. Though Ries appraised the property at \$48,000, its actual value was only approximately \$13,500.

113. Ameriquest is informed that Barber's loan application may contain other false and misleading statements and that the Barber Defendants and/or Ameriquest Employees presented (or caused to be presented) false and misleading documents to Ameriquest to assist Barber in fraudulently obtaining the subject property.

2919 Lister, Kansas City, Missouri

114. On or about July 7, 1999, Brent Barber, in his capacity of borrower, submitted a loan application to Ameriquest. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Brent Barber sought refinancing of a property located at 2919 Lister, Kansas City, Missouri. In the application, Brent Barber represented that he had owned the property since 1997, and had purchased it for \$38,000. Brent Barber further represented that the property had a then present value of \$49,600, and that American Sterling Bank held a mortgage on the property that was to be paid off through the loan. In support of the application, Ameriquest received an appraisal from Peggy Ries, which stated that the property was worth \$63,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Brent Barber and Lisa Barber. Brent Barber

and Lisa Barber executed a quitclaim deed, transferring all of their interest in the property to Brent Barber.

115. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012615712) for \$50,400. Ameriquest issued written instructions to the Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 15, 1999, Brent Barber signed the note and deed of trust. On or about July 21, 1999, the closing occurred, and Ameriquest wire transferred to the Title Defendants sufficient funds to pay off the alleged American Sterling loan in the amount of \$35,982.16. Out of the loan proceeds, Ameriquest also issued a check in the sum of \$1,555 payable to Brent Barber and the Kansas City Star, a check in the sum of \$1,097 payable to Mission Lumber Co. and Brent Barber, and a check in the sum of \$1,500 payable to Woods Chapel and Brent Barber. Brent Barber also received a check in the sum of \$6,012.69 as cash out on the loan.

116. Ameriquest subsequently discovered that, notwithstanding its specific instructions to do so, the Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. The Title Defendants never provided Ameriquest with a final title policy on the property. Further, Ameriquest is informed that American Sterling Bank never had a lien on the property. Ameriquest is informed and believes that Barber and the Title Defendants converted the loan proceeds which were to have paid off the alleged American Sterling loan, and that Barber and/or the Ameriquest Employee Defendants converted the other loan proceeds earmarked to pay off that alleged loan for his and his wife's

use in their own account. Further, notwithstanding his representations that he had owned the property since 1997, Ameriquest discovered that Brent Barber had only come into title on the property in April of 1999. Contrary to Ameriquest's instructions and the Title Defendants' commitment, Ameriquest never received a title policy. Finally, Ameriquest discovered that Peggy Ries' appraisal grossly overstated the property's value. Though Ries appraised the property at \$63,000, its actual value was less than the loan amount.

117. Ameriquest is informed that the Barber loan application contained other false and misleading statements and that the Barber Defendants and/or the Ameriquest Employee Defendants submitted (or caused to be submitted) other false and misleading documents to assist Barber in fraudulently obtaining the loan.

1103 Brookside Place, Raymore, Missouri

118. On or about September 25, 1999, Brent Barber submitted a loan application to Ameriquest. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Brent Barber sought refinancing of the property located at 1103 Brookside Place, Raymore, Missouri. In the application, Brent Barber represented that he had owned the property since 1996 and had purchased it for \$200,000. Brent Barber further represented that the property's then current market value was \$250,000. Brent Barber further represented that there existed a mortgage in the amount of \$190,000 with Conti Mortgage and requested that the loan proceeds be used, in part, to pay off the Conti Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas J. Curry which stated that the property was worth \$240,000.

119. In reliance on these statements and documents, Ameriquest granted the loan application and provided a mortgage (No. 0013657846) for \$204,000. On or about September 25, 1999, Brent Barber signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued its checks in the sum of \$559 to ATI Title Company (for the title policy), \$2,120.02 to Brent Barber (for cash out), \$194,157.08 to Conti Mortgage (to pay off the Conti Mortgage mortgage), \$342.30 to Brent Barber (for cash out).

120. Ameriquest subsequently discovered that: Brent Barber had failed to disclose a second deed of trust in the amount of \$40,000 and a third deed of trust in the amount of \$25,000 on the property. Barber Defendants and the Ameriquest Employee Defendants conspired to defraud Ameriquest in that those parties knew the Ameriquest loan was required to be a first lien on the property and that the loan amounts were insufficient to pay off the existing first, second and third deeds of trust on the property. Ameriquest never received a title policy from ATI Title Company and Grant Title Insurance Company of St. Louis because the second and third deeds of trust on the property were not paid off. Further, the Ameriquest Employees and Brent Barber conspired to frustrate Ameriquest's ability to have its deed of trust recorded by failing to have Brent Barber's wife's, Lisa Barber, signature on the deed of trust acknowledged. Ameriquest further discovered that the Miliken and Curry appraisal grossly overstated the property's value. Though the appraisal values the property at \$240,000, its actual value was only approximately \$135,000.

121. Ameriquest is informed that the loan application contains other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured.

122. In or about December, 2000, Brent and Lisa Barber purportedly sold the property to Brent Barber's aunt, Rita Campbell. Ameriquest is informed that the aforementioned conveyance was without consideration and a fraudulent attempt to avoid Ameriquest's security interest (although not perfected in the property). Ameriquest is informed that the Barber Defendants and Rita Campbell fraudulently obtained a loan from Washington Mutual in the amount of \$229,600 as part of the aforementioned conveyance. Ameriquest's mortgage in the amount of \$204,000 has never been paid off and is in default, notwithstanding demands prior to the conveyance and Washington Mutual Mortgage requiring that Ameriquest Mortgage be paid in full.

#### **The Lisa Barber Loans**

##### 823 White, Kansas City, Missouri

123. On or about July 15, 1999, Lisa Barber submitted a loan application to Ameriquest. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Lisa Barber sought refinancing of a property located at 823 White, Kansas City, Missouri. In the application, Lisa Barber represented that she had owned the property since 1998, and had purchased it for \$30,000. Lisa Barber further represented that the property had a present value of \$56,500, and that American Sterling Bank held a mortgage on the property that was to be paid off through the loan. In support of the application, Ameriquest received an appraisal from Peggy Ries, which stated that the property was worth \$64,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to

the property was vested in Brent Barber and Lisa Barber. Brent Barber and Lisa Barber executed a quitclaim deed, transferring all of their interest in the property to Lisa Barber.

124. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012614616) for \$46,875. Ameriquest issued written instructions to the Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 15, 1999, Lisa Barber signed the note and deed of trust. On or about July 21, 1999, the closing occurred, and Ameriquest wire transferred to the Title Defendants sufficient proceeds to pay off the American Sterling loan in the amount of \$24,731.45. Out of the loan proceeds, Ameriquest also issued a check in the sum of \$18,318.25 payable to Lisa Barber.

125. Ameriquest subsequently discovered that, notwithstanding its specific instructions to do so, the Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. The Title Defendants also failed to provide Ameriquest with a final title policy on the property. Although American Sterling Bank had a lien on the property, Ameriquest is informed that the Barber Defendants and/or the Title Defendants converted the loan funds intended for American Sterling Bank. Moreover, notwithstanding her representations that she had owned the property since 1998, Ameriquest discovered that Lisa Barber had only come into title on the property in late June of 1999. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though Ries appraised the property at \$64,000, its actual value was only approximately \$26,000.



126. Ameriquest is informed that the Barber loan application contained other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants provided (or caused to be provided) other false documents to assist Barber in fraudulently obtaining the loan.

127. Ameriquest is informed that in or about March, 2000, the Barber Defendants flipped the property to a straw borrower and defrauded another lender who recorded a mortgage against the property.

913 E. 77<sup>th</sup> Terrace, Kansas City, Missouri

128. On or about July 15, 1999, Lisa Barber submitted a loan application to Ameriquest. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Lisa Barber sought refinancing of a property located at 913 E. 77<sup>th</sup> Terrace, Kansas City, Missouri. In the application, Lisa Barber represented that she had owned the property since 1998, and had purchased it for \$35,500. Lisa Barber further represented that the property had a present value of \$46,800, and that American Sterling Bank held a mortgage on the property that was to be paid off through the loan. In support of the application, Ameriquest received an appraisal from Peggy Ries, which stated that the property was worth \$59,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of July 8, 1999, which stated that title to the property was vested in Brent Barber and Lisa Barber. Brent Barber and Lisa Barber executed a quitclaim deed, transferring all of their interest in the property to Lisa Barber.

129. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012614962) for \$44,250. Ameriquest issued

written instructions to the Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 15, 1999, Lisa Barber signed the note and deed of trust. On or about July 20, 1999, the closing occurred, and Ameriquest wire transferred to the Title Defendants sufficient funds to pay off the alleged American Sterling Bank loan in the amount of \$34,862.09. Out of the loan proceeds, Ameriquest also issued a check in the sum of \$6,113.79 payable to Lisa Barber.

130. Ameriquest subsequently discovered that: Notwithstanding its specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. Title Defendants also failed to provide Ameriquest with a final title policy on the property. Further, Ameriquest is informed that American Sterling Bank never had a lien on the property. Ameriquest is informed that Barber Defendants and/or the Title Defendants converted the funds intended for American Sterling Bank. Further, notwithstanding her representations that she had owned the property since 1998, Ameriquest discovered that Lisa Barber had only come into title on the property in February of 1999. On March 30, 1999, Brent Barber and Lisa Barber granted a deed of trust on the property to the Bank of Belton. Lisa Barber failed to inform Ameriquest of this deed of trust on her loan application, and Title Defendants failed to advise Ameriquest of this deed of trust on its title commitment. Ameriquest also discovered that Peggy Ries' appraisal overstated the property's value.

131. Ameriquest is informed that the Barber loan application contained other false and misleading statements and that the Barber Defendants and/or Ameriquest Employee Defendants

submitted (or caused to be submitted) other false and misleading documents to assist fraudulent procurement of the loan.

132. Ameriquest is informed that in or about March, 2000, the Barber Defendants flipped this property to a straw borrower and defrauded a lender who recorded a mortgage against the property.

2314 Van Brunt Blvd., Kansas City, Missouri

133. On or about July 15, 1999, Lisa Barber submitted a loan application to Ameriquest. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Lisa Barber sought refinancing of a property located at 2314 Van Brunt Blvd., Kansas City, Missouri. In the application, Lisa Barber represented that she had owned the property since 1998, and had purchased it for \$28,250. Lisa Barber further represented that the property had a present value of \$39,500, and that American Sterling Bank held a lien on the property that was to be paid off through the loan. In support of the application, Ameriquest received an appraisal from Peggy Ries, which stated that the property was worth \$46,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Brent Barber and Lisa Barber. Brent Barber and Lisa Barber executed a quitclaim deed, transferring all of their interest in the property to Lisa Barber.

134. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012614327) for \$33,375. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon

recordation of Ameriquest's mortgage. On or about July 15, 1999, Lisa Barber signed the note and deed of trust. On or about July 21, 1999, the closing occurred, and Ameriquest wire transferred to Title Defendants sufficient funds to pay off the alleged American Sterling Bank loan in the amount of \$23,319.42. Out of the loan proceeds, Ameriquest also issued a check in the sum of \$7,653.59 payable to Lisa Barber as cash out on the loan.

135. Ameriquest subsequently discovered that: Notwithstanding its specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. Title Defendants also failed to provide Ameriquest with a final title policy on the property. Although American Sterling Bank had a lien on the property, Ameriquest is informed and believes that the Barber Defendants and/or the Title Defendants converted the funds earmarked for American Sterling Bank. Moreover, notwithstanding her representations that she had owned the property since 1998, Ameriquest discovered that Lisa Barber had only come into title on the property in May of 1999. Finally, Ameriquest discovered that Peggy Ries' appraisal grossly overstated the property's value. Though Ries appraised the property at \$46,000, its actual value was approximately only \$16,000.

136. Ameriquest is advised that the Barber loan application contains other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants provided (or caused to be provided) other fake and misleading documents to assist Barber in obtaining the loan.

137. Ameriquest is informed that in or about March, 2000, the Barber Defendants caused this property to be flipped and defrauded another lender who has recorded a lien against the property.

**Wanda Barber Loan**

1013 Brookside Drive, Raymore, Missouri

138. On or about September 25, 1999, Wanda Barber submitted a loan application to Ameriquest. The application was referred to Ameriquest by the Barber Defendants. The application was prepared and processed by employee Chauncey Calvert. Through the application, Wanda Barber sought refinancing of the property located at 1013 Brookside Drive, Raymore, Missouri. In the application, Wanda Barber represented that she had owned the property since 1996 and had purchased it for \$145,000. Wanda Barber further represented that the property had a then present value of \$190,000. In support of the application, Ameriquest received an appraisal prepared by Philip D. Thomas which stated that the value of the property was \$195,000. In addition, Wanda Barber's loan application stated that she was employed by The Beef Pit at a monthly salary of \$3,200.

139. In reliance on these statements and documents, Ameriquest granted the loan application and provided a mortgage loan (No. 13482245) for \$152,000. On or about September 25, 1999, Wanda Barber signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued its checks totaling \$146,671.52 to various alleged creditors and lenders.

140. Ameriquest subsequently discovered that it had been defrauded. Specifically, Ameriquest discovered that the appraisal by Philip Thomas grossly overstated the property's

value. Though the appraisal values the property at \$195,000, in truth and fact, the property's value was approximately \$139,000. Further, title to the property was not acquired by Wanda Barber in 1996 but rather on or about December 8, 1997 when title to the property was purportedly transferred by Brent and Lisa Barber, one month after they acquired title from Danny E. Johnson. Ameriquest is informed that the income and employment information contained in the loan application was false and misleading and that other information contained in the loan application was false.

141. Ameriquest is informed and believes that the Barber Defendants and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured. Ameriquest is further informed that the Barber Defendants and/or Ameriquest Employee Defendants diverted and converted funds that were purportedly intended for creditors of Wanda Barber.

### **The Beason Loans**

#### **6841 Chestnut Avenue, Kansas City, Missouri**

142. On or about September 14, 1999, Danielle Beason submitted a loan application to Ameriquest. This application was referred to Ameriquest by the Barber Defendants. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Danielle Beason sought refinancing of a property located at 6841 Chestnut Ave., Kansas City, Missouri. In the application, Danielle Beason represented that she had owned the property since 1996, and had purchased it for \$24,000. Danielle Beason further represented that the property had a then present value of \$54,000. Danielle Beason further represented that there was a lien against the property in the amount of \$42,900 and requested that the loan proceeds be

used, in part, to pay off a loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Steven Losey and Douglas Curry, which stated that the property was worth \$54,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Danielle Beason.

143. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013491022) for \$45,900. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 14, 1999, Danielle Beason signed the note and deed of trust. On or about September 17, 1999, the closing occurred, and Ameriquest caused its check in the amount of \$42,946.15 to be issued to Express Mortgage for payment to Express Mortgage to pay off the alleged lien on the property.

144. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Beason nor did it have a lien on the property. Ameriquest is informed that the check that it issued to pay off the Express Mortgage loan was diverted and converted by Ameriquest Employee Defendants and/or Barber Defendants. Further, Ameriquest is informed that checks made payable to Danielle Beason representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employee Defendants and converted for their or the Barber Defendants' uses. Moreover, notwithstanding her representations that she had owned the property since 1996 and Title Defendants' representations that title to the property was vested in her as of August 27, 1999, Ameriquest discovered that Danielle Beason had only come into title

on the property via a warranty deed dated September 14, 1999, through which Brent Barber and Lisa Barber transferred title to the property to her. Further, Brent Barber and Lisa Barber obtained title to the property on September 9, 1999, only five days prior to transferring it to Beason. Notwithstanding the purported title transfer to Benson, Ameriquest is informed that at all times subsequent to September 14, 1999 the Barber Defendants controlled the property and Beason had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Steven Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$54,00, its actual value was only approximately \$21,000.

145. Ameriquest is informed that the Beason loan application contains other false and misleading statements. Additionally, Defendant David Springfield and the Barber Defendants provided false and misleading documents to assist in obtaining the loan.

146. Ameriquest is informed that in or about June, 2000, the Barber Defendants caused the property to be flipped to another straw borrower and fraudulently obtained a new mortgage from another lender.

7418 Park, Kansas City, Missouri

147. On or about September 14, 1999, Danielle Beason submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Danielle Beason sought refinancing of a property located at 7418 Park, Kansas City, Missouri. In the application, Danielle Beason represented that she had owned the property since 1996, and had purchased it for \$34,000. Danielle Beason further



represented that the property had a then present value of \$66,000. Danielle Beason further represented that the property and an existing mortgage in the amount of \$52,100 and requested that the loan proceeds be used, in part, to pay off the loan from Express Mortgage. In support of the application, Ameriquest received an appraisal prepared by Steven Losey and Douglas Curry, which stated that the property was worth \$66,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 26, 1999, which stated that title to the property was vested in Danielle Beason.

148. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013396239) for \$56,100. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 14, 1999, Danielle Beason signed the note and deed of trust. On or about September 20, 1999, the closing occurred, and Ameriquest issued a check in the sum of \$52,127.93 to Express Mortgage, allegedly to pay off its lien on the property.

149. Ameriquest subsequently discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a loan to Beason nor did it have a lien on the property. Ameriquest is informed that its check to Express Mortgage was diverted and converted by the Barber Defendants and/or the Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber Defendants and/or Ameriquest Employee Defendants. Moreover, notwithstanding

her representations that she had owned the property since 1996 and Title Defendants' representations that she owned the property as of August 26, 1999, Ameriquest discovered that Danielle Beason had only come into title on the property via a warranty deed dated September 14, 1999, through which Brent Barber and Lisa Barber transferred title to the property to her. Further, Brent Barber and Lisa Barber obtained title to the property on September 9, 1999, only five days prior to transferring it to Beason. Notwithstanding the purported title transfer to Beason on or about September 14, 1999, Ameriquest is informed that at all relevant times the Barber Defendants have controlled the subject property and that Beason had no material interest in the property.

150. Contrary to Ameriquest's instructions and Title Defendants' title commitment, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Steven Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$64,000, its actual value was only approximately \$56,000.

151. Ameriquest is informed that there are other false and misleading statements in the loan application and that David Springfield and the Barber and Ameriquest Employee Defendants provided false and misleading documents to procure the loan.

152. Ameriquest is informed that in or about June, 2000, the Barber Defendants flipped the property to another straw purchaser and defrauded another lender which placed a mortgage on the property.

4006 S. Benton, Kansas City, Missouri

153. On or about September 14, 1999, Danielle Beason submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Danielle Beason sought refinancing of a property located at 4006 S. Benton, Kansas City, Missouri. In the application, Danielle Beason represented that she had owned the property since 1996, and had purchased it for \$13,000. Danielle Beason further represented that the property had a present value of \$52,000. Danielle Beason further represented that there was an existing mortgage on the property in the amount of \$41,100 and requested that the loan proceeds be used, in part, to pay off a loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry, which stated that the property was worth \$52,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in Danielle Beason.

154. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013490875) for \$44,200. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 14, 1999, Danielle Beason signed the note and deed of trust. On or about September 20, 1999, the closing occurred, and

Ameriquest issued a check in the sum of \$41,193.76 payable to Express Mortgage, to pay off the alleged lien on the property.

155. Ameriquest subsequently discovered that: Express Mortgage did not have a loan to Beason nor did it have a lien on the property. Ameriquest is informed that its check to Express Mortgage was diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to creditors to pay off purported outstanding debts were diverted and converted by the Ameriquest Employees and/or Barber Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996 and Title Defendants' representations that she owned the property as of August 25, 1999, Ameriquest discovered that Danielle Beason never held title to the property. Via warranty deeds recorded and or dated September and October, 1999, the property was transferred by a third party to the Barbers. Ameriquest is informed that at all relevant times Barber controlled the property and that at all relevant time Beason had no material interest in the property. Contrary to its instructions and Title Defendants' title commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$52,000, its actual value was only approximately \$32,000.

156. Ameriquest is informed that the loan application contains other false and misleading statements and that David Springfield and the Barber and Ameriquest Employee Defendants submitted false and misleading documentation to fraudulently procure the loan.

157. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the property to another straw borrower and defrauded another lender who recorded a mortgage on the property.

### **The Beckley Loans**

#### **4929 Michigan, Kansas City, Missouri**

158. On or about August 20, 1999, Robert Beckley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Chauncey Calvert. Through the application, Robert Beckley sought refinancing of a property located at 4929 Michigan, Kansas City, Missouri. In the application, Robert Beckley represented that he had owned the property since 1997, and had purchased it for \$34,500. Robert Beckley further represented that the property had a present value of \$55,000. Robert Beckley further represented that there was an existing mortgage on the property in the amount of \$34,000 and requested that the loan proceeds be used, in part, to pay off a \$34,016.53 loan from the Bank of Leawood secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$45,500. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Robert Beckley.

159. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013004213) for \$36,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on Title

Defendants' issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recording Ameriquest's mortgage. On or about August 20, 1999, Robert Beckley signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$34,016.53 to Title Defendants for payment to the Bank of Leawood, to pay off its alleged lien on the property.

160. Ameriquest subsequently discovered that: The Bank of Leawood did not have a loan to Beckley nor did it have a lien on the property. Ameriquest is informed and believes that the money it wired to Title Defendants for payment to the Bank of Leawood was converted by the Barber Defendants and/or the Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower and purported creditor of the borrower representing disbursements of the loan proceeds were diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Moreover, notwithstanding his representations that he had owned the property since 1997 and Title Defendants' representations that title was vested in Beckley on August 18, 1999, Ameriquest discovered that at the time of the loan closing, Robert Beckley did not have title to the property. Rather, at the time of closing, an individual named Linda Ozar held title to the property. Ms. Ozar transferred the property via warranty deed to Brent Barber and Lisa Barber on September 9, 1999, which warranty deed was recorded October 11, 1999. The Barbers executed a warranty deed dated August 20, 1999 (which deed was recorded October 12, 1999), purporting to transfer title to the property to Beckley, but at that time, the Barbers did not have any title to transfer. Ameriquest is informed that at all relevant times Barber has controlled the property and that at all relevant times Beckley had no material interest in the property. Contrary to its instructions and Title Defendants'

commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$45,500, its actual value is only approximately \$25,500.

161. Ameriquest is informed that the loan application contains other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants submitted false and misleading documentation to procure the loan.

162. In or about August, 2000, the Barber Defendants fraudulently refinanced the property through another lender which placed a new mortgage on the property.

4135 Monroe, Kansas City, Missouri

163. On or about August 20, 1999, Robert Beckley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Robert Beckley sought refinancing of a property located at 4135 Monroe, Kansas City, Missouri. In the application, Robert Beckley represented that he had owned the property since 1997, and had purchased it for \$33,000. Robert Beckley further represented that the property had a present value of \$55,000. Robert Beckley represented that there was an existing mortgage of \$32,400 on the property and further requested that the loan proceeds be used, in part, to pay off a loan from the Bank of Leawood secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$45,000. Also in support of the loan application, Ameriquest

received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Robert Beckley.

164. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013003827) for \$36,000. Ameriquest issued written instructions to Title Defendants' conditioning disbursement of funds and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recording Ameriquest's mortgage. On or about August 20, 1999, Robert Beckley signed the note and deed of trust. On or about August 25, 1999, the closing occurred, and Ameriquest wire transferred \$32,452.75 to Title Defendants for payment of the alleged Bank of Leawood mortgage on the property. Other funds were wired to Title Defendants for payment of other alleged debt.

165. Ameriquest subsequently discovered that: The Bank of Leawood did not have a loan to Beckley or have a lien on the property. Ameriquest is informed and believes that the money it wired for payment to the Bank of Leawood and other debt was converted by the Title Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by Ameriquest Employee Defendants and the Barber Defendants. Moreover, notwithstanding his representations that he had owned the property since 1997 and Title Defendants' representations that title was vested in Beckley on August 5, 1999, Ameriquest discovered that at the time of the loan closing, Robert Beckley did not have title to the property. Rather, at the time of closing, an individual named Linda Ozar held title to the property. Ms. Ozar transferred the property via warranty deed to Brent Barber and Lisa Barber



on September 9, 1999, which warranty deed was recorded October 11, 1999. The Barbers executed a warranty deed dated August 20, 1999 (which deed was recorded October 12, 1999), purporting to transfer title to the property to Beckley, but at that time, the Barbers did not have any title to transfer. Ameriquest is informed that at all relevant times the Barber Defendants controlled the subject property and that Beckley had no material interest therein. Contrary to its instructions and Title Defendants' title commitment, Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$45,000, its actual value was only approximately \$32,000.

166. Ameriquest is informed that the loan application contained other false and misleading information and that Ameriquest Employee Defendants and Barber Defendants submitted false and misleading documents to procure the loan.

167. On or about August 21, 2000, the Barber Defendants fraudulently refinanced the property with another lender and placed a mortgage on the property.

### **The Burnham Loans**

#### **11402 Corrington, Kansas City, MO**

168. On or about August 13, 1999, Karen Burnham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Chauncey Calvert. Through the application, Karen Burnham sought refinancing of a property located at 11402 Corrington, Kansas City, Missouri. In the application, Karen Burnham represented that she had owned the property since 1996, and had purchased it for \$58,000. Karen Burnham

further represented that the property had a present value of \$68,000. Karen Burnham further represented that Express Mortgage had an existing mortgage on the property in the amount of \$43,500 and requested that the loan proceeds be used, in part, to pay off that loan. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$61,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Karen Burnham.

169. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012964490) for \$51,850. Ameriquest issued written instructions to Title Defendants conditioning disbursement of funds and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recording Ameriquest's mortgage. On or about August 13, 1999, Karen Burnham signed the note and deed of trust. On or about August 20, 1999, the closing occurred, and Ameriquest wire transferred \$48,524.17 to Title Defendants for payment to Express Mortgage to pay off the alleged lien on the property.

170. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Burnham nor had a lien on the property. Ameriquest is informed that the money wired to Pinnacle for payment to Express Mortgage was converted by the Title Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by Ameriquest Employee Defendants and/or Barber Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996, and

notwithstanding Title Defendants' representation that title was vested in Burnham on August 5, 1999, Ameriquest discovered that Karen Burnham never held title to the property. Furthermore, despite Ameriquest's specific instructions and contrary to Title Defendants' commitment to record the mortgage, Ameriquest's mortgage was not recorded nor did Title Defendants issue a final policy of title insurance. Ameriquest is informed that at all relevant time Barber has controlled the property and Burnham has had no material interest therein. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$61,000, its actual value was only approximately \$40,000.

171. Ameriquest is informed that the loan application contained other false and misleading information and that David Springfield, the Barber and/or Ameriquest Employee Defendants manufactured other false and misleading documents through which the loan was procured.

172. Ameriquest is informed that the Barber Defendants have caused property to be flipped to other straw borrowers and fraudulently caused other lenders to place a mortgage(s) on the property.

2448 Brooklyn, Kansas City, MO

173. On or about August 13, 1999, Karen Burnham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Karen Burnham sought refinancing for a loan to be secured

against the property located at 2448 Brooklyn, Kansas City, Missouri. In the application, Karen Burnham represented that she had owned the property since 1997, and had purchased it for \$37,000. Karen Burnham further represented that the property had a present value of \$50,000. Karen Burnham further represented that there existed a \$36,000 mortgage on the property and requested that the loan proceeds be used, in part, to pay off a loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Karen Burnham.

174. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013043856) for \$40,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position, and on recording Ameriquest's mortgage. On or about August 13, 1999, Karen Burnham signed the note and deed of trust. On or about August 19, 1999, the closing occurred, and Ameriquest wire transferred \$35,557.72 to Title Defendants for payment to Associated Mortgage to pay off its alleged mortgage on the property, and in the amount of \$ 1,741.48 to pay off another purported creditor.

175. Ameriquest subsequently discovered that: Associated Mortgage never had a loan to Burnham or a lien on the property. Ameriquest is informed that the money wired to Title Defendant for payment to Associated Mortgage and the other creditor was converted by the Title

Defendants and/or the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by Ameriquest Employee Defendants and/or the Barber Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996, and notwithstanding Title Defendants' representations that title was vested in Burnham as of August 5, 1999, Ameriquest discovered that Karen Burnham never held title to the property. Ameriquest is informed that at all material times Barber controlled the property and Burnham had no material interest therein. Furthermore, despite Ameriquest's specific instructions to Title Defendants to record the mortgage, Ameriquest's mortgage was not recorded. Contrary to Ameriquest's instructions and Title Defendants' commitment, Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$61,000, its actual value was only approximately \$19,000.

176. Ameriquest is informed that the loan application contained other false and misleading information and that Dave Williams and the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents through which the loan was procured.

3024 Indiana, Kansas City, MO

177. On or about August 13, 1999, Karen Burnham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Karen Burnham sought refinancing of a property located at 3024 Indiana, Kansas City, Missouri. In the application, Karen Burnham represented that she

had owned the property since 1997, and had purchased it for \$38,000. Karen Burnham further represented that the property had a present value of \$50,000. Karen Burnham further represented that the property had an existing mortgage in the amount of \$37,000 and requested that the loan proceeds be used, in part, to pay off a loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Karen Burnham.

178. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#001304401) for \$39,200. Ameriquest issued written instructions to the Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recording Ameriquest's mortgage. On or about August 13, 1999, Karen Burnham signed the note and deed of trust. On or about August 19, 1999, the closing occurred, and Ameriquest wire transferred \$36,280 to Title Defendants for payment to Associated Mortgage, to pay off its alleged lien on the property, and other moneys to pay off other alleged creditors.

179. Ameriquest subsequently discovered that: Associated Mortgage never had a loan to Burnham or a lien on the property, and the money wired to Title Defendants for payment to Associated Mortgage and other alleged creditors was converted by the Title Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and Ameriquest Employee Defendants. Moreover, notwithstanding

her representations that she had owned the property since 1996, and Title Defendants' representation that title was vested in Burnham as of August 5, 1999, Ameriquest discovered that Karen Burnham did not come into title on the property until October, 1999, when Brent Barber and Lisa Barber acquired title and flipped the property to Burnham. Ameriquest is informed that at all relevant times Barber controlled the property and Burnham had no material interest therein. Notwithstanding Ameriquest's instructions and Title Defendants' title commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$24,000.

180. Ameriquest is informed that the loan application contained other false and misleading information and that Dave Williams and the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which to procure the loan.

### **The Cunningham Loans**

#### **3801 Chestnut, Kansas City, MO**

181. On or about August 23, 1999, Brandon Cunningham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Brandon Cunningham sought refinancing for a loan to be secured against the property located at 3801 Chestnut, Kansas City, Missouri. In the application, Brandon Cunningham represented that he had owned the property since 1997, and had purchased it for \$37,000. Brandon Cunningham further represented that the property had a present value of \$46,000. Brandon Cunningham further represented that a \$33,000 mortgage existed on the

property and requested that the loan proceeds be used, in part, to pay off his loan from the Bank of Leawood secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Brandon Cunningham.

182. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013235155) for \$36,800. Ameriquest issued written instructions to Title Defendants conditioning its closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recordation of the mortgage. On or about August 23, 1999, Brandon Cunningham signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued a checks in the sum of \$34,124.88 payable to the Bank of Leawood to pay off the alleged lien on the property and in the amount of \$80.32 to pay off an alleged creditor and in the amount of \$88.20 as a disbursement to Cunningham.

183. Ameriquest subsequently discovered that the Bank of Leawood never had a loan to Cunningham nor a lien on the property. Ameriquest is informed and believes that the checks issued to the Bank of Leawood, creditors and the borrower were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1997, and Title Defendants' representation that title was vested in Cunningham as of August 18, 1999, Ameriquest discovered that at the time of the loan closing, Brandon Cunningham did not have title to the property. Rather, at the time of closing, a



corporation named Tiger Paw, Inc. held title to the property. Tiger Paw transferred the property via warranty deed to Brent Barber and Lisa Barber on October 7, 1999. The Barbers executed a warranty deed dated August 23, 1999 (which deed was recorded October 12, 1999), purporting to transfer title to the property to Cunningham, but at that time, the Barbers did not have any title to transfer. Ameriquest is informed that at all relevant times Barber controlled the property and that Cunningham had no material interest therein. Contrary to Ameriquest's instructions and Title Defendants' commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$48,000, its actual value was only approximately \$28,000.

184. Ameriquest is informed that the loan application contained other false and misleading information and that defendant Tim Newman, the Barber Defendants and/or Ameriquest Employee Defendants manufactured documents containing false and misleading information by which to procure the loan.

185. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused a new mortgage to be placed on the property from another lender.

3538 College, Kansas City, MO

186. On or about August 23, 1999, Brandon Cunningham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Brandon Cunningham sought refinancing of a property located

at 3538 College, Kansas City, Missouri. In the application, Brandon Cunningham represented that he had owned the property since 1997, and had purchased it for \$37,000. Brandon Cunningham further represented that the property had a present value of \$45,000. Brandon Cunningham further represented that there existed a \$33,000 mortgage on the property and requested that the loan proceeds be used, in part, to pay off his loan from the Bank of Leawood secured by the property. In support of the application, Brandon Cunningham received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$47,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Brandon Cunningham.

187. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013235387) for \$36,000. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recordation of the mortgage. On or about August 23, 1999, Brandon Cunningham signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued checks in the sums of \$33,531.36 and \$86.31 to the Bank of Leawood, to pay off its alleged lien on the property and as a disbursement to Cunningham.

188. Ameriquest subsequently discovered that: the Bank of Leawood never had a loan to Cunningham or a lien on the property. Ameriquest is informed and believes that the checks it issued were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1997,

Ameriquist discovered that at the time of the loan closing, Brandon Cunningham did not have title to the property. Rather, at the time of closing, an corporation named Tiger Paw, Inc. held title to the property. Tiger Paw transferred the property via warranty deed to Brent Barber and Lisa Barber on October 7, 1999. The Barbers executed a warranty deed dated August 23, 1999 (which deed was recorded October 12, 1999), purporting to transfer title to the property to Cunningham, but at that time, the Barbers did not have any title to transfer. Ameriquist is informed that at all material times Barber Defendants controlled the subject property and that Cunningham had no material interest therein. Contrary to Ameriquist's instructions and Title Defendants' commitment, Ameriquist never received a title policy from title Defendants. Finally, Ameriquist discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$47,000, its actual value was only approximately \$26,500.

189. Ameriquist is informed and believes that the loan application contained other false and misleading information and that Tim Newman, and the Barber and/or Ameriquist Employee Defendants manufactured false and misleading documentation by which the loan was procured.

190. Ameriquist is informed that in July, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

**The Curp Loans**

**3928 Tracy, Kansas City, MO**

191. On or about August 30, 1999, William Curp submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Chauncey Calvert. Through the application, Brandon Cunningham sought refinancing of a property located at 3928 Tracy, Kansas City, Missouri. In the application, William Curp represented that he had owned the property since 1997, and had purchased it for \$42,000. William Curp further represented that the property had a present value of \$54,000. William Curp further represented that there existed a mortgage in the amount of \$40,600 with Express Mortgage and requested that the loan proceeds be used, in part, to pay off his Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$54,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in William Curp.

192. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013268123) for \$43,200. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on the recordation of the mortgage. On or about August 30, 1999, William Curp signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued a checks in the sum of

\$40,464.29 to Express Mortgage to pay off the alleged lien on the property and in the sum of \$135.51 to Curp.

193. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Curp or a lien on the property. Ameriquest is informed and believes that the checks it paid to Express Mortgage and Curp were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1997 and the representations of the Title Defendants that title was vested in Curp as of August 25, 1999, Ameriquest discovered that at the time of the loan closing William Curp did not have title to the property. Rather, at the time of closing, individuals named Lloyd E. Smith and Clara J. Smith held title to the property. The Smiths transferred the property via warranty deed to Brent Barber and Lisa Barber on September 13, 1999. The Barbers executed a warranty deed dated August 30, 1999 (which deed was recorded September 14, 1999), purporting to transfer title to the property to Curp, but at that time, the Barbers did not have any title to transfer. Ameriquest is informed that at all relevant times Barber controlled the property and that Curp had no material interest therein. Contrary to Ameriquest's instructions to Title Defendants and Title Defendants' commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$54,000, its actual value was only approximately \$34,000.

194. Ameriquest is informed that the loan application containing other false and misleading information and that David Springfield and the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documentation by which to procure the loan.

195. Ameriquest is informed that in or about May, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

4523 Wabash, Kansas City, MO

196. On or about August 30, 1999, William Curp submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Chauncey Calvert. Through the application, Brandon Cunningham sought refinancing of a property located at 4523 Wabash, Kansas City, Missouri. In the application, William Curp represented that he had owned the property since 1996, and had purchased it for \$40,000. William Curp further represented that the property had a present value of \$52,000. William Curp further represented that Express Mortgage had an existing \$38,800 mortgage on the property and requested that the loan proceeds be used, in part, to pay off his Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$52,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in William Curp.

197. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013268685) for \$41,600. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recordation of the mortgage. On or about August 30, 1999, William Curp signed the note and deed of trust. On or

about August 31, 1999, the closing occurred, and Ameriquest issued a check in the sum of \$38,918.29 to Express Mortgage, to pay off its alleged lien on the property and in the sum of \$121.63 to Curp.

198. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Curp or a lien on the property. Ameriquest is informed and believes that the checks it issued to Express Mortgage and Curp were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1996, Ameriquest discovered that at the time of the loan closing, William Curp did not have title to the property. Rather, at the time of closing, individuals named Lloyd E. Smith and Clara J. Smith held title to the property. The Smiths transferred the property via warranty deed to Brent Barber and Lisa Barber on September 9, 1999. The Barbers executed a warranty deed dated August 30, 1999 (which deed was recorded October 14, 1999), purporting to transfer title to the property to Curp, but at that time, the Barbers did not have any title to transfer. Ameriquest is informed that at all relevant times Barber controlled the property and that Curp had no material interest therein. Contrary to Ameriquest's instructions and Title Defendants' commitment, Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$52,000, its actual value was only approximately \$32,000.

199. Ameriquest is informed that the loan application contains other false and misleading information and that David Springfield and the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured.

200. Ameriquest is informed that in or about April, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

### **The Doran Loans**

#### **1908 S. Home, Independence MO**

201. On or about August 25, 1999, Melvin Doran submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Melvin Doran sought refinancing of a property located at 1908 S. Home, Independence, Missouri. In the application, Melvin Doran represented that he had owned the property since 1993, and had purchased it for \$5,000. Melvin Doran further represented that the property had a present value of \$50,000. Melvin Doran further represented that the property had an existing mortgage in the amount of \$37,000 and requested that the loan proceeds be used, in part, to pay off his Norwest Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Melvin Doran.

202. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013251897) for \$40,000. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recordation of the



mortgage. On or about August 25, 1999, Melvin Doran signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued checks in the sum of \$37,603.50 to Norwest Mortgage, to pay off its alleged lien on the property and in the sum of \$105.20 to Doran.

203. Ameriquest subsequently discovered that: Norwest Mortgage never had a loan to Doran or a lien on the property. Ameriquest is informed and believes that the checks it issued to Norwest Mortgage and to Doran were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1993 and the Title Defendants' representations that title was vested in Doran as of August 5, 1999, Ameriquest discovered that Melvin Doran actually only came into title on the property on August 25, 1999, when Brent Barber and Lisa Barber transferred it to him via warranty deed. Ameriquest is informed that at all relevant times Barber controlled the property and that Doran had no material interest therein. Ameriquest never received a policy of title insurance from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$50,000, its actual value was only approximately \$29,000.

204. Ameriquest is informed and believes that the loan application contained other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants manufactured false and misleading documentation by which the loan was procured.

205. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the subject property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

5010 Michigan, Kansas City, MO

206. On or about August 25, 1999, Melvin Doran submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Melvin Doran sought refinancing for a loan to be secured against the property located at 5010 Michigan, Kansas City, Missouri. In the application, Melvin Doran represented that he had owned the property since 1992, and had purchased it for \$25,000. Melvin Doran further represented that the property had a present value of \$47,000. Melvin Doran further represented that there existed a mortgage on the property in the amount of \$32,800 and requested that the loan proceeds be used, in part, to pay off his Union Planters Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Melvin Doran.

207. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013254339) for \$37,600. Ameriquest issued written instructions to the Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recordation of the mortgage. On or about August 25, 1999, Melvin Doran signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued checks in the sum of

\$34,895.40 to Union Planters Mortgage to pay off the alleged lien on the property and in the sum of \$111.24 to Doran.

208. Ameriquest subsequently discovered that: Union Planters Mortgage never had a loan to Doran or a lien on the property. Ameriquest is informed and believes that the checks it issued to Union Planters Mortgage and Doran were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding Doran's representations that he had owned the property since 1992 and Title Defendants' representations that title was vested in Doran as of August 5, 1999, Ameriquest discovered that Melvin Doran actually only came into title on the property after closing, when Brent Barber and Lisa Barber transferred it to him via warranty deed. Ameriquest is informed that at all material times Barber controlled the property and that Doran had no material interest therein. Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$24,000.

209. Ameriquest is informed and believes that the loan application contained other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants manufactured false and misleading loan documentation by which the loan was procured.

210. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the subject property to another straw borrower and fraudulently caused another lender to loan funds and place a new mortgage on the property

5026 Woodland, Kansas City, MO

211. On or about August 25, 1999, Melvin Doran submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Melvin Doran sought refinancing of a property located at 5026 Woodland, Kansas City, Missouri. In the application, Melvin Doran represented that he had owned the property since 1994, and had purchased it for \$26,000. Melvin Doran further represented that the property had a present value of \$45,000. Melvin Doran further represented that there existed a mortgage in the amount of \$35,700 on the property and requested that the loan proceeds be used, in part, to pay his Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Melvin Doran.

212. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013067319) for \$37,600. Ameriquest issued written instructions to Pinnacle Title to issue an ALTA title insurance policy insuring Ameriquest in first lien position, and to record the mortgage. On or about August 25, 1999, Melvin Doran signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued checks in the sum of \$35,508.84 to Express Mortgage to pay off its alleged lien on the property and in the sum of \$61.80 to Doran.

213. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Doran or a lien on the property. Ameriquest is informed and believes that the checks it issued to Express Mortgage and Doran were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding Doran's representations that he had owned the property since 1994 and Title Defendants' representations that title was vested in Doran as of August 5, 1999, Ameriquest discovered that Melvin Doran actually only came into title on the property on August 25, 1999, when Brent Barber and Lisa Barber transferred it to him via warranty deed. Ameriquest is informed that at all relevant times Barber controlled the property and that Doran had no material interest therein. Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$32,000.

214. Ameriquest is informed and believes that the loan application contains other false and misleading information and that David Springfield and the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured.

215. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused the property to be flipped to another straw borrower and fraudulently caused another lender to make a new loan and place a new mortgage on the property.

**The Dotson Loan**

1111 (1011) Brookside Dr., Raymore, MO

216. On or about July 17, 1999, Ronnie Dotson and Alma Dotson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, the Dotsons sought refinancing of a property located at 1111 (1011) Brookside Dr., Raymore, Missouri. In the application, the Dotsons represented that they had owned the property since 1998, and had purchased it for \$150,000. The Dotsons represented that the present market value of the property was \$165,600 and that there was an existing mortgage on the property in the amount of \$107,000 with First Bank of Kansas City. In support of the application, Ameriquest received an appraisal prepared by Philip Thomas which stated that the property was worth \$165,600. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 15, 1999, which stated that title to the property was vested in the Dotsons.

217. In reliance on these statements and documents, Ameriquest granted the application and provided a mortgage loan (No. 0012572012) for \$140,760. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in a first lien position and on recording Ameriquest's mortgage. On or about July 17, 1999, the Dotsons signed the note and deed of trust. On or about July 30, 1999, the closing occurred and Ameriquest wired to the Title Defendants approximately \$108,251.07 for payment to First Bank of Kansas City of \$108,072.22 and to Benny C. Odom, Collector, \$178.85. Ameriquest also issued its checks in the amount of

\$8,877 to Premis Financial, to the Dotsons in the amount of \$185.12, to Ameriquest Mortgage Company Withhold in the amount of \$2,025 (for disbursement to purported contractors of the Dotsons who were to do work at the property) and to the Dotsons in the amount of \$15,197.77.

218. Ameriquest subsequently discovered that: Notwithstanding their representations that they had owned the property since 1998, and notwithstanding the title commitment from the Title Defendants that title was vested in the Dotsons as of July 15, 1999, the Dotsons actually only came into title on the property on or about August 4, 1999 when a warranty deed from Charles and Jennifer Aames was recorded purporting to transfer title to the property to the Dotsons. Ameriquest is informed that at all material times the Barber Defendants controlled the property and that Dotsons had no material interest therein. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest is informed that while First Bank of Kansas City had a lien on the property, that lien was not a loan to the Dotsons. Ameriquest is informed that the monies that were wired to Title Defendants may have been converted by the Title Defendants and/or the Barber Defendants. Ameriquest is further informed that the checks made payable to the Dotsons and purported creditors of the Dotsons have been diverted and converted by the Barber Defendants and/or Ameriquest Employee Defendants. Ameriquest is also informed that the Philip Thomas appraisal grossly overstated the property's value.

219. Ameriquest is informed and believes that the loan application includes other false and misleading statements, including the wage and employment information of Mr. Dotson, and that the Ameriquest Employee Defendants and/or Barber Defendants manufactured false and misleading documentation by which to procure the subject loan.

220. Ameriquest is further informed that in or about December, 2000, the Barber Defendants fraudulently procured a loan from another lender and had that lender place a new mortgage on the property.

### **The Driggers Loans**

#### **3926 Highland, Kansas City, MO**

221. On or about August 19, 1999, Dawn Driggers submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Dawn Driggers sought refinancing of a property located at 3926 Highland, Kansas City, Missouri. In the application, Dawn Driggers represented that she had owned the property since 1996. Dawn Driggers further represented that the property had a present value of \$60,000. Dawn Driggers further represented that there existed an existing mortgage with a balance of \$48,600 and requested that the loan proceeds be used, in part, to pay off her World Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$60,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Dawn Driggers.

222. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013183439) for \$48,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on issuance of issue an ALTA title insurance policy insuring Ameriquest in first lien position and on



recording of Ameriquest's mortgage. On or about August 19, 1999, Dawn Driggers signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest wire transferred \$45,143.80 to Title Defendants for payment to World Mortgage to pay off its alleged lien on the property.

223. Subsequently, Ameriquest discovered that: World Mortgage never had a loan to Driggers or a lien on the property. Ameriquest is informed and believes that the money it wired to Title Defendants for payment to World Mortgage was converted by the Barber Defendants and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber Defendants and/or Ameriquest Employee Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996 and Title Defendants' representations that title was vested in Driggers as of August 5, 1999, Ameriquest discovered that Dawn Driggers did not come into title on the property until September, 1999, when Brent Barber and Lisa Barber obtained title and simultaneously transferred title to her via warranty deed. Ameriquest is informed that at all material times Barber controlled the property and that Driggers had no material interest therein. Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$60,000, its actual value was only approximately \$17,000.

224. Ameriquest is informed and believes that the loan application contained other false and misleading information and that the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured.

225. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a new loan from another lender and had a new mortgage placed on the property.

4260 E. 62<sup>nd</sup> St., Kansas City, MO

226. On or about August 19, 1999, Dawn Driggers submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Dawn Driggers sought refinancing of a property located at 4260 E. 62<sup>nd</sup> St., Kansas City, Missouri. In the application, Dawn Driggers represented that she had owned the property since 1996. Dawn Driggers further represented that the property had a present value of \$49,000. Dawn Driggers further represented that the property had an existing mortgage of \$34,350 and requested that the loan proceeds be used, in part, to pay off her World Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Dawn Driggers.

227. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013183058) for \$39,200. Ameriquest issued written instructions to Title Defendants conditioning loan funding and closing on issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recording Ameriquest's mortgage. On or about August 19, 1999, Dawn Driggers signed the note and deed

of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$35,250 to Title Defendants for payment to World Mortgage to pay off the alleged lien on the property.

228. Ameriquest subsequently discovered that: World Mortgage never had a loan to Driggers or a lien on the property. Ameriquest is informed and believes that the money it wired to Title Defendants for payment to World Mortgage was diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996 and the Title Defendants' representations that title was vested in Driggers as of August 5, 1999, Ameriquest discovered that Dawn Driggers did not come into title on the property until September, when Brent Barber and Lisa Barber obtained title and simultaneously transferred it to her via warranty deed. Ameriquest is informed that at all relevant times Barber controlled the property and that Driggers had no material interest therein. Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$18,000.

229. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which to procure the loan.

230. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a new loan from another lender and had a new mortgage placed on the property.

4038 Bellefontaine, Kansas City, MO

231. On or about August 19, 1999, Dawn Driggers submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Dawn Driggers sought refinancing of a property located at 4038 Bellefontaine, Kansas City, Missouri. In the application, Dawn Driggers represented that she had owned the property since 1996. Dawn Driggers further represented that the property had a present value of \$56,000. Dawn Driggers further represented that the property had an existing mortgage in the amount of \$38,000 and requested that the loan proceeds be used, in part, to pay off her World Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$56,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Dawn Driggers.

232. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013007828) for \$44,800. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recording of Ameriquest's mortgage. On or about August 19, 1999, Dawn Driggers signed the note and deed

of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$39,200 to Title Defendants for payment to World Mortgage to pay off the alleged lien on the property.

233. Ameriquest subsequently discovered that: World Mortgage never had a loan to Driggers or a lien on the property. Ameriquest is informed and believes that the money it wired to Title Defendants for payment to World Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower and to creditors out of the loan proceeds may have been diverted and converted by the Ameriquest Employee and/or Barber Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996 and Title Defendants' representation that title was vested in Driggers as of August 5, 1991, Ameriquest discovered that Dawn Driggers did not come into title on the property until September, 1991 when Brent Barber and Lisa Barber obtained title to the property and simultaneously transferred it to her via warranty deed. Ameriquest is informed that at no time did Driggers have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest never received a title policy for Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$56,000, its actual value was only approximately \$34,000.

234. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which to procure the loan.

235. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a new loan from another lender and had a new mortgage placed on the property.

**The Durso Loans**

2919 E. 28<sup>th</sup> St., Kansas City, MO

236. On or about September 3, 1999, Elizabeth Durso submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee, Avonda Nicodemus. Through the application, Elizabeth Durso sought refinancing of a property located at 2919 E. 28<sup>th</sup> Street, Kansas City, Missouri. In the application, Elizabeth Durso represented that she had owned the property since 1996, and had purchased it for \$40,000. Elizabeth Durso further represented that the property had a present value of \$49,000. Elizabeth Durso further represented that the property had an existing mortgage in the amount of \$36,700 and requested that the loan proceeds be used, in part, to pay her Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Elizabeth Durso.

237. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013382569) for \$41,650. Ameriquest issued written instructions to Title Defendants conditioning loan closing on the issuance of an ALTA

title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 3, 1999, Elizabeth Durso signed the note and deed of trust. On or about September 16, 1999, the closing occurred, and Ameriquest issued its checks to Express Mortgage in the amount of \$38,404.12 (to pay off the alleged existing mortgage), to Elizabeth Durso in the amount of \$93.18, \$139.77, \$118.08 and \$78.72 (as disbursements to borrower and/or her purported creditors).

238. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Durso or a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower (or her purported creditors) out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996, and Title Defendants' representation that title was vested in Durso as of August 18, 1999, Ameriquest discovered that Elizabeth Durso did not come into title on the property until October, 1999, when Brent Barber and Lisa Barber obtained title and simultaneously transferred it to her via warranty deed. Ameriquest is informed that at all material times Durso had no material interest in the property. Ameriquest never received a title policy from Title Defendants. Finally, Ameriquest discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$26,000.

239. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants and David Springfield manufactured false and misleading documents by which to procure the loan.

240. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a new loan from another lender and had a new mortgage placed on the property.

7146 Bales, Kansas City, MO

241. On or about September 3, 1999, Elizabeth Durso submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Elizabeth Durso sought refinancing of a property located at 7146 Bales, Kansas City, Missouri. In the application, Elizabeth Durso represented that she had owned the property since 1996, and had purchased it for \$50,000. Elizabeth Durso further represented that the property had a present value of \$58,000. Elizabeth Durso further represented that the property had an existing mortgage of \$46,500 and requested that the loan proceeds be used, in part, to pay off her Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$58,000. Also in support of the loan application, Ameriquest received from Title Defendants' title commitment with an effective date of August 19, 1999, which stated that title to the property was vested in Elizabeth Durso.

242. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013382833) for \$49,300. Ameriquest issued



written instructions to Title Defendants conditioning loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 3, 1999, Elizabeth Durso signed the note and deed of trust. On or about September 16, 1999, the closing occurred, and Ameriquest issued checks in the amount of \$44,993.72 to Express Mortgage to pay off its alleged lien on the property and to Durso in the amount of \$93.18 and \$139.77 (as disbursements to borrower) and wired funds in the amount of \$1,041.66 to Title Defendants to pay off another existing lien on the property.

243. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Durso or a lien on the property. Ameriquest is informed and believes that the check it issued to Express Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted. Ameriquest is informed that the wired funds may have been diverted and converted by the Barber and/or Title Defendants. Moreover, notwithstanding her representations that she had owned the property since 1996, and Title Defendants' representations that title was vested in Durso as of August 19, 1999, Ameriquest discovered that at the time of the loan closing, Elizabeth Durso did not have title to the property. Rather, on or about September 9, 1999 (recorded October 11, 1999), Linda Ozar and Leonard Ozar deeded the property to Brent Barber and Lisa Barber. Brent and Lisa Barber did not deed the property to Elizabeth Durso until June 28, 2000 (recorded July 14, 2000). Ameriquest is informed that at all relevant times Barber controlled the property and that Durso had no material interest therein.

Ameriquet never received a title policy from Title Defendants. Ameriquet also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$58,000, its actual value was only approximately \$47,000.

244. Ameriquet is informed and believes that the loan application contains other false and misleading information and that David Springfield and the Barber and/or Ameriquet Employee Defendants manufactured false and misleading documents by which to procure the loan.

245. Ameriquet is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a loan from a new lender and had a new mortgage placed on the property.

### **The Gant Loans**

#### **5452 College, Kansas City, MO**

246. On or about August 4, 1999, Andrew Gant submitted a loan application to Ameriquet. This application was referred to Ameriquet by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquet employee, Avonda Nicodemus. Through the application, Andrew Gant sought refinancing of a property located at 5452 College, Kansas City, Missouri. In the application, Andrew Gant represented that he had owned the property since 1996, and had purchased it for \$35,000. Andrew Gant further represented that the property had a present value of \$39,000. Andrew Gant further represented that the property had an existing mortgage in the amount of \$29,000 and requested that the loan proceeds be used, in part, to pay off her Express Mortgage loan secured by the property. In support of the application, Ameriquet received an appraisal prepared by Peggy Ries which

stated that the property was worth \$40,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 26, 1999, which stated that title to the property was vested in Andrew Gant.

247. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012946323) for \$32,000. Ameriquest issued written instructions to Title Defendants conditioning loan funding and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on recording Ameriquest's mortgage. On or about August 4, 1999, Andrew Gant signed the note and deed of trust. On or about August 23, 1999, the closing occurred, and Ameriquest wire transferred \$29,876.15 to Title Defendants for payment to Express Mortgage to pay off the alleged lien on the property. Ameriquest also issued checks to Gant as disbursements to borrower.

248. Ameriquest subsequently discovered that: Express Mortgage never had a loan to Gant or a lien on the property. Ameriquest is informed that the money wired to Title Defendants for payment to Express Mortgage was diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and/or converted by the Barber and/or Ameriquest Employee Defendants. Moreover, notwithstanding his representations that he had owned the property since 1996 and Title Defendants' representations that title was vested in Gant as of July 26, 1999, Ameriquest discovered that Andrew Gant did not obtain title to the property until Brent Barber and Lisa Barber conveyed the property to him via warranty deed dated August 4, 1999. Ameriquest is informed that at all relevant times Barber controlled the property and Gant had no material

interest therein. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$40,000, its actual value was only approximately \$17,000.

249. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants and defendant David Springfield manufactured false and misleading documents by which to procure the loan.

250. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a loan from a new lender and had a new mortgage placed on the property.

2923 Kensington, Kansas City, MO

251. On or about August 4, 1999, Andrew Gant submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Andrew Gant sought refinancing of a property located at 2923 Kensington, Kansas City, Missouri. In the application, Andrew Gant represented that he had owned the property since 1996, and had purchased it for \$33,000. Andrew Gant further represented that the property had a present value of \$38,000. Andrew Gant further represented that the property had an existing mortgage of \$29,000 and requested that the loan proceeds be used, in part, to pay his Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the

property was worth \$38,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 12, 1999, which stated that title to the property was vested in Andrew Gant.

252. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012946414) for \$30,400. Ameriquest issued written instructions to Title Defendants conditioning loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 4, 1999, Andrew Gant signed the note and deed of trust. On or about August 24, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$28,177.05 payable to Express Mortgage to pay off the alleged lien on the property.

253. Ameriquest subsequently discovered that: that Express Mortgage never had a loan to Gant or a lien on the property. Ameriquest is informed that the check it issued to Express Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted. Moreover, notwithstanding its specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property to insure that Ameriquest's loan had first lien position nor did Title Defendants issue a title policy to Ameriquest. Furthermore, notwithstanding Andrew Gant's representations that he had owned the property since 1996 and Title Defendants' representations that title was vested in Gant as of August 12, 1999, Ameriquest is informed that Andrew Gant never held title to the property. Ameriquest is informed that at all relevant times Barber controlled the property and that Gant had no material interest therein.

Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$38,000, its actual value was only approximately \$26,000.

254. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants and defendant David Springfield manufactured false and misleading documents by which to procure the loan.

255. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a loan from a new lender and had a new mortgage placed on the property.

5923 Wabash, Kansas City, MO

256. On or about August 4, 1999, Andrew Gant submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared and processed by Ameriquest employee Avonda Nicodemus. Through the application, Andrew Gant sought refinancing of a property located at 5923 Wabash, Kansas City, Missouri. In the application, Andrew Gant represented that he had owned the property since 1995, and had purchased it for \$46,000. Andrew Gant further represented that the property had a present value of \$53,000. Andrew Gant further represented that the property had an existing mortgage of \$39,750 and requested that the loan proceeds be used, in part, to pay his Express Mortgage loan secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the

property was worth \$53,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 26, 1999, which stated that title to the property was vested in Andrew Gant.

257. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012803466) for \$42,400. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in a first lien position and on recordation of Ameriquest's mortgage. On or about August 4, 1999, Andrew Gant signed the note and deed of trust. On or about August 11, 1999, the closing occurred, and Ameriquest issued a check in the sum of \$39,759.33 to Express Mortgage, to pay off its alleged lien on the property.

258. Ameriquest subsequently discovered that: Express Mortgage never had a lien on the property. Ameriquest is informed that the check it sent to Express Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted by said Defendants. Moreover, notwithstanding its specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property to insure that Ameriquest's loan had first lien position and Title Defendants failed to issue a title policy to Ameriquest. Furthermore, notwithstanding Andrew Gant's representations that he had owned the property since 1995, and Title Defendants' representations that title was vested in Gant as of July 26, 1999, Ameriquest discovered that Andrew Gant did not hold title to the property at the time of the transaction and did not come into title until July 10, 2000 at which time the property was immediately conveyed by the Barber

Defendants to another straw borrower. Ameriquest is informed that at no time did Gant have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest is informed that at all material times, the Barber Defendants controlled the property and Gant had no material interest.

Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$53,000, its actual value was only approximately \$23,000.

259. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants and defendant David Springfield manufactured false and misleading documents by which to procure the loan.

260. Ameriquest is informed that in or about July, 2000, the Barber Defendants caused title to the property to be transferred to another straw borrower and simultaneously fraudulently procured a loan from a new lender and had a new mortgage placed on the property.

### **The Gipson Loans**

#### **3705 Bellefontaine, Kansas City, MO**

261. On or about August 26, 1999, Zandra Gipson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Zandra Gipson sought refinancing for a loan to be secured against the property located at 3705 Bellefontaine, Kansas City, Missouri. In the application, Zandra Gipson represented that she had owned the property since 1993, and had purchased it for \$4,000.



Zandra Gipson further represented that the property had a present value of \$61,000. Zandra Gipson further represented that there was a mortgage against the property in the amount of \$42,500 and requested that the loan proceeds be used, in part, to pay off her loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$61,000. Also in support of the loan application, Ameriquest received from Pinnacle Title a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Zandra Gipson.

262. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013250881) for \$48,800. Ameriquest issued written instructions to Title Defendants conditioning closing of its loan on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and on the recordation of Ameriquest's mortgage. On or about August 26, 1999, Zandra Gipson signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$45,740.26 payable to Express Mortgage, allegedly to pay off its lien on the property.

263. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed that the check issued to Express Mortgage was diverted and converted by and for Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employees and converted by

the Barber Defendants. Furthermore, notwithstanding Zandra Gipson's representations that she had owned the property since 1993, and Pinnacle Title's representations that title to the property was vested in her as of August 5, 1999, Ameriquest discovered that Zandra Gipson only came into title on the property via warranty deed from Brent Barber and Lisa Barber dated August 26, 1999. Ameriquest is informed that at no time did Gipson have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$61,000, its actual value was only approximately \$32,000.

264. Ameriquest is informed that the Gipson loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants, defendant David Springfield and/or the Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

265. Ameriquest is informed that on or about July 14, 2000, the Barber Defendants caused the property to be flipped to another straw borrower and defrauded another lender which placed a new mortgage on the property.

3816 College, Kansas City, MO

266. On or about August 26, 1999, Zandra Gipson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Zandra Gipson sought refinancing for a loan to be secured against the property located at 3816 College, Kansas City, Missouri. In the application, Zandra Gipson

represented that she had owned the property since 1993, and had purchased it for \$5,000. Zandra Gipson further represented that the property had a present value of \$58,000. Zandra Gipson further represented that there existed a loan against the property of \$42,800 and requested that the loan proceeds be used, in part, to pay off her loan from Norwest secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$58,000. Also in support of the loan application, Ameriquest received from Pinnacle Title a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Zandra Gipson.

267. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013251053) for \$46,400. Ameriquest issued written instructions to Title Defendants conditioning closing of its loan on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 26, 1999, Zandra Gipson signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$43,550.13 payable to Norwest, to pay off its alleged lien on the property.

268. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that Norwest Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Norwest was diverted by the Ameriquest Employee Defendants for the use of the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were also diverted by the Ameriquest Employee Defendants for use by the Barber Defendants. Furthermore, notwithstanding Zandra Gipson's

representations that she had owned the property since 1993 and Title Defendants' representations that title to the property was vested in her as of August 5, 1999, Ameriquest discovered that Zandra Gipson only came into title on the property via warranty deed from Brent Barber and Lisa Barber recorded on September 2, 1999 (which was two days after a warranty deed to the Barbers was recorded). Ameriquest is informed that at no time did Gipson have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$58,000, its actual value is only approximately \$33,000.

269. Ameriquest is informed that the loan application contains other false and misleading information and that the Barber and/or Ameriquest Employee Defendants manufactured false and misleading documents by which the loan was procured.

270. Ameriquest is informed and believes that in or about July, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

#### **The Givens Loan**

419 NW 43<sup>rd</sup> Terr., Kansas City, MO

271. On or about September 21, 1999, David Givens submitted a loan application to Ameriquest. This application was referred to Ameriquest by defendants Brent Barber, Express Mortgage and Julie Teng. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, David Givens sought refinancing for a loan to be secured against the property located at 419 NW 43<sup>rd</sup> Terr., Kansas City, Missouri. In the application,

David Givens represented that he had owned the property since 1996, and had purchased it for \$225,000. David Givens further represented that the property had a present value of \$250,000. David Givens further requested that the loan proceeds be used, in part, to pay off a loan from Fairbanks Capital Corporation in the approximate amount of \$150,000 secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$250,000. Also in support of the loan application, Ameriquest received from Pinnacle Title a title commitment with an effective date of September 14, 1999, which stated that title to the property was vested in David Givens.

272. Ameriquest, in reliance upon these statements and documents and on other information and documents received in connection with the application, granted the loan application and provided a mortgage loan (#0013663604) for \$200,000. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 25, 1999, David Givens signed the note and deed of trust. On or about September 30, 1999, the closing occurred and Ameriquest issued checks to, among others, Fairbank Capital Corporation in the amount of \$160,002.37 and to David Given in the amount of \$26,991.80.

273. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that notwithstanding David Given's representations that he had owned the property since 1996 and Title Defendants' representations that title to the property was vested in him as of September 14, 1999, David Givens only came into title on the property via warranty deed dated October 26, 1999 from Fairbanks Capital Corporation which

warranty deed was not recorded until the year 2001. Ameriquest is informed that the property had been owned by Julie M. Teng who had defaulted on a mortgage in the initial principal amount of \$140,000 to WMC Mortgage Corporation and that WMC Mortgage conducted a foreclosure sale whereby the property was sold to Fairbanks Capital Corporation. Ameriquest is informed that the check issued by Ameriquest and payable to Fairbanks Capital Corporation was used in fact to repurchase the property from Fairbanks Capital Corporation who had been in title to the property since its foreclosure sale on or about April 22, 1999. Ameriquest is further informed that the check issued to David Given in the amount of \$26,991.80 was diverted by the Ameriquest Employees for the use of the Barber Defendants.

274. Ameriquest is informed that Julie Teng and the Barber Defendants conspired to cause David Given to submit the loan application with the false and misleading information on it and with Title Defendants to have a false and misleading title commitment issued. Ameriquest is informed that at all materials times Given had no material interest in the property and that the entire Given's transaction was devised by Julie Teng and the Barber Defendants to allow Julie Teng to reacquire title to the property from Fairbanks Capital Corporation. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$250,000, its actual value was only approximately \$110,000.

275. Ameriquest is informed that the subject loan application contained other false and misleading information and that Julie Teng, the Barber Defendants and/or the Ameriquest Employee Defendants provided false and misleading documentation by which the loan was

procured. Ameriquest is also informed that other checks that it issued were diverted by the Ameriquest Employees and converted by the Barber Defendants.

### **The Graves Loan**

132 N. 38<sup>th</sup> St., Kansas City, KS

276. On or about July 22, 1999, Cassaundra Graves submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Cassaundra Graves sought refinancing for a loan to be secured against the property located at 132 N. 38<sup>th</sup> St., Kansas City, Kansas. In the application, Cassaundra Graves represented that she had owned the property since 1998, and had purchased it for \$40,400. Cassaundra Graves further represented that the property had a present value of \$47,800. Cassaundra Graves further represented that there existed a lien on the property in the amount of \$40,000 and requested that the loan proceeds be used, in part, to pay off her loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Phillip Thomas which stated that the property was worth \$47,800. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Cassaundra Graves.

277. Ameriquest, in reliance upon these statements and documents and other information and documents supplied, granted the loan application and provided a mortgage loan (#0012658266) for \$43,020. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy

insuring Ameriquest in first lien position, and upon recordation of Ameriquest's mortgage. On or about July 22, 1999, Cassaundra Graves signed the note and deed of trust. On or about July 30, 1999, the closing occurred, and Ameriquest wire transferred \$40,053.79 to the Title Defendants for payment to Express Mortgage to pay off its alleged lien on the property.

278. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the money it wired for payment to Express Mortgage was diverted by the Title Defendants and converted by the Barber Defendants and/or the Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquest Employee and/or Barber Defendants. Furthermore, notwithstanding Cassaundra Graves' representations that she had owned the property since 1998, and Title Defendants' representations that title to the property was vested in her as of July 7, 1999, Ameriquest discovered that Zandra Gipson only came into title on the property via warranty deed from Brent Barber and Lisa Barber recorded on August 5, 1999. Ameriquest is informed that at all relevant times Graves had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Phillip Thomas' appraisal grossly overstated the property's value. Though the appraisal values the property at \$47,800, its actual value is only approximately \$15,000.

279. Ameriquest is informed and believes that the loan application contains other false and misleading information and that the Ameriquest Employee and/or Barber Defendants and



David Springfield provided such false information and false and misleading documentation by which the loan was procured.

### **The Harrison Loan**

#### **2900 Askew, Kansas City, MO**

280. On or about August 23, 1999, Staci Harrison submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Staci Harrison sought refinancing for a loan to be secured against the property located at 2900 Askew, Kansas City, Missouri. In the application, Staci Harrison represented that she had owned the property since 1996, and had purchased it for \$45,000. Staci Harrison further represented that the property had a present value of \$60,000. Staci Harrison further represented that there was an existing lien in the amount of \$43,000 and requested that the loan proceeds be used, in part, to pay off her purported loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$61,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Staci Harrison.

281. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013066188) for \$48,000. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of

Ameriquest's mortgage. On or about August 23, 1999, Staci Harrison signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued its check in the amount of \$43,428.10 to Associated Mortgage, to pay off its purported lien on the property.

282. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes its check for payment to Associated Mortgage was diverted and converted by the Ameriquest Employees for use by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower and to purported creditors of borrower were also diverted by the Ameriquest Employees for use by the Barber Defendants. Furthermore, notwithstanding Staci Harrison's representations that she had owned the property since 1996, and Title Defendants' representations that title to the property was vested in her as of August 18, 1999, Ameriquest discovered that Staci Harrison only came into title on the property via warranty deed from Brent Barber and Lisa Barber recorded on October 12, 1999 (five days after the Barbers acquired title by deed recorded on October 7, 1999). Ameriquest is informed that at no time did Harrison have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$61,000, its actual value is only approximately \$46,000.

283. Ameriquest is informed that the Ameriquest Employee and Barber Defendants provided other false and misleading information and documents as part of the loan application.

**The Johnson Loans**

4015 Norton, Kansas City, MO

284. On or about September 16, 1999, Roger Johnson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Roger Johnson sought refinancing for a loan to be secured against the property located at 4015 Norton, Kansas City, Missouri. In the application, Roger Johnson represented that he had owned the property since 1997, and had purchased it for \$38,250. Roger Johnson further represented that the property had a present value of \$51,000. Roger Johnson further represented that the property had an existing lien of \$37,600 and requested that the loan proceeds be used, in part, to pay off her loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Dominique Allen and Douglas Curry which stated that the property was worth \$51,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Roger Johnson.

285. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013548664) for \$40,800. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 16, 1999, Roger Johnson signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued a

check in the amount of \$37,820.75 payable to Associated Mortgage, to pay off its purported lien on the property.

286. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Associated Mortgage was diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were also diverted and converted. Furthermore, notwithstanding Roger Johnson's representations that he had owned the property since 1997, and Pinnacle Title's representations that title to the property was vested in him as of August 27, 1996, Ameriquest discovered that Roger Johnson only came into title on the property via warranty deed from Brent Barber and Lisa Barber recorded October 12, 1999 (approximately one month after the Barbers acquired title). Ameriquest is informed that at no time did Johnson have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Dominique Allen and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$51,000, its actual value is only approximately \$30,000.

287. Ameriquest is informed that the Ameriquest Employee and Barber Defendants submitted other false and misleading information and documents in connection with the loan application.

288. Ameriquest is further informed that in or about September, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently caused another lender to place a new mortgage on the property.

7037 Chestnut, Kansas City, MO

289. On or about September 16, 1999, Roger Johnson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Roger Johnson sought refinancing for a loan to be secured against the property located at 7037 Chestnut, Kansas City, Missouri. In the application, Roger Johnson represented that he had owned the property since 1995, and had purchased it for \$41,000. Roger Johnson further represented that the property had a present value of \$54,000. Roger Johnson further represented that there was an existing lien on the property in the amount of \$39,800 and requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Stephen Losey and Douglas Curry which stated that the property was worth \$54,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Roger Johnson.

290. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013528146) for \$43,200. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of

Ameriquest's mortgage. On or about September 16, 1999, Roger Johnson signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$40,201.93, payable to Associated Mortgage, to pay off its purported lien on the property.

291. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Associated Mortgage was diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower were similarly diverted and converted. Furthermore, notwithstanding Roger Johnson's representations that he had owned the property since 1995 and Title Defendants' representations that title to the property was vested in him as of August 27, 1999, Ameriquest discovered that Roger Johnson only came into title on the property via warranty deed from Brent Barber and Lisa Barber dated recorded on October 12, 1999 (the same day that a warranty deed was recorded, vesting title in the Barbers). Ameriquest is informed that at all relevant times the Johnson had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$54,000, its actual value is only approximately \$19,000.

292. Ameriquest is informed that the Ameriquest Employee and Barber Defendants provided other false and misleading information and documents as part of the loan application.

293. Ameriquest is further informed that in or about September, 2000, the Barber Defendants caused the property to flip to a new straw borrower and fraudulently procured a new loan from another lender using the property as collateral.

### **The Lecuru Loans**

#### **4000 Bales, Kansas City, MO**

294. On or about September 14, 1999, Todd Lecuru submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Todd Lecuru sought refinancing for a loan to be secured against the property located at 4000 Bales, Kansas City, Missouri. In the application, Todd Lecuru represented that he had owned the property since 1996, and had purchased it for \$39,000. Todd Lecuru further represented that the property had a present value of \$52,000. Todd Lecuru further represented that there existed a \$38,300 loan against the property and requested that the loan proceeds be used, in part, to pay off his purported loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Dominique Allen and Douglas Curry which stated that the property was worth \$52,000. Also, in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 26, 1999, which stated that title to the property was vested in Todd Lecuru.

295. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013481205) for \$41,600. Ameriquest issued written instructions to Title Defendants conditioning the closing of its loan on the issuance of an

ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 14, 1999, Todd Lecuru signed the note and deed of trust. On or about September 23, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$38,140.55 payable to Associated Mortgage to pay off its purported lien on the property.

296. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Associated Mortgage was diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower and/or creditors of the borrowers representing disbursements to the borrower out of the loan proceeds diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding Todd Lecuru's representations that he had owned the property since 1996, and the Title Defendants' representations that title to the property was vested in him as of August 26, 1999, Ameriquest discovered that Todd Lecuru only came into title on the property via warranty deed from Brent Barber and Lisa Barber dated September 14, 1999 and recorded October 12, 1999, the same dates which the Barbers obtained title to the property. Ameriquest is informed that at all relevant times Lecuru had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Dominique Allen and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$52,000, its actual value was only approximately \$28,000.



297. Ameriquest is informed that the Lecuru loan application contains other false and misleading statements. Ameriquest is informed that the Ameriquest Employee Defendants and/or Barber Defendants provided false and misleading documents to assist in fraudulently procuring the loan.

298. Ameriquest is further informed that in or about December, 1999, the Barber Defendants fraudulently procured a loan on the property from another lender.

4000 Askew, Kansas City, MO

299. On or about September 14, 1999, Todd Lecuru submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Todd Lecuru sought refinancing for a loan to be secured against the property located at 4000 Askew, Kansas City, Missouri. In the application, Todd Lecuru represented that he had owned the property since 1997, and had purchased it for \$37,000. Todd Lecuru further represented that the property had a present value of \$50,000. Todd Lecuru further represented that there existed a lien against the property in the amount of \$36,500 and requested that the loan proceeds be used, in part, to pay off his purported loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Dominique Allen and Douglas Curry which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from the Title Defendants a title commitment with an effective date of August 26, 1999, which stated that title to the property was vested in Todd Lecuru.

300. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013481312) for \$40,000. Ameriquest issued written instructions to Title Defendants conditioning its loan closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 14, 1999, Todd Lecuru signed the note and deed of trust. On or about September 23, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$36,645.23 payable to Associated Mortgage, to pay off its purported lien on the property.

301. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Associated Mortgage was diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower and/or creditors of the borrower representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding Todd Lecuru's representations that he had owned the property since 1997 and Title Defendants' representations that title to the property was vested in him as of August 26, 1999, Ameriquest discovered that Todd Lecuru only came into title on the property via warranty deed from Brent Barber and Lisa Barber dated September 14, 1999 and recorded on October 12, 1999, the same day the Barbers obtained title to the property. Ameriquest is informed that at all material times Lecuru had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants.

Ameriquest also discovered that Dominique Allen and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$50,000, its actual value was only approximately \$29,000.

302. Ameriquest is informed that the Lecuru loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants and/or Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

303. Ameriquest is informed that some time subsequent to July, 2001, the Barber Defendants flipped the subject property to another straw borrower and/or fraudulently procured a new mortgage from another lender using the property as security.

#### **The Lipari-Murray Loans**

##### **3125 Spruce, Kansas City, MO**

304. On or about September 3, 1999, Darlene Lipari-Murray submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Darlene Lipari-Murray sought refinancing for a loan to be secured against the property located at 3125 Spruce, Kansas City, Missouri. In the application, Darlene Lipari-Murray represented that she had owned the property since 1992, and had purchased it for \$6,000. Darlene Lipari-Murray further represented that the property had a present value of \$49,000. Darlene Lipari-Murray represented that there existed a lien on the property in the amount of \$34,500 and further requested that the loan proceeds be used, in part, to pay off her purported loan from Express Mortgage secured by the property. In support of the application,

Ameriquest received an appraisal prepared by Stephen Losey and Douglas Curry which stated that the property was worth \$49,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of June 28, 1999, which stated that title to the property was vested in Darlene Lipari-Murray.

305. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013275078) for \$39,200. Ameriquest issued written instructions to Title Defendants conditioning closing of its loan on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 3, 1999, Darlene Lipari-Murray signed the note and deed of trust. On or about September 16, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$36,225.30 payable to Express Mortgage, allegedly to pay off its lien on the property.

306. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage was diverted by the Ameriquest Employee Defendants and converted to the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding Darlene Lipari-Murray's representations that she had owned the property since 1992, and Title Defendants' representations that title to the property was vested in her as of June 28, 1999, Ameriquest discovered that Darlene Lipari-Murray did not hold title to the property at the time of the loan

from Ameriquest. Rather, at the time of the loan from Ameriquest, title to the property was vested in Brent Barber. Ameriquest is informed that at all relevant times Lipari-Murray had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$49,000, its actual value was only approximately \$27,000.

307. Ameriquest is informed that the Lipari-Murray loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants, defendant David Springfield and/or the Barber Defendants provided false and misleading documentation to assist in fraudulently obtaining the loan.

308. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the subject property to another straw borrower and/or fraudulently procured a new mortgage from another lender using the property as security.

3421 Chestnut, Kansas City, MO

309. On or about September 3, 1999, Darlene Lipari-Murray submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Darlene Lipari-Murray sought refinancing for a loan to be secured against the property located at 3421 Chestnut, Kansas City, Missouri. In the application, Darlene Lipari-Murray represented that she had owned the property since 1992, and had purchased it for \$5,000. Darlene Lipari-Murray further represented that the property had a present value of \$57,000. Darlene Lipari-Murray further represented that the property had an existing lien in the

amount of \$42,700 and requested that the loan proceeds be used, in part, to pay off her purported loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Dominique Allen and Douglas Curry which stated that the property was worth \$57,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 26, 1999, which stated that title to the property was vested in Darlene Lipari-Murray.

310. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013365168) for \$45,600. Ameriquest issued written instructions to Title Defendants conditioning the closing of its loan upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 3, 1999, Darlene Lipari-Murray signed the note and deed of trust. On or about September 16, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$42,372.41 payable to Express Mortgage, to pay off its purported lien on the property.

311. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage and various checks to the borrower representing disbursements from the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding Darlene Lipari-Murray's representations that she had owned the property since 1992 and Title Defendants' representations that title to the property was vested in her as of August 26, 1999, Ameriquest discovered that Darlene Lipari-Murray did not hold title to the

property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Lipari-Murray via warranty deed dated September 3, 1999 and recorded October 12, 1999. However, on September 3, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Lisa Eslinger and Michael Eslinger recorded on October 12, 1999. Ameriquest is informed that at all relevant times Lipari-Murray had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Finally, Ameriquest discovered that Dominique Allen and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$57,000, its actual value was only approximately \$33,000.

312. Ameriquest is informed that the Lipari-Murray loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants, defendant David Springfield and/or Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

313. Ameriquest is informed that some time subsequent to July, 2000, the Barber Defendants flipped the subject property to another straw borrower and/or fraudulently procured a mortgage from another lender using the property as security.

#### **The Monnig Loans**

##### **5800 Wabash, Kansas City, MO**

314. On or about September 4, 1999, Larry Monnig and Judy Monnig submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert.

Through the application, the Monnigs sought refinancing for a loan to be secured against the property located at 5800 Wabash, Kansas City, Missouri. In the application, the Monnigs represented that they had owned the property since 1997, and had purchased it for \$40,500. The Monnigs further represented that the property had a present value of \$53,000. The Monnigs further represented that there existed a lien in the amount of \$39,600 on the property and requested that the loan proceeds be used, in part, to pay off their purported loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$53,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in the Monnigs.

315. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013380019) for \$42,400. Ameriquest issued written instructions to Title Defendants conditioning the closing of its loan upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 4, 1999, the Monnigs signed the note and deed of trust. On or about September 10, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$39,503.44 payable to Express Mortgage to pay off its alleged lien on the property.

316. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage and various



checks it issued for the borrowers representing disbursements from the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding the Monnigs' representations that they had owned the property since 1997 and the Title Defendants' representations that title to the property was vested in them as of August 18, 1999, Ameriquest discovered that the Monnigs did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to the Monnigs via warranty deed dated September 4, 1999 and recorded October 12, 1999. However, on September 4, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Linda S. Ozar and Leonard Ozar and recorded on or about October 11, 1999. Ameriquest is informed that at all relevant times the Monnigs had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$53,000, its actual value was only approximately \$34,000.

317. Ameriquest is informed that the Monnig loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants, defendant David Springfield and/or Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

318. Ameriquest is informed that in or about July, 2000, the Barber Defendants fraudulently procured a new mortgage from another lender secured by the subject property.

5535 Woodland, Kansas City, MO

319. On or about September 4, 1999, Larry Monnig and Judy Monnig submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, the Monnigs sought refinancing for a loan to be secured against the property located at 5535 Woodland, Kansas City, Missouri. In the application, the Monnigs represented that they had owned the property since 1996, and had purchased it for \$38,000. The Monnigs further represented that the property had a present value of \$50,000. The Monnigs represented that there existed a lien in the amount of \$37,000 against the property and further requested that the loan proceeds be used, in part, to pay off their purported loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in the Monnigs.

320. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013380357) for \$40,000. Ameriquest issued written instructions to Title Defendants conditioning the closing of its loan upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position, and upon recordation of Ameriquest's mortgage. On or about September 4, 1999, the Monnigs signed the note and deed of trust. On or about September 10, 1999, the closing occurred, and Ameriquest issued a

check in the amount of \$36,324.87 payable to Express Mortgage, to pay off its purported lien on the property.

321. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage and checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding the Monnigs' representations that they had owned the property since 1997 and Title Defendants' representations that title to the property was vested in them as of August 18, 1999, Ameriquest discovered that the Monnigs did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to the Monnigs via warranty deed dated September 4, 1999. However, on September 4, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Linda S. Ozar and Leonard Ozar. Ameriquest is informed and believes that at all relevant times the Monnigs had no material interest in the subject property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$50,000, its actual value was only approximately \$28,000.

322. Ameriquest is informed that the Monnigs' loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee

Defendants, defendant David Springfield and/or Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

323. Ameriquest is informed that some time subsequent to July, 2000, the Barber Defendants flipped the subject property to another straw borrower and/or fraudulently procured a mortgage from another lender using the property as security.

6004 Park, Kansas City, MO

324. On or about September 4, 1999, Larry Monnig and Judy Monnig submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, the Monnigs sought refinancing for a loan to be secured against the property located at 6004 Park, Kansas City, Missouri. In the application, the Monnigs represented that they had owned the property since 1996, and had purchased it for \$40,500. The Monnigs further represented that the property had a present value of \$52,000. The Monnigs represented that the property had a lien in the amount of \$39,000 and further requested that the loan proceeds be used, in part, to pay off their purported loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$52,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in the Monnigs.

325. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013379870) for \$41,600. Ameriquest issued

written instructions to Title Defendants conditioning the closing of its loan upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 4, 1999, the Monnigs signed the note and deed of trust. On or about September 13, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$38,231.57 payable to Express Mortgage, to pay off its alleged lien on the property.

326. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage and checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding the Monnigs' representations that they had owned the property since 1997 and Title Defendants' representations that title to the property was vested in them as of August 18, 1999, Ameriquest discovered that the Monnigs did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to the Monnigs via warranty deed dated September 4, 1999. However, on September 4, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Linda S. Ozar and Leonard Ozar. Ameriquest is informed that at all material times the Monnigs had no material interest in the subject property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that

Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$52,000, its actual value is only approximately \$36,000.

327. Ameriquest is informed that the Monnig loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants, defendant David Springfield and/or Barber Defendants provided false and misleading documents to assist in fraudulently obtaining the loan.

328. Ameriquest is informed that in or about July, 2000, the Barber Defendants fraudulently flipped the subject property to another straw borrower and/or fraudulently procured a mortgage from another lender using the property as security.

#### **The Murray Loans**

2544 Olive Street, Kansas City, MO

329. On or about June 9, 1999, Harlan Milo Murray, Jr. submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Harlan Milo Murray, Jr. sought refinancing for a loan to be secured against the property located at 2544 Olive, Kansas City, Missouri. In the application, Harlan Milo Murray, Jr. represented that he had owned the property since 1998, and that the property had a present value of \$45,000. Harlan Milo Murray, Jr. further represented in a separate loan application (on 2420 E. 68<sup>th</sup> Terr.) that there existed a lien against the property in the amount of \$36,400 and requested that the loan proceeds be used, in part, to pay off his loan from the Bank of Belton secured by the property. In support of the application, Ameriquest received an appraisal prepared by Philip Thomas which stated that the property was worth \$45,500. Also in

support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of May 24, 1999, which stated that title to the property was vested in Harlan Milo Murray, Jr.

330. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012153243) for \$36,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position, and upon recordation of Ameriquest's mortgage. On or about June 9, 1999, Harlan Milo Murray, Jr. signed the note and deed of trust. On or about June 23, 1999, the closing occurred, and Ameriquest wire transferred \$27,300 to Title Defendants for payment to the Bank of Belton, to pay off its alleged lien on the property. Ameriquest also issued a check in the sum of \$4,553.30 payable to Sommerset Homes and other checks to Mr. Murray.

331. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed and believes that the funds it wired for payment to the Bank of Belton were diverted (and converted) by the Title Defendants and/or the Barber Defendants. Further, Ameriquest is informed and believes that Sommerset Homes is a business entity owned by Brent Barber and Lisa Barber, that Murray did not owe Sommerset Homes \$4,553 and that the check payable to Sommerset Homes was diverted by Brent and Lisa Barber to their account for their own use. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted by the Ameriquest Employee Defendants and converted by the Barber Defendants. Furthermore, notwithstanding Harlan Milo Murray, Jr.'s representations that he had owned the property since

1998 and Title Defendants' representations that title to the property was vested in him as of May 24, 1999, Ameriquest discovered that Harlan Milo Murray, Jr. only came into title on the property on June 8, 1999, when Brent and Lisa Barber transferred to property to him via warranty deed. Ameriquest is informed that at all relevant times Murray had no material interest in the subject property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest is also informed that Philip Thomas' appraisal grossly overstated the property's value.

332. Ameriquest is informed that the Murray loan application contains other false and misleading statements. Additionally, Ameriquest is informed that the Ameriquest Employee Defendants and/or Barber Defendants manufactured and provided false and misleading documentation to assist in fraudulently obtaining the loan.

333. Ameriquest is informed that in or about July, 2000, the Barber Defendants fraudulently procured a new loan from another lender. Ameriquest is further informed that in or about December, 1999 the City of Kansas condemned the subject property and ordered the residence thereon to be demolished.

2006 Agnes, Kansas City, MO

334. On or about July 29, 1999, Harlan Milo Murray, Jr. submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Harlan Milo Murray, Jr. sought refinancing for a loan to be secured against the property located at 2006 Agnes, Kansas City, Missouri. In the application, Harlan Milo Murray, Jr. represented that he had owned the property since 1999, and had purchased it for



\$56,000. Harlan Milo Murray, Jr. further represented that the property had a present value of \$56,000. Harlan Milo Murray, Jr. further represented that there existed a loan against the property payable to Sommerset Homes and requested that the loan proceeds be used, in part, to pay off that loan. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$56,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 12, 1999, which stated that title to the property was vested in Harlan Milo Murray, Jr.

335. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012887360) for \$44,800. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 29, 1999, Harlan Milo Murray, Jr. signed the note and deed of trust. On or about August 4, 1999, the closing occurred, and Ameriquest wire transferred \$42,000 to Title Defendants for payment to Sommerset Homes, to pay off its alleged lien on the property.

336. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes never held a lien on the property nor did Murray owe Sommerset Homes \$42,000. Further, Ameriquest is informed and believes that the funds it wired for payment to Sommerset Homes were diverted and concerted by the Title Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan

proceeds were diverted by the Ameriquest Employees for the benefit of the Barber Defendants. Furthermore, notwithstanding Harlan Milo Murray, Jr.'s representations that he had owned the property since 1999 and Title Defendants' representations that title to the property was vested in him as of July 12, 1999, Ameriquest discovered that Harlan Milo Murray, Jr. only came into title on the property via warranty deed from the Barbers on August 17, 1999. Ameriquest is informed that at all material times Murray had no relevant interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$56,000, its actual value was only approximately \$8,500.

337. Ameriquest is informed that the Murray loan application contains other false and misleading information and that the Ameriquest Employee Defendants and Barber Defendants manufactured false documentation to assist the fraudulent procurement of the subject loan.

2420 E. 68<sup>th</sup> Terr., Kansas City, MO

338. On or about July 29, 1999, Harlan Milo Murray, Jr. submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Harlan Milo Murray, Jr. sought refinancing for a loan to be secured against the property located at 2420 E. 68<sup>th</sup> Terr., Kansas City, Missouri. In the application, Harlan Milo Murray, Jr. also represented that he had owned the property since 1999, and had purchased the property for \$57,000. Harlan Milo Murray, Jr. further requested that the loan proceeds be used, in part, to pay off a loan from Sommerset Homes secured by the property. In

support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$57,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Harlan Milo Murray, Jr.

339. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012887485) for \$45,600. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and recordation of Ameriquest's mortgage. On or about July 29, 1999, Harlan Milo Murray, Jr. signed the note and deed of trust. On or about August 4, 1999, the closing occurred, and Ameriquest wire transferred \$42,750 to Title Defendants for payment to Sommerset Homes to pay off its alleged lien on the property.

340. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Sommerset Homes were diverted and converted by the Title Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were also diverted and converted by the Barber Defendants. Furthermore, notwithstanding Harlan Milo Murray, Jr.'s representations that he had owned the property since 1999, and Title Defendants' representations that title to the property was vested in him as of July 7, 1999, Ameriquest discovered that Harlan Milo Murray, Jr. never held title to the property. Ameriquest is informed that at all material times Murray had

no interest in the subject property. Moreover, notwithstanding Ameriquest's specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position (and failed to issue a title policy).

Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$57,000, its actual value is only approximately \$24,000.

341. Ameriquest is informed that the Murray loan application contains other false and misleading statements and that the Ameriquest/Employee Defendants and Barber Defendants manufactured false and fraudulent documents to assist in procuring the subject loan.

342. Ameriquest is informed that some time subsequent to the Ameriquest loan, the Barber Defendants fraudulently procured a new mortgage from another lender.

2012 Elmwood, Kansas City, MO

343. On or about July 29, 1999, Harlan Milo Murray, Jr. submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Harlan Milo Murray, Jr. sought refinancing for a loan to be secured against the property located at 2012 Elmwood, Kansas City, Missouri. In the application, Harlan Milo Murray, Jr. represented that he had owned the property since 1998, and had purchased the property for \$37,600. Harlan Milo Murray, Jr. further represented that the property had a present value of \$37,600. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$42,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective

date of April 1, 1999, which stated that title to the property was vested in Harlan Milo Murray, Jr.

344. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012887600) for \$30,080. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 29, 1999, Harlan Milo Murray, Jr. signed the note and deed of trust. On or about August 4, 1999, the closing occurred, and Ameriquest wire transferred \$28,665.93 to Title Defendants for disbursement to Harlan Milo Murray, Jr.

345. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed and believes that the funds it wired for payment to Harlan Milo Murray, Jr. were diverted by the Title Defendants and converted by the Barber Defendants. Further, notwithstanding Harlan Milo Murray, Jr.'s representations that he had owned the property since 1998, and Title Defendants' representations that title to the property was vested in him as of April 1, 1999, Ameriquest discovered that Harlan Milo Murray, Jr. did not obtain title to the property until July 15, 1999, via warranty deed from Brent Barber and Lisa Barber. Ameriquest is informed that at all relevant times Murray had no material interest in the subject property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$42,000, its actual value was only approximately \$8,500.

346. Ameriquest is informed that the Murray loan application contained other false and misleading statements and that the Ameriquest Employee Defendants and Barber Defendants fraudulently manufactured false and misleading documents to assist the procurement of the loan.

347. Ameriquest is informed that in or about July, 2000, the Barber Defendants retook title to the property and fraudulently obtained a new mortgage from another lender.

2000 Agnes Ave, Kansas City, MO

348. On or about June 9, 1999, Harlan Milo Murray, Jr. submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Harlan Milo Murray, Jr. sought refinancing for a loan to be secured against the property located at 2000 Agnes, Kansas City, Missouri. In the application, Harlan Milo Murray, Jr. represented that he had owned the property since 1998, and that the property had a present value of \$56,000. In another loan application (for 2544 Olive Street) Murray represented that there existed a \$49,300 mortgage on 2000 Agnes Ave. Harlan Milo Murray, Jr. further requested that the loan proceeds be used, in part, to pay off his loan from the Bank of Belton secured by the property. In support of the application, Ameriquest received an appraisal prepared by Phillip Thomas which stated that the property was worth \$58,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of June 10, 1999, which stated that title to the property was vested in Harlan Milo Murray, Jr.

349. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012145272) for \$46,400. Ameriquest issued

written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about June 9, 1999, Harlan Milo Murray, Jr. signed the note and deed of trust. On or about June 23, 1999, the closing occurred, and Ameriquest wire transferred \$34,800 to Title Defendants for payment to the Bank of Belton, to pay off its alleged lien on the property. Ameriquest also issued a check in the sum of \$6,665.40 to Sommerset Homes, to pay off its alleged indebtedness.

350. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes and Bank of Belton never held a lien on the property nor did Murray owe money to these entities. Further, Ameriquest is informed and believes that the funds it wired for payment to the Bank of Belton, and the check it paid to Sommerset Homes were diverted and converted by the Barber Defendants and/or Title Defendants and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were deposited into the Barber Defendants' account. Furthermore, notwithstanding Harlan Milo Murray, Jr.'s representations that he had owned the property since 1998, and the Title Defendants' representations that Murray held title to the property on June, 1999, Ameriquest discovered that Harlan Milo Murray, Jr. only came into title on the property on June 8, 1999, when Brent and Lisa Barber transferred to property to him via warranty deed. Ameriquest is informed and believes that at all relevant times Murray had no material interest in the subject property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Phillip Thomas' appraisal

grossly overstated the property's value. Though the appraisal values the property at \$58,000, its actual value was only approximately \$8,500.

351. Ameriquest is informed that the Ameriquest Employee Defendants and Barber Defendants manufactured false and misleading documentation to assist in procuring the subject loan and that the Murray loan application contains other false and misleading information.

### **The Parrish Loan**

5800 E. 210th St., Belton, MO

352. On or about September 16, 1999, Michael Parrish submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Michael Parrish sought refinancing for a loan to be secured against the property located at 5800 E. 210<sup>th</sup> Street, Belton, Missouri. In the application, Michael Parrish represented that he had owned the property since 1989, and had purchased it for \$95,000. Michael Parrish further represented that the property had a present value of \$155,000. Michael Parrish further represented that the property had an existing \$79,000 mortgage and requested that the loan proceeds be used, in part, to pay off his purported loan from Sommerset Homes secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$155,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Michael Parrish.

353. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013545314) for \$108,500. Ameriquest issued



written instructions to Title Defendants conditioning the closing of this loan upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 16, 1999, Michael Parrish signed the note and deed of trust. On or about September 23, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$17,450 payable to Sommerset Homes, to pay off its alleged lien on the property and other checks to pay off Parrish's alleged debt and as cash to the borrower.

354. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that Sommerset Homes never had a lien on the property. Ameriquest is informed and believes that the check it paid to Sommerset Homes was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds and the payment of other alleged debt of Parrish were diverted and converted by the Barber and/or Ameriquest Defendants. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$155,000, its actual value was only approximately \$128,000.

355. Ameriquest is informed that the Parrish loan application contained other false and misleading statements and that the Ameriquest Employee Defendants and/or Barber Defendants manufactured false and misleading documentation by which the loan was procured.

**The Perry Loan**

16901 E. 49<sup>th</sup> Terr., Independence, MO

356. On or about July 12, 1999, Lanair Perry submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Lanair Perry sought refinancing for a loan to be secured against the property located at 16901 E. 49<sup>th</sup> Terr., Independence, Missouri. In the application, Lanair Perry represented that he had owned the property since 1998, and had purchased it for \$130,000. Lanair Perry further represented that the property had a present value of \$159,000 and requested a loan to refinance an existing loan secured by the property in the total amount of \$130,000. In support of the application, Ameriquest received an appraisal prepared by Phillip Thomas which stated that the property was worth \$159,000.

357. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012613493) for \$143,100. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing on the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 12, 1999, Lanair Perry signed the note and deed of trust. On or about July 31, 1999, the closing occurred, and Ameriquest wire transferred funds to Title Defendants to pay off an existing loan secured by the property in the amount of \$67,191.21 and issued checks from loan funds, including a \$60,000 check to Steven Crick, and a \$11,534.74 check to Lanair Perry.

358. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that the monies that had been wire transferred to the Title Defendants for pay off of an existing lien were diverted and converted by the Title Defendants and/or Barber Defendants. Ameriquest is further informed that the checks that it issued were diverted and/or converted by the Ameriquest Employee Defendants and Barber Defendants. Ameriquest is further informed that Perry never held title to the property and at all relevant times had no material interest in the property and Title Defendants never recorded Ameriquest's mortgage nor issued a title policy insuring its interests. Ameriquest also discovered that Phillip Thomas' appraisal grossly overstated the property's value. Though the appraisal values the property at \$159,000, its actual value is only approximately \$135,000.

359. Ameriquest is informed that the Perry application contained other false and misleading statements and that the Ameriquest Employee Defendants and Barber Defendants manufactured and created fraudulent documents to assist in the procurement of the loan.

### **The Pham Loans**

#### **5216 Euclid, Kansas City, MO**

360. On or about September 7, 1999, Truc Pham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Truc Pham sought refinancing for a loan to be secured against the property located at 5216 Euclid, Kansas City, Missouri. In the application, Truc Pham represented that he had owned the property since 1996, and had purchased it for \$41,000. Truc Pham further represented that the property had a present value of \$53,000. Truc Pham represented that there

existed a \$39,800 mortgage secured by the property and further requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Stephen Losey and Douglas Curry which stated that the property was worth \$53,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Truc Pham.

361. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013380555) for \$42,400. Ameriquest issued written instructions to Title Defendants conditioning its loan closing and disbursement upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 7, 1999, Truc Pham allegedly signed the note and deed of trust. On or about September 21, 1999, the closing occurred, and Ameriquest disbursed funds, including a check in the sum of \$38,354.54 to Express Mortgage, to pay off its alleged lien on the property.

362. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest has been informed that Truc Pham never applied for the loan with Ameriquest and did not sign the loan documents. Rather, Ameriquest is informed and believes that its former employee, Clint Cunningham, working with Brent Barber and the other defendants, may have used Mr. Pham's name and credit information without his knowledge or consent to obtain this loan. Further, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage was deposited by Brent Barber into his own account, for his own use. Further,

Ameriquet is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquet Employee Defendants and/or Barber Defendants. Moreover, notwithstanding the representations in the loan application that Pham had owned the property since 1996 and Title Defendants' representation on the title commitment that title was vested in Pham on August 27, 1999, title to the property was not vested in Truc Pham as of August 27, 1999. Rather, Brent Barber and Lisa Barber purported to transfer the property to Truc Pham via warranty deed dated September 7, 1999. Ameriquet is informed that at all relevant times Pham has no material interest in the property. Contrary to Ameriquet's instructions, Ameriquet never received a title policy from the Title Defendants. Ameriquet also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$53,000, its actual value was only approximately \$33,000.

363. Ameriquet is informed that the Pham loan application contained other false and misleading information and that the Ameriquet Employee Defendants and Barber Defendants manufactured and created documents to assist in fraudulently procuring the subject loan.

364. Ameriquet is informed that in or about July, 2000, the Barber Defendants flipped the subject property to another straw borrower and fraudulently procured a new mortgage from another lender. Ameriquet is further informed that defendants Roderick Criss and Chauncey Calvert fraudulently notarized and acknowledged documents purportedly bearing Pham's name.

4916 Wabash, Kansas City, MO

365. On or about September 7, 1999, Truc Pham submitted a loan application to Ameriquet. This application was referred to Ameriquet by Brent Barber and Express

Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Truc Pham sought refinancing for a loan to be secured against the property located at 4916 Wabash, Kansas City, Missouri. In the application, Truc Pham represented that he had owned the property since 1997, and had purchased it for \$38,000. Truc Pham further represented that the property had a present value of \$50,000. Truc Pham represented that there existed a \$37,300 mortgage secured by the property and further requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Stephen Losey and Douglas Curry which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Truc Pham.

366. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013380795) for \$40,000. Ameriquest issued written instructions to Title Defendants conditioning the closing of its loan and loan disbursements upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 7, 1999, Truc Pham signed the note and deed of trust. On or about September 21, 1999, the closing occurred, and Ameriquest disbursed funds, including a check in the sum of \$36,866.39 to Express Mortgage, to pay off its alleged lien on the property.

367. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest has been informed that Truc Pham never applied for the loan with Ameriquest and did not sign the loan documents. Rather, Ameriquest is informed and believes

that its former employee, Clint Cunningham, working with Brent Barber and the other defendants, used Mr. Pham's name and credit information without his knowledge or consent to obtain this loan. Further, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage was converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Moreover, notwithstanding Title Defendants' representations on the title commitment, title to the property was not vested in Truc Pham as of August 27, 1999. Rather, Brent Barber and Lisa Barber purported to transfer the property to Truc Pham via warranty deed dated September 7, 1999. Ameriquest is informed that at all relevant times Pham had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$50,000, its actual value is only approximately \$23,000.

368. Ameriquest is informed that the Pham loan application contained other false and misleading information and that David Springfield and the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and fraudulent documentation to assist in fraudulently procuring the subject loan.

369. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the subject to property another straw borrower and fraudulently procured a new mortgage from another lender. Ameriquest is further informed that defendants Roderick Criss and Chauncey

Calvert falsely and fraudulently notarized and acknowledged Pham's signature on recorded documents.

4911 Montgall, Kansas City, MO

370. On or about September 7, 1999, Truc Pham submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Truc Pham sought refinancing for a loan to be secured against the property located at 4911 Montgall, Kansas City, Missouri. In the application, Truc Pham represented that he had owned the property since 1996, and had purchased it for \$36,500. Truc Pham further represented that the property had a present value of \$48,000. Truc Pham represented that there existed a loan in the amount of \$35,700 and further requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Stephen Losey and Douglas Curry which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 27, 1999, which stated that title to the property was vested in Truc Pham.

371. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013381173) for \$38,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 7, 1999, Truc Pham signed the note and deed of trust. On or about September 21, 1999, the closing occurred, and Ameriquest



issued checks representing loan disbursements, including a check in the amount of \$35,503.29 to pay off the alleged Express Mortgage loan and \$160.68 to Pham.

372. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest has been told that Truc Pham never applied for the loan with Ameriquest and did not sign the loan documents. Rather, Ameriquest is informed and believes that its former employee, Clint Cunningham, working with Brent Barber and the other defendants, used Mr. Pham's name and credit information without his knowledge or consent to obtain this loan. Further, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Express Mortgage were converted by the Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and/or converted by the Ameriquest Employee Defendants and/or Barber Defendants. Moreover, notwithstanding Title Defendants' representations on the title commitment, title to the property was not vested in Truc Pham as of August 27, 1999. Rather, Brent Barber and Lisa Barber purportedly transferred the property to Truc Pham via warranty deed dated September 7, 1999. Ameriquest is informed that at all material times Pham had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$48,000, its actual value is only approximately \$16,000.

373. Ameriquest is informed that the Pham loan application contained other false and misleading information and that defendants David Springfield and the Ameriquest Employee Defendants and Barber Defendants manufactured and created documents to assist in fraudulently procuring the subject loan.

374. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the subject property to another straw borrower and fraudulently procured a new mortgage from another lender. Ameriquest is further informed that defendants Roderick Criss and Chauncey Calvert fraudulently notarized and acknowledged documents purportedly bearing Pham's name.

#### **The Riley Loans**

##### 3600 Cleveland, Kansas City, MO

375. On or about August 24, 1999, Billy Riley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Billy Riley sought refinancing for a loan to be secured against the property located at 3600 Cleveland, Kansas City, Missouri. In the application, Billy Riley represented that he had owned the property since 1997, and had purchased it for \$36,000. Billy Riley further represented that the property had a present value of \$55,000. Billy Riley represented that there existed a mortgage on the property in the amount of \$40,000 and further requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$55,000. Also in support of the loan

application, Ameriquest received from Title Defendants a title commitment with an effective date of August 16, 1999, which stated that title to the property was vested in Billy Riley.

376. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013130000) for \$44,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursement and closing upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 24, 1999, Billy Riley signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$41,152.00 to Title Defendants for disbursement to Associated Mortgage to pay off its alleged lien on the property.

377. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Associated Mortgage were diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber Defendants and Ameriquest Employee Defendants. Furthermore, notwithstanding Billy Riley's representation that he had owned the property since 1997, and Title Defendants' representation that title to the property was vested in him as of August 16, 1999, Ameriquest discovered that Billy Riley did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber purportedly attempted to convey the property to Billy Riley via warranty deed dated August 24, 1999. However, on August 24, 1999, Brent Barber and Lisa Barber did not have any

title to convey, since they did not acquire title to the property until September 2, 1999, via warranty deed from Lloyd Smith. Ameriquest is informed that at all relevant times Riley had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$55,000, its actual value is only approximately \$30,800.

378. Ameriquest is informed that the Riley loan application contains other false and misleading information and that the Ameriquest Employee Defendants and Barber Defendants manufactured and created documents to assist in fraudulently procuring the subject loan.

379. Ameriquest is informed that in or about August, 2000, the Barber Defendants fraudulently procured a new mortgage secured by the property from another lender.

4523 Montgall, Kansas City, MO

380. On or about August 24, 1999, Billy Riley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Billy Riley sought refinancing for a loan to be secured against the property located at 4523 Mongtall, Kansas City, Missouri. In the application, Billy Riley represented that he had owned the property since 1996, and had purchased it for \$57,500. Billy Riley further represented that the property had a present value of \$66,000. Billy Riley represented that there existed a \$48,500 mortgage secured by the property and further requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Stephen Losey and

Douglas Curry which stated that the property was worth \$66,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 10, 1999, which stated that title to the property was vested in Billy Riley.

381. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013018981) for \$56,100. Ameriquest issued written instructions to Title Defendants conditioning loan closing and disbursements upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 24, 1999, Billy Riley signed the note and deed of trust. On or about August 31, 1999, the closing occurred, and Ameriquest issued its check in the amount of \$52,938.74 for disbursement to Associated Mortgage to pay off its alleged lien on the property. Ameriquest also issued checks to the borrower representing disbursements from the loan proceeds.

382. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check that it issued to Associated Mortgage were diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were also diverted and converted by the Barber Defendants and Ameriquest Employee Defendants. Furthermore, notwithstanding Billy Riley's representation that he had owned the property since 1996, and Title Defendants' representation that title to the property was vested in him as of August 10, 1999, Ameriquest is informed that Billy Riley did not come into title on the property until just

prior to the loan closing. On April 2, 1999, an individual named Lois Brennan deeded the property to Brent Barber and Lisa Barber. On April 10, 1999, Brent Barber and Lisa Barber deeded the property to Harlan Milo Murray, Jr. On April 13, 1999, Harlan Milo Murray, Jr. deeded the property back to the Barbers. On May 17, 1999, the Barbers deeded the property back to Harlan Milo Murray, Jr. Ameriquest is informed that on May 17, 1999, Harlan Milo Murray, Jr. executed a deed of trust in favor of Community Homebank, which was subsequently assigned to Flagstar Bank. Ameriquest is informed that this loan was never paid off, and thus, Title Defendants failed to insure that Ameriquest's loan was in first lien position on this property, failed to disclose the alleged preexisting loan and failed to issue a final policy. Ameriquest is informed that Flagstar Bank completed foreclosure proceedings on the property in or about March, 2002 and Title Defendants failed to defend said foreclosure or indemnify Ameriquest for the loss of its security interest. On August 26, 1999, two days after Billy Riley signed Ameriquest's note and deed of trust, Harlan Milo Murray, Jr. deeded the property to Billy Riley. Ameriquest is informed that at all relevant times Riley had no material interest in the property. Ameriquest also discovered that Stephen Losey and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$66,000, its actual value was only approximately \$34,000.

383. Ameriquest is informed and believes that the Riley loan application contains other false and misleading statements and that the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and misleading documents to fraudulently assist the procurement of the loan.

**The Robinson Loan**

8118 Paseo Blvd., Kansas City, MO

384. On or about July 17, 1999, Jackie Robinson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Jackie Robinson sought refinancing for a loan to be secured against the property located at 8118 Paseo Blvd., Kansas City, Missouri. In the application, Jackie Robinson represented that he had owned the property since 1998, and had purchased it for \$34,500. Jackie Robinson further represented that the property had a present value of \$50,000. Jackie Robinson represented that there existed a \$32,000 mortgage secured by the property and further requested that the loan proceeds be used, in part, to pay off her loans from Truman Lending and Brotherhood Bank and Trust. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$56,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 8, 1999, which stated that title to the property was vested in Jackie Robinson.

385. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012667200) for \$44,800. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 17, 1999, Jackie Robinson signed the note and deed of trust. On or about July 31, 1999, the closing occurred, and Ameriquest wire

transferred \$33,020.55 to Title Defendants for disbursement to Truman Lending to pay off its alleged lien on the property.

386. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that Truman Lending or Brotherhood Bank and Trust never had a lien on the property nor did Robinson owe money to such entities. Ameriquest is informed and believes that the funds it wired were diverted and converted by the Barber and Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquest Employee Defendants and Barber Defendants. Furthermore, notwithstanding Jackie Robinson's representation that Robinson had owned the property since 1998, and Title Defendants' representation that title to the property was vested in Robinson as of July 8, Ameriquest is informed that Jackie Robinson did not come into title on the property until July 23, 1999, when a warranty deed from Steve Effertz and Leila Effertz was recorded, one day prior to the Effertzes having acquired title from Kathy and James Blackburn. Ameriquest is informed that at no time did Robinson have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$56,000, its actual value is only approximately \$35,000.

387. Ameriquest is informed that the Robinson loan application contains other false and misleading statements and that the Ameriquest Employee Defendants and Barber Defendants



manufactured and created false and misleading documents to fraudulently assist in the procurement of the loan.

388. Ameriquest is informed that in or about July, 2002 the Barber Defendants caused the property to be flipped to another straw borrower and fraudulently procured a new mortgage from another lender secured by the property.

### **The Rucker Loan**

#### **503 N. 29th, Kansas City, MO**

389. On or about August 23, 1999, Ruth Rucker submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Rucker sought refinancing for a loan to be secured against the property located at 503 N. 29th, Kansas City, Missouri. In the application, Ruth Rucker represented that she had owned the property since 1997, and had purchased it for \$52,000. Ruth Rucker further represented that the property had a present value of \$60,000. Ruth Rucker represented that there existed a \$44,000 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off her loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$60,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 3, 1999, which stated that title to the property was vested in Ruth Rucker.

390. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012919528) for \$48,000. Ameriquest issued

written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 23, 1999, Ruth Rucker signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$44,658.94 to Title Defendants disbursement to Express Mortgage to pay off its alleged lien on the property.

391. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Express Mortgage were diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Furthermore, notwithstanding Ruth Rucker's representation that she had owned the property since 1997, and Title Defendants' representation that title to the property was vested in her as of August 3, 1999, Ameriquest discovered that Ruth Rucker did not come into title on the property until September 13, 1999, when the property was transferred to her via recorded warranty deed from Harlan Milo Murray, Jr. Moreover, the property had been the subject of many transfers during 1999, as follows. On February 17, 1999, Anthan Taso and Pauline Taso transferred the property via warranty deed to Brent Barber and Lisa Barber. On April 13, 1999, Brent Barber and Lisa Barber transferred the property via warranty deed to Harlan Milo Murray, Jr. Ameriquest is informed that on May 17, 1999, Harlan Milo Murray, Jr. executed a deed of trust in favor of First Union Home Equity Bank, N.A.,

secured by the property. The First Union Home Loan is now in foreclosure. Ameriquest is informed that despite its agreement to do so, Title Defendants failed to insure that Ameriquest's lien was in first position on the property and failed to disclose the alleged preexisting First Union Home Loan. Ameriquest never received a title policy from Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$60,000, its actual value was substantially less than that amount.

392. Ameriquest is informed that the Rucker loan application contained other false and misleading information and that defendant David Springfield and the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and misleading documents by which to fraudulently procure the loan.

393. Ameriquest is also informed that defendants Ron Dotson falsely represented to Rucker that he was an authorized representative of Ameriquest and had the authority to accept and process the loan application.

### **The Salinas Loans**

#### **3926 Bales, Kansas City, MO**

394. On or about August 18, 1999, Jose Salinas submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Jose Salinas sought refinancing for a loan to be secured against the property located at 3926 Bales, Kansas City, Missouri. In the application, Jose Salinas represented that he had owned the property since 1997, and had purchased it for \$41,500. Jose Salinas further represented that the property had a present value of \$48,000. Jose Salinas represented that there

existed a \$35,900 loan secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Jose Salinas.

395. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013174651) for \$38,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 18, 1999, Jose Salinas signed the note and deed of trust. On or about August 24, 1999, the closing occurred, and Ameriquest wire transferred \$35,546.27 to Title Defendants for disbursement to Associated Mortgage to pay off its alleged lien on the property.

396. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Associated Mortgage were diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber Defendants and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Jose Salinas' representation that he had owned the property since 1997, and Title Defendants' representation

that title to the property was vested in him as of August 5, 1999, Ameriquest discovered that Jose Salinas did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Salinas via warranty deed recorded October 11, 1999 and dated August 18, 1999. However, on August 18, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until a warranty deed from Linda S. Ozar and Leonard Ozar recorded on October 11, 1999. .

Ameriquest is informed that at no time did the Ozars have a material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$48,000, its actual value was only approximately \$24,000.

397. Ameriquest is informed that the Salinas loan application contained other false and misleading information and that the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and misleading documents by which to fraudulently procure the loan.

398. Ameriquest is informed that in or about March, 2001, the Barber Defendants flipped the property to another straw purchaser and fraudulently obtained a new mortgage from an other lender secured by the property.

3337 Gillham, Kansas City, MO

399. On or about August 19, 1999, Jose Salinas submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through

the application, Jose Salinas sought refinancing for a loan to be secured against the property located at 3337 Gillham, Kansas City, Missouri. In the application, Jose Salinas represented that he had owned the property since 1997, and had purchased it for \$52,000. Jose Salinas further represented that the property had a present value of \$61,000. Jose Salinas represented that there existed a \$48,600 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$61,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 5, 1999, which stated that title to the property was vested in Jose Salinas.

400. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013174891) for \$51,850. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 19, 1999, Jose Salinas signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$48,025.65 to Title Defendants for disbursement to Associated Mortgage to pay off its alleged lien on the property.

401. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Associated Mortgage were diverted and converted by the Title and/or Barber Defendants. Further, Ameriquest is

informed and believes that checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Jose Salinas' representation that he had owned the property since 1997, and Title Defendants' representation that title to the property was vested in him as of August 5, 1999, Ameriquest discovered that Jose Salinas did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Salinas via warranty deed dated August 19, 1999 and recorded on October 21, 1999. However, on August 19, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Linda S. Ozar and Leonard Ozar recorded on October 11. Ameriquest is informed that at all material times Salinas had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$61,000, its actual value is only approximately \$35,500.

402. Ameriquest is informed and believes that the Salinas loan application contains other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants created and manufactured false and misleading documentation to fraudulently assist the procurement of the loan.

403. Ameriquest is informed that in or about August, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new loan from another lender secured by the property.

**The Stanley Loans**

2812 Norwood, Independence, MO

404. On or about July 12, 1999, Lashawanna Stanley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Lashawanna Stanley sought refinancing for a loan to be secured against the property located at 2812 Norwood, Independence, Missouri. In the application, Lashawanna Stanley represented that she had owned the property since 1998, and had purchased it for \$49,600. Lashawanna Stanley represented that there existed a \$42,790 loan secured by the property and represented that the property had a present value of \$49,600. Lashawanna Stanley further requested that the loan proceeds be used, in part, to pay off her loan from the First Bank of Kansas City by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$56,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Lashawanna Stanley.

405. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012564803) for \$44,800. Ameriquest issued written instructions to Title Defendants conditioning loan closing and disbursement upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 12, 1999, Lashawanna Stanley signed the note and deed of trust. On or about July 15, 1999, the closing occurred, and Ameriquest wire



transferred \$42,880.09 to Title Defendants for disbursement to First Bank of KC to pay off its alleged lien on the property.

406. Subsequently, Ameriquest discovered that it had been grossly defrauded. Notwithstanding its obligation to do so, Title Defendants failed to record Ameriquest's deed of trust on the property to insure that its loan had first lien position. Moreover, notwithstanding Lashawna Stanley's representations that she had owned the property since 1998 and Title Defendants' representations that title to the property was vested in her as of July 7, 1999, Ameriquest learned that at the time of the loan, Lashawna Stanley did not hold title to the property. Ameriquest learned that this property was the subject of numerous transfers between and among the defendants. On December 15, 1998, Brent Barber and Lisa Barber deeded the property to Lashawna Stanley. On January 11, 1999, Lashawna Stanley deeded the property back to the Barbers. On March 10, 1999, the Barbers deeded the property back to Lashawna Stanley. On March 11, 1999, Lashawna Stanley deeded the property back to the Barbers. On March 12, 1999, the Barbers deeded the property back to Lashawna Stanley. On April 1, 1999, Lashawna Stanley deeded the property to Todd Wells. Ameriquest is informed that at all relevant times Stanley had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$56,000, its actual value is only approximately \$39,500.

407. Ameriquest is informed that the Stanley loan application contains other false and misleading information and that the Barber Defendants and/or Ameriquest Employee Defendants

manufactured and created false and misleading documents by which to fraudulently assist in procuring the loan.

408. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender secured by the property.

4410 Cypress, Kansas City, MO

409. On or about July 12, 1999, Lashawanna Stanley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Lashawanna Stanley sought refinancing for a loan to be secured against the property located at 4410 Cypress, Kansas City, Missouri. In the application, Lashawanna Stanley represented that she had owned the property since 1998, and had purchased it for \$46,000. Lashawanna Stanley represented that the property had a present value of \$46,000. Lashawanna Stanley represented that there existed a \$38,970 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off her loan from the First Bank of Kansas City secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$50,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of July 7, 1999, which stated that title to the property was vested in Lashawanna Stanley.

410. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012565065) for \$40,000. Ameriquest issued

written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 12, 1999, Lashawna Stanley signed the note and deed of trust. On or about July 15, 1999, the closing occurred, and Ameriquest wire transferred \$39,051.39 to Title Defendants for disbursement to First Bank of Kansas City to pay off its alleged lien on the property.

411. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, notwithstanding its obligation to do so, Title Defendants failed to record Ameriquest's deed of trust on the property to insure that its loan had first lien position. Ameriquest is informed that the First Bank of Kansas City loan was never paid off and that funds which were intended to pay off said loan were diverted and converted by the Barber and/or Title Defendants. Moreover, notwithstanding Lashawna Stanley's representations that she had owned the property since 1998, and Title Defendants' representations that title to the property was vested in her as of July 7, 1999, Ameriquest is informed that at the time of the loan, Lashawna Stanley did not hold title to the property. Ameriquest is informed that this property was the subject of numerous transfers between and among the defendants. On November 6, 1998, James Northern deeded the property to Brent Barber and Lisa Barber. On November 17, 1998, the Barbers deeded the property to Lashawna Stanley. On April 1, 1999, Lashawna Stanley deeded the property to Stephanie Wells. On June 1, 1999, Stephanie Wells and Todd Wells deeded the property to Brent Barber and Lisa Barber. Ameriquest is informed that at all material times Stanley had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest

also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$50,000, its actual value was only approximately \$10,000.

412. Ameriquest is informed that the Stanley loan application contained other false and misleading information and that the Ameriquest Employee Defendants and/or Barber Defendants manufactured and created false and misleading documentation by which to fraudulently assist in procuring the loan.

413. Ameriquest is informed that the property may have been condemned by the City of Kansas City in or about September, 2000 and it may now be abandoned.

2709 E. 77<sup>th</sup> Terr., Kansas City, MO

414. On or about July 12, 1999, Lashawna Stanley submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Lashawna Stanley sought refinancing for a loan to be secured against the property located at 2709 E. 77<sup>th</sup> Terr., Kansas City, Missouri. In the application, Lashawna Stanley represented that she had owned the property since 1998, and had purchased it for \$47,400. Lashawna Stanley further represented that the property had a present value of \$47,400. Lashawna Stanley represented that there existed a \$38,543 loan secured by the property and requested that the loan proceeds be used, in part, to pay off her loan from the First Bank of Kansas City secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$55,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment

with an effective date of July 7, 1999, which stated that title to the property was vested in Lashawanna Stanley.

415. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012564951) for \$44,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 12, 1999, Lashawanna Stanley signed the note and deed of trust. On or about July 15, 1999, the closing occurred, and Ameriquest wire transferred \$38,624.43 to Title Defendants for disbursement to First Bank of Kansas City to pay off its alleged lien on the property.

416. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, notwithstanding its obligation to do so, Title Defendants failed to record Ameriquest's deed of trust on the property to insure that its loan had first lien position. Ameriquest is informed that the funds that were wired to Title Defendants to pay off the First Bank of Kansas City mortgage were not used for that purpose but were instead diverted and converted by the Title and/or Barber Defendants. Moreover, notwithstanding Lashawanna Stanley's representations that she had owned the property since 1998, and Title Defendants' representations that title to the property was vested in her as of July 7, 1999, Ameriquest learned that at the time of the loan, Lashawanna Stanley did not hold title to the property. Ameriquest learned that this property was the subject of numerous transfers between and among the defendants. On November 20, 1998, National Debt Recovery deeded the property to Brent Barber. On December 16, 1998, Brent Barber and Lisa Barber deeded the property to

Lashawna Stanley. On March 1, 1999, Brent Barber and Lisa Barber again executed a warranty deed transferring the property to Lashawna Stanley. On April 1, 1999, Lashawna Stanley deeded the property to Stephanie Wells. On June 7, 1999, Stephanie Wells and Todd Wells deeded the property to Brent Barber and Lisa Barber. Ameriquest is informed that at all relevant times Stanley had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$55,000, its actual value was only approximately \$20,000.

417. Ameriquest is informed that the Stanley loan application contained other false and misleading information and that the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and misleading documents by which the loan was fraudulently procured.

418. Ameriquest is informed that in or about July, 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender secured by the property.

### **The Stelling Loans**

#### **324 Jackson, Kansas City, MO**

419. On or about August 26, 1999, Lance Stelling submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Lance Stelling sought refinancing for a loan to be secured against the property located at 324 Jackson, Kansas City, Missouri. In the application, Lance Stelling represented

that he had owned the property since 1996, and had purchased it for \$66,000. Lance Stelling further represented that the property had a present value of \$73,000. Lance Stelling represented that there existed a \$54,000 loan secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Dominique Allen and Douglas Curry which stated that the property was worth \$73,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in Lance Stelling. Moreover, at all times, Lance Stelling was the manager of Pinnacle Title.

420. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013265012) for \$58,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 26, 1999, Lance Stelling signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$55,272 to Title Defendants for disbursement to Express Mortgage to pay off its alleged lien on the property.

421. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the funds it wired for payment to Express Mortgage were diverted and converted by the Title and/or Barber Defendants. Ameriquest is also informed that checks issued to Stelling as disbursements from loan proceeds may have been converted by

the Barber Defendants. Furthermore, notwithstanding Lance Stelling's representation that he had owned the property since 1996, and Title Defendants' representation that title to the property was vested in him as of August 25, 1999, Ameriquest discovered that Lance Stelling did not come into title on the property until August 26, 1999, when Brent Barber and Lisa Barber transferred it to him via warranty deed and recorded on September 13, 1999. Ameriquest is informed that at all relevant times Stelling had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Dominique Allen and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$73,000, its actual value was only approximately \$33,000.

422. Ameriquest is informed that the Stelling loan application contained other false and misleading information and that the Barber Defendants and Ameriquest Employee Defendants and Lance Stelling created and manufactured false and misleading documents by which the loan was fraudulently procured.

423. Ameriquest is informed that in or about March, 2001 the Barber Defendants and/or Stelling fraudulently procured a new mortgage from another lender secured by the property.

3510 E. 34<sup>th</sup> St., Kansas City, MO

424. On or about August 26, 1999, Lance Stelling submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, Lance Stelling sought refinancing for a loan to be secured against the property



located at 3510 E. 34<sup>th</sup> St., Kansas City, Missouri. In the application, Lance Stelling represented that he had owned the property since 1997, and had purchased it for \$54,000. Lance Stelling further represented that the property had a present value of \$65,000. Lance Stelling represented that there existed a \$49,000 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$65,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in Lance Stelling. Moreover, at all times, Lance Stelling was the manager of Pinnacle Title.

425. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013265384) for \$52,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 26, 1999, Lance Stelling signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest issued a check in the sum of \$49,073.40 payable to Express Mortgage to pay off its alleged lien on the property.

426. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it paid to Express Mortgage was diverted and converted by the Barber Defendants. Ameriquest is informed that disbursement checks issued to

Stelling were diverted and converted by the Ameriquest Employee Defendants and/or Barber Defendants. Furthermore, notwithstanding Lance Stelling's representation that he had owned the property since 1997, and Title Defendants' representation that title to the property was vested in him as of August 25, 1999, Ameriquest discovered that Lance Stelling did hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Lance Stelling via warranty deed dated August 26, 1999 and recorded September 14, 1999. However, on August 26, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Clara Smith as Trustee for the Clara Smith Trust and recorded September 13, 1999. Ameriquest is informed that at all relevant times Stelling had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$65,000, its actual value was only approximately \$35,000.

427. Ameriquest is informed that the Stelling loan application contained other false and misleading information and that defendant Stelling and/or the Ameriquest Employee Defendants and Barber Defendants manufactured and created false and misleading documentation by which the loan was fraudulently procured.

3510 Askew, Kansas City, MO

428. On or about August 26, 1999, Lance Stelling submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through

the application, Lance Stelling sought refinancing for a loan to be secured against the property located at 3510 Askew, Kansas City, Missouri. In the application, Lance Stelling represented that he had owned the property since 1997, and had purchased it for \$58,000. Lance Stelling further represented that the property had a present value of \$64,000. Lance Stelling represented that there existed a \$48,400 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$64,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 25, 1999, which stated that title to the property was vested in Lance Stelling. Moreover, at all times, Lance Stelling was the manager of Pinnacle Title.

429. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013265236) for \$51,200. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 26, 1999, Lance Stelling signed the note and deed of trust. On or about August 30, 1999, the closing occurred, and Ameriquest wire transferred \$48,298.60 to Title Defendants for disbursement to Express Mortgage to pay off its alleged lien on the property.

430. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that funds it wired for payment to Express Mortgage were

diverted and converted by the Title and/or Barber Defendants. Ameriquest is also informed that checks issued to Stelling were diverted and/or converted by the Ameriquest Employee Defendants and/or Barber Defendants. Furthermore, notwithstanding Lance Stelling's representation that he had owned the property since 1997, and Title Defendants' representation that title to the property was vested in him as of August 25, 1999, Ameriquest discovered that Lance Stelling did hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Lance Stelling via warranty deed dated August 26, 1999 and recorded September 14, 1999. However, on August 26, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until September 9, 1999, via warranty deed from Clara Smith as Trustee for the Clara Smith Trust and recorded on September 13, 1999. Ameriquest is informed that at all relevant times Stelling had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$64,000, its actual value is only approximately \$33,000.

431. Ameriquest is informed that the Stelling loan application contained other false and misleading statements and that defendant Lance Stelling and/or the Ameriquest Employee Defendants and Barber Defendants created and manufactured false and misleading documents by which they fraudulently procured the loan.

**The Thompson Loan**

4214 Adams, Kansas City, Kansas

432. On or about August 26, 1999, Adam Thompson submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Thompson sought refinancing for a loan to be secured against the property located at 4214 Adams, Kansas City, Kansas. In the application, Thompson represented that he had owned the property since 1997 and had purchased it for \$45,000. Thompson further represented that the property had a then present value of \$52,000. Thompson represented that there existed a \$39,500 mortgage secured by the property and requested that the loan proceeds be used, in part, to pay off his loan from First Bank of Kansas City secured by the property. In support of the application, Ameriquest received an appraisal prepared by Michael Nichols and Douglas J. Curry which stated that the property was worth \$54,500. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 12, 1999, which stated that title to the property was vested in Adam Thompson.

433. Ameriquest, in reliance on these statements and documents, granted the loan application and provided a mortgage loan (#13091632) for \$43,600. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 26, 1999, Adam Thompson signed a note and deed of trust. On or about August 31, 1999, the closing occurred and Ameriquest wire transferred

\$39,661.33 to Title Defendants for disbursement to First Bank of Kansas City to pay off its alleged lien on the property.

434. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest is informed that the mortgage held by the First Bank of Kansas City was not paid off at closing and that the funds that had been wired by Ameriquest to pay off that loan were diverted and converted by the Title and/or Barber Defendants. Ameriquest is further informed that checks made payable to the borrower as disbursements from the loan proceeds were diverted and converted by Barber and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Thompson's representation that he had owned the property since 1997 and Title Defendants' representation that title to the property was vested in him as of August 12, 1999, Ameriquest is informed that Thompson came into title on the property at or subsequently after the time the loan was funded, and only after it had been flipped to him by another Barber straw borrower, Harlan Murray. Ameriquest is informed that at all material times Thompson had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest is also informed that the appraisal prepared by Curry grossly overstated the property's value.

435. Ameriquest is informed that the Thompson loan application contained other false and misleading statements and that the Ameriquest Employee Defendants and/or Barber Defendants created and manufactured false and misleading documents by which the loan was fraudulently procured.

### **The Titsworth Loans**

#### 2004 E. 36<sup>th</sup> St., Kansas City, MO

436. On or about August 4, 1999, Floyd Titsworth submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Floyd Titsworth sought refinancing for a loan to be secured against the property located at 2004 E. 36<sup>th</sup> St., Kansas City, Missouri. In the application, Floyd Titsworth represented that he had owned the property since 1996, and had purchased it for \$32,000. Floyd Titsworth further represented that the property had a present value of \$44,000. Floyd Titsworth represented that there existed a \$30,800 mortgage against the property and requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$44,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 11, 1999, which stated that title to the property was vested in Floyd Titsworth.

437. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012965992) for \$33,000. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon the recordation of Ameriquest's mortgage. On or about August 4, 1999, Floyd Titsworth signed the note and deed of trust. On or about August 20, 1999, the closing occurred, and Ameriquest

wire transferred \$30,293.27 to Title Defendants for disbursement to Express Mortgage to pay off its alleged lien on the property.

438. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that funds it wired for payment to Express Mortgage were diverted by and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Floyd Titsworth's representation that he had owned the property since 1996, and Title Defendants' representation that title to the property was vested in him as of August 11, 1999, Ameriquest is informed that Floyd Titsworth did not come into title on the property until September, 1999, when Brent Barber and Lisa Barber caused a warranty deed to be recorded purportedly conveying title to him. Ameriquest is informed that at all relevant times Titsworth had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$44,000, its actual value was only approximately \$28,000.

439. Ameriquest is informed and believes that the Titsworth loan application contains other false and misleading information and that defendants David Springfield and the Ameriquest Employee and/or Barber Defendants manufactured and created false and misleading documentation by which the loan was fraudulently procured.



440. Ameriquest is informed and believes that in or about April 2000, the Barber Defendants flipped the property to another straw borrower and fraudulently obtained a new mortgage from a different lender.

3804 Park, Kansas City, MO

441. On or about August 4, 1999, Floyd Titsworth submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Floyd Titsworth sought refinancing for a loan to be secured against the property located at 3804 Park, Kansas City, Missouri. In the application, Floyd Titsworth represented that he had owned the property since 1996, and had purchased it for \$36,000. Floyd Titsworth further represented that the property had a present value of \$45,000. Floyd Titsworth represented that there existed a \$28,350 mortgage against the property and requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Peggy Ries which stated that the property was worth \$45,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 16, 1999, which stated that title to the property was vested in Floyd Titsworth.

442. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012966214) for \$33,750. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about August 4, 1999, Floyd Titsworth signed the

note and deed of trust. On or about August 23, 1999, the closing occurred, and Ameriquest wire transferred \$28,963.95 to Title Defendants for disbursement to Express Mortgage to pay off its alleged lien on the property.

443. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that funds it wired for payment to Express Mortgage were diverted and converted by the Barber and/or Title Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Floyd Titsworth's representation that he had owned the property since 1996, and Title Defendants' representation that title to the property was vested in him as of August 16, 1999, Ameriquest discovered that Floyd Titsworth never held title to the property. Ameriquest is informed that at all material times Titsworth had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Moreover, notwithstanding its obligation to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and insure that Ameriquest's lien was in first position. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$45,000, its actual value was only approximately \$19,000.

444. Ameriquest is informed and believes that the Titsworth loan application contains other false and misleading information and that defendants David Springfield and the

Ameriquist Employee and Barber Defendants created false and misleading documentation by which the loan was fraudulently procured.

3341 Brooklyn, Kansas City, MO

445. On or about August 4, 1999, Floyd Titsworth submitted a loan application to Ameriquist. This application was referred to Ameriquist by Brent Barber and Express Mortgage. The application was prepared by Ameriquist employee Avonda Nicodemus. Through the application, Floyd Titsworth sought refinancing for a loan to be secured against the property located at 3341 Brooklyn, Kansas City, Missouri. In the application, Floyd Titsworth represented that he had owned the property since 1996, and had purchased it for \$35,000. Floyd Titsworth represented that there existed a \$32,460 mortgage against the property and represented that the property had a present value of \$46,000. Floyd Titsworth further requested that the loan proceeds be used, in part, to pay off his loan from Express Mortgage secured by the property. In support of the application, Ameriquist received an appraisal prepared by Peggy Ries which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquist received from Title Defendants a title commitment with an effective date of July 26, 1999, which stated that title to the property was vested in Floyd Titsworth.

446. Ameriquist, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012826186) for \$35,250. Ameriquist issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquist in first lien position and upon recordation of Ameriquist's. On or about August 4, 1999, Floyd Titsworth signed the note and deed of trust. On or about August 24, 1999, the closing occurred, and Ameriquist wire

transferred \$32,337.23 to Title Defendants for disbursement to Express Mortgage to pay off its alleged lien on the property.

447. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Express Mortgage never had a lien on the property. Ameriquest is informed and believes that funds it wired for payment to Express Mortgage were diverted by and converted by the Title and/or Barber Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Ameriquest Employee and/or Barber Defendants. Furthermore, notwithstanding Floyd Titsworth's representation that he had owned the property since 1996, and Title Defendants' representation that title to the property was vested in him as of July 26, 1999, Ameriquest discovered that Floyd Titsworth only came into title on the property on August 4, 1999, when Brent Barber and Lisa Barber transferred the property to him via warranty deed. Ameriquest is informed that at all material times Titsworth had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Peggy Ries' appraisal grossly overstated the property's value. Though the appraisal values the property at \$48,000, its actual value was only approximately \$20,000.

448. Ameriquest is informed that the Titsworth loan application contains other false and misleading information and that defendant David Springfield and the Ameriquest Employee and Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

449. Ameriquest is informed that in or about April, 2000 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender.

### **The Wells Loans**

#### **1219 E. 41<sup>st</sup> Street, Kansas City, MO**

450. On or about June 25, 1999, Todd Wells and Stephanie Wells submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, the Wells sought refinancing for a loan to be secured against the property located at 1219 E. 41<sup>st</sup> Street, Kansas City, Missouri. In the application, the Wells represented that they had owned the property since 1999, and had purchased it for \$73,000. The Wells further represented that the property had a present value of \$73,000. The Wells requested that the loan proceeds be used, in part, to pay off their purported loan from Sommerset Homes secured by the property. In support of the application, the Wells submitted an appraisal prepared by Phillip Thomas which stated that the property was worth \$73,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of June 28, 1999, which stated that title to the property was vested in the Wells.

451. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012311346) for \$58,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about June 25, 1999, the Wells signed the note and

deed of trust. On or about June 30, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$30,520.40 payable to Sommerset Homes, to pay off its alleged lien on the property.

452. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes never had a lien on the property. Ameriquest is informed and believes that the check it issued for payment to Sommerset Homes was diverted and converted by the Ameriquest Employee and Barber Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted by the Ameriquest Employee and Barber Defendants. Furthermore, notwithstanding the Wells' representation that they had owned the property since 1999, and Title Defendants' representation that title to the property was vested in them as of June 28, 1999, Ameriquest discovered that the Wells did not hold title to the property at the time of the loan from Ameriquest. Rather, via corporation warranty deed dated June 29, 1999, Mortgage One Corporation, which had acquired the property via a foreclosure sale, deeded the property to the Bennett Co. On July 6, 1999, the Bennett Co. deeded the property to Brent and Lisa Barber. Via warranty deed dated June 28, 1999, the Barbers attempted to transfer the property to the Wells, but on that date, the Barbers did not have any title to transfer. Ameriquest is informed that at all material times the Wells had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Phillip Thomas' appraisal grossly overstated the property's value. Though the appraisal values the property at \$73,000, its actual value was only approximately \$11,500.

453. Ameriquest is informed that the Wells' loan application contains other false and misleading information and that the Ameriquest Employee and Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

454. Ameriquest is informed that in or about July, 2000 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender.

4226 E. 60<sup>th</sup> Terr., Kansas City, MO

455. On or about July 1, 1999, Todd Wells and Stephanie Wells submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, the Wells sought refinancing for a loan to be secured against the property located at 4226 E. 60<sup>th</sup> Terr., Kansas City, Missouri. In the application, the Wells represented that they had owned the property since 1999, and had purchased it for \$47,600. The Wells further represented that the property had a present value of \$47,600. The Wells further requested that the loan proceeds be used, in part, to pay off their loan from Sommerset Homes secured by the property. In support of the application, Ameriquest received an appraisal prepared by Phillip Thomas which stated that the property was worth \$47,600. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of May 24, 1999, which stated that title to the property was vested in the Wells.

456. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012311197) for \$29,600. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the

issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about July 1, 1999, the Wells signed the note and deed of trust. On or about July 6, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$27,125.10 payable to Sommerset Homes, to pay off its alleged lien on the property.

457. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes never had a lien on the property. Ameriquest is informed and believes that check it issued for payment to Sommerset Homes was diverted and converted by the Ameriquest Employees and/or Barber Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were diverted and converted by the Barber and/or Ameriquest Employee Defendants. Furthermore, notwithstanding Ameriquest's specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. Further, notwithstanding the Wells representation that they had owned the property since 1999 and the Title Defendants; representation that the Wells were vested with title as of May 24, 1999, Ameriquest is informed that the Wells did not come into title until June, 1999 and that at all relevant times the Wells had no material interest in the property. Rather, on June 1, 1999, Irene Mosley deeded the property to Brent Barber and Lisa Barber. On that same day, June 1, 1999, the Barbers deeded the property to the Wells. Notwithstanding the deed to the Wells, on June 29, 1999, the Barbers executed a deed of trust in favor of American Sterling Bank. Thereafter, on June 30, 1999, the Wells deeded the property back to the Barbers. Contrary to Ameriquest's instructions,



Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Phillip Thomas' appraisal grossly overstated the property's value. Though the appraisal values the property at \$47,600, its actual value was only approximately \$10,000.

458. Ameriquest is informed that the Wells' loan application contains other false and misleading information and that the Ameriquest Employee and/or Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

459. Ameriquest is informed that in or about September, 1999 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgages from another lenders.

810-812 N. 10<sup>th</sup> St., Kansas City, MO

460. On or about June 25, 1999, Todd Wells and Stephanie Wells submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Chauncey Calvert. Through the application, the Wells sought refinancing for a loan to be secured against the property located at 810-812 N. 10<sup>th</sup> St., Kansas City, Missouri. In the application, the Wells represented that they had owned the property since 1999, and had purchased it for \$41,600. The Wells further represented that the property had a present value of \$41,600. The Wells requested that the loan proceeds be used, in part, to pay off their loan from Sommerset Homes secured by the property. In support of the application, Ameriquest received an appraisal prepared by Phillip Thomas which stated that the property was worth \$41,600. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of June 8, 1999, which stated that title to the property was vested in the Wells.

461. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0012185096) for \$29,120. Ameriquest issued written instructions to Pinnacle Title conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about June 25, 1999, the Wells signed the note and deed of trust. On or about July 12, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$21,147.69 payable to Sommerset Homes, allegedly to pay off its lien on the property.

462. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Sommerset Homes never had a lien on the property. Ameriquest is informed and believes that check it issued to Sommerset Homes was diverted and converted by the Ameriquest Employee and/or Barber Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted. Furthermore, notwithstanding Ameriquest's specific instructions to do so, Title Defendants failed to record Ameriquest's deed of trust on the property and to insure that Ameriquest's loan had first lien position. Also, the Wells did not have title on June 8, 1999. Rather, on March 19, 1999, Larry and Diane Wertz deeded the property to Brent and Lisa Barber. On June 7, 1999, the Barbers deeded the property to Harlan Milo Murray, Jr. On June 15, 1999, Harlan Milo Murray, Jr. deeded the property to the Wells. On August 30, 1999, the Wells deeded the property back to the Barbers, who encumbered the property with a mortgage in favor of First National Bank of Missouri in the sum of \$1,000,000 (including other properties). Ameriquest is informed that at

all relevant times the Wells had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Phillip Thomas' appraisal grossly overstated the property's value. Though the appraisal values the property at \$41,600, its actual value was only approximately \$26,000.

463. Ameriquest is informed that the Wells loan application contains other false and misleading information and that the Ameriquest Employee and/or Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

464. Ameriquest is informed that the Barber Defendants have repeatedly flipped the subject property to straw borrowers and repeatedly fraudulently procured loans secured by the property from lenders.

### **The Young Loans**

#### **1823 Jackson, Kansas City, MO**

465. On or about September 27, 1999, Solomon Young, II submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Solomon Young, II sought refinancing for a loan to be secured against the property located at 1823 Jackson, Kansas City, Missouri. In the application, Solomon Young, II represented that he had owned the property since 1995, and had purchased it for \$38,000. Solomon Young, II further represented that the property had a present value of \$48,000. Solomon Young, II represented that there existed a \$35,952 mortgage against the property and requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal

prepared by Bob Miliken and Douglas Curry which stated that the property was worth \$48,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Solomon Young, II.

466. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013669577) for \$38,400. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 27, 1999, Solomon Young, II signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$35,831.80 payable to Associated Mortgage, to pay off its alleged lien on the property.

467. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it issued for payment to Associated Mortgage was diverted and converted by the Ameriquest Employee and/or Barber Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted. Furthermore, notwithstanding Solomon Young, II's representation that he had owned the property since 1995, and Title Defendants' representation that title to the property was vested in him as of August 18, 1999, Ameriquest discovered that Solomon Young, II did not obtain title to the property until just prior to the loan from Ameriquest. On or about September 9, 1999, Brent

Barber and Lisa Barber obtained title to the property via warranty deed from Lloyd S. Smith. On September 27, 1999, Brent Barber and Lisa Barber deeded the property to Solomon Young, II. Ameriquest is informed at all relevant times that Solomon had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Bob Miliken and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$48,000, its actual value was only approximately \$11,500.

468. Ameriquest is informed that the Young loan application contains other false and misleading information and that Ameriquest Employee and/or Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

469. Ameriquest is informed that in or about July, 2000 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender.

4340 College, Kansas City, MO

470. On or about September 27, 1999, Solomon Young, II submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Solomon Young, II sought refinancing for a loan to be secured against the property located at 4340 College, Kansas City, Missouri. In the application, Solomon Young, II represented that he had owned the property since 1995, and had purchased it for \$41,000. Solomon Young, II further represented that the property had a present value of \$51,000. Solomon Young, II represented that there existed a \$38,154 mortgage against the property and

requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Ameriquest received an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$51,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 19, 1999, which stated that title to the property was vested in Solomon Young, II.

471. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013669692) for \$40,800. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 27, 1999, Solomon Young, II signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$37,532.39 payable to Associated Mortgage, to pay off its alleged lien on the property.

472. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it issued for payment to Associated Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted. Furthermore, notwithstanding Solomon Young, II's representation that he had owned the property since 1995, and Title Defendants' representation that title to the property was vested in

him as of August 19, 1999, Ameriquest discovered that Solomon Young, II did not obtain title to the property until just prior to the loan from Ameriquest. On or about September 9, 1999, Brent Barber and Lisa Barber obtained title to the property via warranty deed from Tigar Paw, Inc. On September 27, 1999, Brent Barber and Lisa Barber deeded the property to Solomon Young, II. Ameriquest is informed that at all material times young had no material interest in the property. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$51,000, its actual value was only approximately \$28,000.

473. Ameriquest is informed that the Young loan application contains other false and misleading information and that the Ameriquest Employee and/or Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

474. Ameriquest is informed that in or about June, 2000 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender.

4233 Bellefontaine, Kansas City, MO

475. On or about September 27, 1999, Solomon Young, II submitted a loan application to Ameriquest. This application was referred to Ameriquest by Brent Barber and Express Mortgage. The application was prepared by Ameriquest employee Avonda Nicodemus. Through the application, Solomon Young, II sought refinancing for a loan to be secured against the property located at 4233 Bellefontaine, Kansas City, Missouri. In the application, Solomon Young, II represented that he had owned the property since 1995, and had purchased it for

\$40,000. Solomon Young, II further represented that the property had a present value of \$51,000. Solomon Young, II represented that there existed a \$37,586.90 mortgage against the property and requested that the loan proceeds be used, in part, to pay off his loan from Associated Mortgage secured by the property. In support of the application, Solomon Young, II submitted an appraisal prepared by Jonathan Tester and Douglas Curry which stated that the property was worth \$51,000. Also in support of the loan application, Ameriquest received from Title Defendants a title commitment with an effective date of August 18, 1999, which stated that title to the property was vested in Solomon Young, II.

476. Ameriquest, in reliance upon these statements and documents, granted the loan application and provided a mortgage loan (#0013670807) for \$40,800. Ameriquest issued written instructions to Title Defendants conditioning loan disbursements and closing upon the issuance of an ALTA title insurance policy insuring Ameriquest in first lien position and upon recordation of Ameriquest's mortgage. On or about September 27, 1999, Solomon Young, II signed the note and deed of trust. On or about September 30, 1999, the closing occurred, and Ameriquest issued a check in the amount of \$37,683.17 payable to Associated Mortgage, to pay off its alleged lien on the property.

477. Subsequently, Ameriquest discovered that it had been grossly defrauded. Specifically, Ameriquest discovered that Associated Mortgage never had a lien on the property. Ameriquest is informed and believes that the check it issued for payment to Associated Mortgage was diverted and converted by the Barber and/or Ameriquest Employee Defendants. Further, Ameriquest is informed and believes that the checks made payable to the borrower representing disbursements to the borrower out of the loan proceeds were similarly diverted and converted.



Furthermore, notwithstanding Solomon Young, II's representation that he had owned the property since 1995, and Pinnacle Title's representation that title to the property was vested in him as of August 5, 1999, Ameriquest discovered that Solomon Young, II did not hold title to the property at the time of the loan from Ameriquest. Rather, Brent Barber and Lisa Barber attempted to convey the property to Solomon Young, II via warranty deed dated September 27, 1999. However, on September 27, 1999, Brent Barber and Lisa Barber did not have any title to convey, since they did not acquire title to the property until October 7, 1999, via corporation warranty deed from Tiger Paw, Inc. Ameriquest is informed that at all material times Young had no material interest in the property. Ameriquest also discovered that Jonathan Tester and Douglas Curry's appraisal grossly overstated the property's value. Though the appraisal values the property at \$51,000, its actual value was only approximately \$30,000.

478. Ameriquest is informed that the Young loan application contains other false and misleading information and that the Ameriquest Employee and Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

479. Ameriquest is informed that in or about June, 2000 the Barber Defendants flipped the property to another straw borrower and fraudulently procured a new mortgage from another lender. Contrary to Ameriquest's instructions, Ameriquest never received a title policy from the Title Defendants.

480. Ameriquest is informed that the loan application contains other false and misleading information and that the Ameriquest Employee and/or Barber Defendants created and manufactured false and misleading documentation by which the loan was fraudulently procured.

**COUNT I**

**FRAUD**

**(against all defendants)**

481. Ameriquest repeats and realleges paragraphs 1 through 480, inclusive, as though fully set forth herein.

482. All defendants have conspired and have combined both omissions and active misrepresentations in order to defraud Ameriquest. Moreover, all defendants owed a duty to disclose the truth to Ameriquest due to their relationships with Ameriquest.

483. All defendants omitted and/or misrepresented certain material facts to Ameriquest. Generally, for each transaction, the parties misrepresented:

- (a) that the properties were valued and appraised at stated values;
- (b) that there were in existence loans by each of the borrowers, secured by the properties to be refinanced by Ameriquest;
- (c) that the primary purpose of the loan was to refinance existing loans secured by the properties, to obtain cash out or to pay bills;
- (d) that the borrowers held title to and owned the properties for a number of years;
- (e) that title was vested in the borrowers at the time the title commitments were issued;
- (f) that the mortgage documentation and information provided was true;
- (g) that the income and employment documentation provided was true;

484. These defendants further omitted:

(h) that the properties were in economically depressed neighborhoods where sales and rental were difficult;

(i) that the actual fair market values of the properties were far below the amounts at which they had been appraised;

(j) that the properties had been flipped back and forth through several owners, usually including Brent and Lisa Barber;

(k) that Ameriquest's loan proceeds were, in large part, being funneled to the accounts of Brent and Lisa Barber and entities which they controlled;

(l) that the title commitments provided were false.

485. Defendants made these misrepresentations and omissions with knowledge of their falsity or with such utter disregard and recklessness as to whether they were true or false that knowledge may be inferred. Defendants further intended that Ameriquest rely on these misrepresentations, as demonstrated by their having certified false statements and misrepresentations in the documents they submitted to Ameriquest.

486. These misrepresentations were material because they contained information on which Ameriquest relied directly in order to decide whether to fund each of the loans. Ameriquest justifiably relied on the misrepresentations because, among other things, (a) the borrowers, appraisers and title companies certified that the information they conveyed was true and (b) the borrowers, appraisers, title companies and officers thereof, and Ameriquest employees owed a duty to Ameriquest to convey the truth.

487. As described above, Ameriquest suffered damages in an amount to be proven at the time of trial, but reasonably believed to exceed \$1,000,000, as a result of its reliance on the

defendants' misrepresentations. Ameriquest would not have made the loans to the borrower defendants had it known the truth.

488. In engaging in this fraudulent conduct, and in agreeing and conspiring among themselves to engage in this conduct, Defendants acted despicably, with oppression, fraud and malice, with the purpose and intent of inducing Ameriquest to approve and fund the loans referred to herein. Ameriquest is thus entitled to punitive damages in an amount sufficient to deter Defendants from such wrongful conduct in the future.

489. On information and belief, the defendants have partially dissipated or hidden, and will continue to dissipate and hide, Ameriquest's loan proceeds unless injunctive relief is granted by this court. Ameriquest has a legitimate interest that deserves the protection of equity, there being no adequate remedy at law; irreparable injury is immediately threatened; Ameriquest has a likelihood of success on the merits, and the balance of hardships and the public interest weigh decidedly in favor of Ameriquest.

## **COUNT II**

### **RESCISSION**

**(against Defendants Brent Barber, Lisa Barber, Karen Burnham,  
Cassandra Graves, Staci Harrison, Harlan Milo Murray, Jr.,  
Lanair Perry, Ruth Rucker, Lashawna Stanley, Adam Thompson,  
Todd Wells, Stephanie Wells and Does 61 through 80, inclusive)**

490. Ameriquest repeats and realleges paragraphs 1 through 489, inclusive, as though set forth in full herein.

491. Defendants omitted and/or misrepresented material facts as alleged above.

492. Defendants made these misrepresentations with knowledge of their falsity or had such means to know whether they were true or false. Further, Defendants made these misrepresentations with intent that Ameriquest rely upon them.

493. These misrepresentations were material because they contained misinformation on which Ameriquest relied directly in order to decide whether to fund each of the loans. Ameriquest justifiably relied on the misrepresentations because, among other things, the borrowers, appraisers and title companies certified that the information they conveyed was true, and Ameriquest was fraudulently induced to make the subject loans by reason of its justifiable reliance on these misrepresentations.

494. Because Ameriquest would not have loaned the borrower defendants money had it known the truth, it is entitled to the equitable remedy of rescission as to the following loans which are still outstanding on Ameriquest's books:

<u>Loan Number</u>	<u>Borrower</u>	<u>Property Address</u>
12615712	Brent Barber	2919 Lister, Kansas City, MO
13657846	Brent Barber	1103 Brookside, Raymore, MO
12614616	Lisa Barber	823 White, Kansas City, MO
12614962	Lisa Barber	913 E. 77 <sup>th</sup> Terr., Kansas City, MO
12614327	Lisa Barber	2314 Van Brunt Blvd., Kansas City, MO
13044011	Karen Burnham	3024 Indiana, Kansas City, MO
12964490	Karen Burnham	11402 Corrington, Kansas City, MO
12658266	Cassandra Graves	132 N. 38 <sup>th</sup> St., Kansas City, MO
13066188	Staci Harrison	2900 Askew, Kansas City, MO

12887360	Harlan Murray, Jr.	2006 Agnes, Kansas City, MO
12145272	Harlan Murray, Jr.	2000 Agnes, Kansas City, MO
12613493	Lanair Perry	16901 E. 49 <sup>th</sup> Terr., Independence, MO
12919528	Ruth Rucker	503 N. 29th, Kansas City, MO
12565065	Lashawna Stanley	4410 Cypress, Kansas City, MO
13091632	Adam Thompson	4214 Adams, Kansas City, MO
12311197	Todd and Stephanie Wells	4226 E. 60 <sup>th</sup> Terr., Kansas City, MO
12185096	Todd and Stephanie Wells	810-812 N. 10 <sup>th</sup> St., Kansas City, MO

495. On information and belief, the defendants have partially dissipated or hidden, and will continue to dissipate and hide, Ameriquest's loan proceeds unless injunctive relief is granted by this Court. Ameriquest has a legitimate interest that deserves the protection of equity, there being no adequate remedy at law; irreparable injury is immediately threatened; Ameriquest has a likelihood of success on the merits, and the balance of hardships and the public interest weigh decidedly in favor of Ameriquest.

### COUNT III

#### CIVIL CONSPIRACY

**(against all defendants)**

496. Ameriquest repeats and realleges paragraphs 1 through 495, inclusive, as though fully set forth herein.

497. All of the defendants formed a malicious combination in order to cause injury to Ameriquest. As described above, certain defendants acted unlawfully and independent of the actual conspiracy in order to further the goal of the conspirators.

498. Ameriquest suffered damages in an amount to be proven at the time of trial but reasonably believed to exceed \$1,000,000 as a result of the conspiracy to defraud Ameriquest.

499. In engaging in their fraudulent conduct, and in agreeing and conspiring among themselves to engage in this conduct, Defendants acted despicably, with oppression, fraud and malice, with the purpose and intent of inducing Ameriquest to approve and fund the loans referred to herein. Ameriquest is thus entitled to punitive damages in an amount sufficient to deter defendants from such wrongful conduct in the future.

500. On information and belief, the defendants have partially dissipated or hidden, and will continue to dissipate and hide, Ameriquest's loan proceeds unless injunctive relief is granted by this Court. Ameriquest has a legitimate interest that deserves the protection of equity, there being no adequate remedy at law; irreparable injury is immediately threatened; Ameriquest has a likelihood of success on the merits, and the balance of hardships and the public interest weigh decidedly in favor of Ameriquest.

#### **COUNT IV**

#### **NEGLIGENT MISREPRESENTATION**

**(against the Appraiser Defendants, Title Defendants and Does 1 through 20, inclusive)**

501. Ameriquest repeats and realleges paragraphs 1 through 500, inclusive, as though fully set forth herein.

502. At all relevant times, the Appraiser Defendants and the Title Defendants and Does 1 through 20 were in the business of supplying information for the guidance of others in their business transactions, and provided appraisal reports and/or title commitments to be relied upon by Ameriquest.

503. Each appraisal contained a Certification by the appraiser that the report had been completed in accordance with the Uniform Standards of Professional Appraisal Practices (“USPAP”). Moreover, each title commitment provided to Ameriquest certified that it accurately reflected the State title as of a date certain.

504. Contrary to the Certifications in the appraisals, the reports were not prepared in accordance with USPAP. Specifically, they mischaracterized the values of the properties, mischaracterized the neighborhoods, used misleading comparable properties, and/or inaccurately described the properties themselves.

505. Contrary to the statements in the title commitments, these reports did not accurately reflect the state title as of their respective dates as alleged above. Ameriquest is also informed that on various properties the Title Defendants and Does 1 through 10 failed to properly disclose existing loans on the properties.

506. The Appraiser Defendants and the Title Defendants and Does 1 through 20 made such representations without knowledge as to their truth or falsity, or made the representation under circumstances in which they ought to have known of their falsity, and/or they failed to exercise reasonable care and/or competence to determine the accuracy of their representations. The Appraiser Defendants and the Title Defendants and Does 1 through 20 further intended that their representations would be relied upon by Ameriquest. Ameriquest sustained damages as a



result of its justifiable reliance on these representations in an amount to be proven at the time of trial, but reasonably believed to exceed \$1,000,000.

**COUNT V**

**NEGLIGENCE**

**(against the Appraiser Defendants, Title Defendants and Does 1 through 20, inclusive)**

507. Ameriquest repeats and realleges paragraphs 1 through 506, inclusive, as though fully set forth herein.

508. At all relevant times, the Appraiser Defendants and the Title Defendants and Does 1 through 20 were in the business of supplying information for the guidance of others in their business transactions, and provided appraisal reports and/or title commitments to be relied upon by Ameriquest.

509. The Appraiser Defendants and the Title Defendants and Does 1 through 20 owed duties to Ameriquest to prepare the appraisal reports and/or title commitments truthfully, accurately and completely. Further, the Title Defendants owed Ameriquest a duty to provide final title policies on the loans for which it provided title commitments. The Appraiser Defendants and the Title Defendants and Does 1 through 20 knew that the appraisal reports and/or title commitments were for Ameriquest's use, and knew or should have known that Ameriquest would be relying upon the appraisal reports and/or title commitments to determine whether to make the loans to the borrowers.

510. By virtue of the acts alleged above, the Appraiser Defendants and Does 11 through 20 failed to perform their duty to provide Ameriquest with true, accurate and complete appraisals. Similarly, by virtue of the acts alleged above, the Title Defendants and Does 1

through 10 failed to perform their duty to provide Ameriquest with true, accurate and complete title commitments, and wholly failed to provide Ameriquest with title policies for the loans.

511. The failure of the Appraiser Defendants and Title Defendants and Does 1 through 20 to provide Ameriquest with true, accurate and complete appraisals and title commitments has caused Ameriquest to suffer damages in an amount to be proven at the time of trial, but reasonably believed to exceed \$1,000,000.

## COUNT VI

### **NEGLIGENT SUPERVISION REGARDING TITLE AND ESCROW ACTIVITIES**

**(against Stewart Title Guaranty Company, Pinnacle Title,  
Douglas Curry and Does 1 through 10)**

512. Ameriquest repeats and realleges paragraphs 1 through 511, inclusive, as thought fully set forth herein.

513. At all material times, Pinnacle Title was an agent of Stewart Title. Stewart had a duty to Ameriquest to supervise and/or monitor the title and escrow activities of Pinnacle Title and its employee and title and escrow officer, Lance Stelling and Does 6 through 10 with respect to the loans which are the subject of this action. At all material times, Lance Stelling and does 6 through 10 were agents and employees of Pinnacle Title and its alter ego, Douglas Curry, and other unknown owners of Pinnacle Title sued herein as Does 1 through 5. Pinnacle and its alter egos, Curry and the other unknown owners, had a duty to Ameriquest to supervise and monitor the title and escrow activities of its agents and employees.

514. Ameriquest is informed that Stewart, Pinnacle Title (and its alter egos) breached their duty by failing to adequately supervise and/or monitor the title and escrow activities of

Pinnacle Title and Stelling and Does 6 through 10 with respect to the loans which are the subject of this action.

515. As a proximate result of defendants' negligence, Ameriquest has been damaged in an amount to be proved at the time of trial but reasonably believed to exceed \$1,000,000.

## **COUNT VII**

### **BREACH OF TITLE COMMITMENTS AND TITLE INSTRUCTION AGREEMENTS**

#### **(against Pinnacle Title Company and Stewart Title Guaranty Company)**

516. Ameriquest repeats and realleges paragraphs 1 through 515, inclusive, as though fully set forth herein.

517. In or about May through September, 1999, Ameriquest entered into agreements with Pinnacle Title, and its underwriter, Stewart Title Guaranty Company, whereby said defendants agreed to provide Ameriquest with true, accurate and complete title commitments and title policies for the loans at issue in this action, in exchange for payment by Ameriquest of Pinnacle Title and Stewart Title's fees for such services. On each loan, Ameriquest issued written instructions conditioning loan disbursement and closing on the issuance of an ALTA title policy insuring that Ameriquest's lien be in a first position and recordation of Ameriquest's mortgage. Pinnacle, on behalf of Stewart, executed each of the written instructions agreeing to the terms.

518. Through written Title Instruction Agreements on each loan, Pinnacle Title and Stewart Title agreed to record Ameriquest's mortgage loans in a first lien position and to disburse wired loan proceeds only, and conditioned upon, the recordation of Ameriquest's mortgages in a first lien position and the issuance of a title policy insuring Ameriquest's first lien

rights in and on the properties. Pursuant to the terms of the written Title Instruction Agreements, Pinnacle and Stewart also agreed to notify Ameriquest if its mortgage should not be recorded in a first position or if there were any impediments to providing a policy of title insurance insuring Ameriquest in a first lien position.

519. Pinnacle, as Stewart's authorized agent, issued title commitments on each loan which is the subject of this action.

520. Ameriquest has performed all promises, conditions and covenants that Ameriquest agreed to perform pursuant to the terms of the Title Instruction Agreements and Title Commitments, except for those promises, conditions and covenants which are excused by the acts and omissions of defendants.

521. As alleged above, during the period from May, 1999 through September of 1999, Pinnacle Title and Stewart Title breached those agreements by providing inaccurate, incomplete, false and fraudulent title commitments, and by failing to provide Ameriquest with final title policies for the loans at issue.

522. In various loans, the title commitments failed to reveal preexisting loans and liens, reducing the value of Ameriquest's security interest in the subject properties. On various properties, the preexisting lenders have foreclosed or are foreclosing on such preexisting loans, rendering Ameriquest's security interests in the properties void.

523. On various loans, title commitments were false at the time they were issued (and at loan closing) because borrower did not have title to the property. On many of the loans, Ameriquest is informed that such fact was known by Stewart's agent, Pinnacle, who issued the

title commitments in Stewart's name by cutting and pasting the straw borrowers' names in place of the real owners' name at the time the commitment was issued.

524. On many of the above loans, these defendants wrongfully disbursed Ameriquest loan funds without having (1) recorded Ameriquest's mortgage, (2) provided a title policy insuring Ameriquest's lien in a first position, and/or (3) in situations where Ameriquest was not in fact in a first lien position and/or the borrower was not the title owner of the property. Contrary to the written title instruction agreements, Pinnacle and Stewart failed to contact Ameriquest to indicate that they would be unable to comply with the foregoing conditions prior to loan closing.

525. As a direct and proximate result of these breaches of the agreements by Pinnacle Title and Stewart Title, Ameriquest approved and funded the loans referred to herein, resulting in a loss to Ameriquest in an amount to be proven at the time of trial, but reasonably believed to be in excess of \$1,000,000.

### **COUNT VIII**

#### **RACKETEERING INFLUENCED AND CORRUPT ORGANIZATIONS**

#### **ACT 18 U.S.C. SECTION 1962(c) - RACKETEERING**

**(against all defendants)**

526. Ameriquest repeats and realleges paragraphs 1 through 525, inclusive, as though fully set forth herein.

527. All defendants have violated 18 U.S.C. Section 1962(c) because they have engaged in the conduct of an enterprise through a pattern of racketeering activity.

528. The defendants are persons within the meaning of 18 U.S.C. Section 1961(3).

529. The defendants were part of an association-in-fact that engaged in the business of real estate sales, development, mortgage loans and other activities affecting interstate commerce. In particular, the association-in-fact acquired residences in the Kansas City, Missouri area (and adjacent areas) to be used as income producing properties. Though the defendants ultimately used the association-in-fact to defraud Ameriquest, they did conduct legitimate rental activity through the association-in-fact in addition to their illegitimate activity. This association-in-fact constitutes an enterprise under 18 U.S.C. Section 1961(4).

530. The defendants conducted or participated in the conduct of this association-in-fact. In particular, the Barber Defendants masterminded the scheme to defraud Ameriquest by directing the Ameriquest Employee, Straw Borrowers, Appraisers and Title Defendants, organizing the transfer of properties and distribution of funds and providing false information and documentation. The Appraiser Defendants participated primarily by producing falsely inflated appraised values for the properties. The Title Defendants participated primarily by producing false title commitments for the properties and also diverting and/or converting Ameriquest's loan funds. The Straw Borrowers participated primarily by lending their names to the mortgage fraud scheme and submitting loan applications that misrepresented material information. The Ameriquest Employee Defendants assisted the defendants primarily by processing fraudulent applications and by diverting and/or converting Ameriquest's loan funds.

531. The enterprise's activities constituted a pattern within the meaning of 18 U.S.C. Section 1961(5) because they occurred at least twice within ten years. The acts related to each other in that their ultimate end was to fraudulently induce Ameriquest to loan funds. This conduct is continuous because each defendant either repeated it with several loan applications to

Ameriquest and/or threatened to repeat it indefinitely, as demonstrated by the multiple properties that were transferred back and forth from Brent and Lisa Barber to the other defendants on multiple occasions, and as demonstrated by the sheer number of properties on which loans were fraudulently obtained, and as demonstrated by the fact that the Barber Defendants have continued such scheme subsequent to the funding by Ameriquest of these loans.

532. The defendants' acts constituted racketeering within the meaning of 18 U.S.C. Section 1961(1)(B) because they included wire fraud in violation of 18 U.S.C. Section 1343 and mail fraud in violation of 18 U.S.C. Section 1341.

533. The defendants committed wire fraud by participating in a scheme to defraud by using electronic wire carriers, or knowingly causing the use of electronic wire carriers, to effectuate this scheme. In particular, they caused Ameriquest to wire transfer funds in interstate commerce that were diverted and converted by the defendants. Further, the defendants committed mail fraud by participating in a scheme to defraud by using the U.S. mail to effectuate the scheme. In particular, they sent documents, and caused Ameriquest to send documents and checks through the U.S. mail for the purpose of converting and diverting loan proceeds.

534. The defendants' conduct has injured and damaged Ameriquest because of Ameriquest's warranties to its investors and the severe impairment of Ameriquest's securities. Furthermore, on information and belief, one or more defendants has hidden or dissipated Ameriquest's loan proceeds. Ameriquest has incurred attorneys' fees to seek relief from these injuries. Defendants' conduct has also harmed the general public, and threatens continued harm.

**COUNT IX**

**RACKETEERING INFLUENCED AND CORRUPT ORGANIZATIONS**

**ACT 18 U.S.C. SECTION 1962(D) - CONSPIRACY**

**(against all defendants)**

535. Ameriquest repeats and realleges paragraphs 1 through 534, inclusive, as though fully set forth herein.

536. All defendants are persons within the meaning of 18 U.S.C. Section 1961(3).

537. The defendants have violated 18 U.S.C. Section 1962(d) because they agreed to conduct or participate in the affairs of an enterprise through a pattern of racketeering activity, or agreed to assist or profit from such conduct or participation. In addition, the defendants knew their conduct or the conduct of their co-conspirators constituted a pattern of racketeering activity.

538. In particular, agreement among the defendants, both to the conduct of the enterprise's affairs and to the furtherance of the enterprise has been shown as follows: the Barber Defendants, Title Defendants, Appraiser Defendants Ameriquest's Employees and Straw Borrowers coordinated and jointly made the misrepresentations through which they defrauded Ameriquest.

539. Each conspiring defendant knew their own and the other defendants' predicate acts were part of a pattern of racketeering activity because of the similarity and frequency of the events in the scheme.



**COUNT X**

**CONVERSION**

**(against all defendants)**

540. Ameriquest repeats and realleges paragraph 1 through 539, inclusive, as though fully set forth herein.

541. Ameriquest is informed that each of the defendants has diverted and converted loan funds and disbursements made by Ameriquest on the subject loans.

542. Defendants acted despicably, with oppression, fraud and malice. Ameriquest is thus entitled to punitive damages in an amount sufficient to deter defendants from such wrongful conduct in the future.

543. Ameriquest has incurred attorneys' fees, investigational costs and other expenses in pursuing the converted funds.

**COUNT XI**

**RECOVERY OF MONEY DUE ON PROMISSORY NOTE**

**(against the Barbers and Rita Campbell)**

544. Ameriquest repeats and realleges paragraph 1 through 543, inclusive, as though fully set forth herein.

545. Ameriquest's mortgage on the loan to Brent Barber in the amount of \$204,000 secured by the property commonly known as 1103 Brookside Place, Raymore, Mo., was never recorded by the title company handling that transaction, a fact which became known to Brent Barber. In or about December 2000, Ameriquest learned that the Barbers were attempting to sell the property to their aunt, Rita Campbell. Ameriquest demanded that as a condition of said conveyance the Barbers pay off the Ameriquest loan. Said written demand was sent to Brent and

Lisa Barber, Barber's aunt (the purported buyer), Rita Campbell, and to the escrow company/title company handling the transaction, Realty Title. Ameriquest is informed that within days of the written demand, Brent Barber switched the pending escrow to another title/escrow company and transferred the property to his aunt, Rita Campbell, and financed the purported transaction by fraudulently obtaining a loan from Washington Mutual in the amount of \$229,600 as part of the conveyance. Ameriquest's loan in the approximate amount of \$204,000 has never been paid off and the mortgage has never been secured by the intended property. In or about January, 2002, Barber ceased making payments on the subject note. Ameriquest's loan is, and at all times has been, unsecured and is in default and Ameriquest is entitled to recovery from Barber, under the terms of the promissory note and mortgage, the principal sum of \$204,000, plus accrued interest, plus attorney fees and expenses.

546. Ameriquest is informed that the conveyance from the Barbers to Rita Campbell was consummated without payment of fair consideration and for the purpose of defrauding Ameriquest and was fraudulent, thus entitling Ameriquest to punitive damages.

WHEREFORE, Ameriquest respectfully requests judgment against the defendants, and each of them, as follows:

On the First and Third Counts:

For damages in an amount to be proven at the time of trial but reasonably believed to exceed \$1,000,000.

For punitive damages in an amount sufficient to deter defendants from such wrongful conduct in the future;

On the Second Count:

For an order requiring defendants to refund and make restitution to Ameriquest of all monies paid by Ameriquest for the loans on the properties;

Upon such payment, for an order rescinding the notes and mortgages given to Ameriquest on the properties in the loan transactions, and restoring the parties to the status quo prior to the funding of the loans;

On the Fourth, Fifth and Sixth Counts:

For damages in an amount to be proven at the time of trial but reasonably believed to exceed \$1,000,000.00;

On the Seventh Count:

For damages in an amount to be proven at the time of trial but reasonably believed to exceed \$1,000,000.00;

For interest thereon from 1999 to the present;

On the Eighth and Ninth Counts:

For damages in an amount to be proven at the time of trial but reasonably believed to exceed \$1,000,000.00.

For treble damages under 18 U.S.C. Section 1964(c);

For attorneys' fees and costs;

On the Tenth Count:

For damages in an amount to be proven at the time of trial, including interest at the legal rate thereon;

For punitive damages;

For Ameriquest's attorney fees and costs and expenses in investigating and pursuing the converted funds;

On the Eleventh Count:

For recovery of approximately \$204,000 and interest thereon at the rate specified in the promissory note from date of breach;

For Ameriquest's attorney fees, costs and expenses;

For punitive damages;

For such equitable and injunctive relief as the Court deems just and proper;

On the First, Second, Third, Tenth and Eleventh Counts:

For a declaration that a constructive trust be imposed upon the defendants and each of their agents, employees and attorneys, for the funds loaned by Ameriquest in connection with the above loan transactions;

For the entry of a Temporary Restraining Order, as well as a Preliminary and Permanent Injunction, restraining and prohibiting the defendants and each of their agents, employees and attorneys and those acting in active concert or participation with them, from distributing, moving, dissipating or otherwise changing the location or nature of the funds paid out by Ameriquest in connection with the loan transactions;

For an order requiring the defendants to refund and make restitution to Ameriquest of all monies paid by Ameriquest for the loans on the properties in the above transactions;

Upon such payment, for an order rescinding the notes and mortgages given to Ameriquest on the properties in the loan transactions, and restoring the parties to the status quo prior to the funding of the loans.

On all causes of action:

For attorneys' fees and costs according to proof;

For such equitable and injunctive relief pending judgment that the Court deems just and proper;

For any and all other further relief as the Court deems just and proper.

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