

FILED IN CHAMBERS  
U.S.D.C. Atlanta

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF GEORGIA

DEC 14 2004

ATLANTA DIVISION

LUTHER D. THOMAS, Clerk

By: *L. Williams*  
Deputy Clerk

UNITED STATES OF AMERICA	:	
	:	CRIMINAL INDICTMENT
v.	:	
	:	NO. 1:04-CR-224-TWT
CHALANA C. MCFARLAND,	:	(Superseding)

THE GRAND JURY CHARGES THAT:

COUNT 1  
(Conspiracy)

1. Between in or about mid 1999 and in or about late 2002, in the Northern District of Georgia, and elsewhere, defendant CHALANA C. MCFARLAND did willfully, knowingly and unlawfully combine, conspire, confederate, agree and have a tacit understanding with Brenda G. Brown, Lisa R. Bellamy, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, Lupita McCarthy, Melvin Howard Quillen, Thomas Christopher Davis, Sr., Brandon G. Wilhite, Omar Rashad Turrall, Renee Meeks, Latonia Cromartie, Melinda Renee Tyner, a/k/a Little Renee, James Patterson, Jewel Williams, Sidney Williams and others, known and unknown, to commit certain offenses against the United States, including the following:

(a) To knowingly execute and attempt to execute a scheme and artifice to defraud insured depository financial institutions, as defined in Title 18, United States Code, Section 20, by knowingly submitting and causing to be submitted materially false

qualifying information and documentation and other fraudulent representations to obtain mortgage loans from banks, in violation of Title 18, United States Code, Section 1344.

(b) To devise a scheme and artifice to defraud mortgage lenders by submitting and causing to be submitted materially false qualifying information and documentation and other fraudulent representations to obtain mortgage loans, causing the Postal Service and other interstate carriers to be used and interstate wire transfers to be made to fund said loans and for other purposes, in furtherance of said scheme and artifice to defraud, in violation of Title 18, United States Code, Sections 1341 and 1343.

(c) To, with intent to deceive, falsely represent and cause to be represented certain social security numbers for the purpose of obtaining for the defendant, her co-conspirators and others fraudulently derived loan proceeds and for other purposes, in violation of Title 42, United States Code, Section 408(a)(7)(B).

(d) To knowingly and without lawful authority cause to be transferred and used a means of identification of another person, including their name and social security number, with intent to commit the federal felony offenses of wire fraud, mail fraud and bank fraud as further described in paragraphs 1(a) and 1(b), 2, 3, and 4 of Count 1 and in Counts 2 through 93 of this Indictment, in violation of Title 18, United States Code, Section 1028(a)(7).

(e) To knowingly conduct and attempt to conduct financial transactions which involved the proceeds of specified unlawful activity, that is, acts indictable under Title 18, United States Code, Sections 1341, 1343, and 1344, being mail fraud, wire fraud and bank fraud as further described in paragraphs 1(a) and 1(b), 2, 3 and 4 of Count 1 and in Counts 2 through 92 of this Indictment, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity with the intent to promote the carrying on of the specified unlawful activity, and knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of the specified unlawful activity, in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and (B)(i).

(f) To knowingly engage in monetary transactions in the United States which affected interstate commerce, involving criminally derived property of a value greater than \$10,000, that was derived from specified unlawful activity, that is acts indictable under Title 18, United States Code, Sections 1341, 1343 and 1344, being mail fraud, wire fraud and bank fraud as further described in paragraphs 1(a) and 1(b), 2, 3, and 4 of Count 1 and in Counts 2 through 92 of this Indictment, in violation of Title 18, United States Code, Section 1957.

(g) To corruptly influence, obstruct and impede the due administration of justice, and endeavor to do so, by causing records, documents and items subpoenaed for production before a Grand Jury of the United States to be concealed and destroyed and by providing false and misleading affidavits and information about said subpoenaed records, documents and items, in violation of Title 18, United States Code, Section 1503.

2. At time relevant to this conspiracy:

(a) Defendant CHALANA C. MCFARLAND owned and operated The McFarland Law Firm located first at 4820 Redan Road, Stone Mountain, Georgia, and later at 900 North Hairston Road, Stone Mountain, Georgia. Defendant MCFARLAND acted as agent for property title insurance companies, including First American Title Insurance Company/Attorneys' Title Guaranty Fund and Old Republic National Title Insurance Company, and was the closing attorney for various lenders. Defendant MCFARLAND caused HUD-1 Settlement Statements (HUD-1s) to be signed certifying that she received and disbursed loan proceeds and borrower down payments as reflected on the HUD-1s when she closed mortgage loans for various lenders on the properties for which she caused title policy commitments and title insurance to be written. At times during the course of this conspiracy, defendant MCFARLAND was assisted by co-conspirators described as follows, but not named as defendants herein.

(b) Brenda G. Brown and Lisa R. Bellamy were paralegals employed by defendant CHALANA C. MCFARLAND at The McFarland Law Firm.

(c) Judith H. "Judy" Hooper was a former mortgage broker who changed her identity to Jerry Dale Hunter and arranged for loans to be originated through the mortgage brokerage firm, American Mortgage Exchange, before she left the United States in the summer of 2000.

(d) Renee Meeks, Melinda Renee Tyner, a/k/a "Little Renee," Latonia Cromartie, James Patterson and other co-conspirators originated and processed mortgage loans for American Mortgage Exchange, Smart Choice Mortgage and other brokers.

(e) Melvin Howard Quillen was a borrower, recruited other straw borrowers and provided shell company names to use as employers to qualify said borrowers for mortgage loans.

(f) Lupita McCarthy was a former mortgage broker who recruited straw borrowers, managed properties and provided shell company bank accounts to receive and disburse mortgage loan proceeds.

(g) Omar Rashad Turrall sold pharmacy student names, social security numbers and identities obtained from a Florida university for use as borrowers on loans.

(h) Brandon G. Wilhite, JFP and KEC appraised a number of the properties for the loans originated by American Mortgage

Exchange and other companies and closed by defendant CHALANA C. MCFARLAND.

(i) Jewel Williams and Thomas Christopher Davis, Sr., were real estate agents on a number of the loans originated by American Mortgage Exchange and closed by defendant CHALANA C. MCFARLAND. Jewel Williams was assisted by her husband, Sidney Williams, a former mortgage broker.

3. It was a part of the conspiracy and the objects thereof for the defendant and her co-conspirators:

(a) To contract or otherwise arrange for the purchase of residential properties primarily in the Mountain Oaks, North Shore, Southland and Waters Edge Subdivisions located in Lithonia and Stone Mountain, Georgia and other residential properties including those in the Atlanta, Clarkston, College Park, Decatur, Douglasville, Elberton, Fairburn, Fayetteville, Griffin, Riverdale and Snellville, Georgia area for resale at artificially inflated prices, often using the proceeds of the resale to pay for the initial purchase, a practice commonly referred to as "flipping."

(b) To recruit, pay or otherwise induce co-conspirators, commonly referred to as "straw sellers," or locate identities to use as "straw sellers," to falsely claim current ownership of the properties referenced in paragraph 3(a) of Count 1 of this Indictment for the purpose of selling the properties and, thereafter, to list the straw sellers on the HUD-1 Settlement

Statements to close the purchases at lesser amounts than that for which the properties just sold with a portion of the loan proceeds; or to obtain inflated loan proceeds without use of straw sellers by persuading true sellers to increase the sales price on their Purchase and Sale Agreements and return that increased amount upon negotiation of their settlement check or allow that amount to be removed from loan proceeds through disbursements for purported "repairs."

(c) To recruit, pay or induce other co-conspirators, commonly referred to as "straw borrowers," for use of their identity to submit documents containing false qualifying information including income, employment, assets, liabilities and/or residence to banks and mortgage companies to obtain mortgage loans and, on a few occasions, Housing and Urban Development ("HUD") insurance.

(d) To, on occasion, use the identities of other people as straw sellers and straw borrowers for the purpose of fraudulently obtaining mortgage loan proceeds.

(e) To falsely represent that required down payment amounts were paid from borrower funds.

(f) To falsely represent that the property would be the primary residence of the straw borrowers.

(g) To use shell, "air" or other companies of the defendant, her co-conspirators and their friends and family to

falsify straw borrower employment and to receive scheme proceeds from the defendant's law firm.

(h) To pay and otherwise reward bank employees for providing false and misleading Verifications of Deposit.

(i) To sign ghost or fake names as loan officers and processors of American Mortgage Exchange, the mortgage brokerage firm originating many of these fraudulent loans.

(j) To witness, notarize and submit to the lenders purported signatures of straw sellers and straw borrowers who neither attended closings nor signed the closing documents.

(k) To falsely represent to lenders that the defendant closing attorney was present and conducted all mortgage loan closings for which she signed, and caused the HUD-1 Settlement Statements to be signed.

(l) To falsely represent to the lenders and the title insurance companies that the straw sellers owned the properties at the time the properties were sold to the straw borrowers, although the true sellers were not usually paid for their properties until receipt of the loan proceeds generated by the sales of their properties to the straw borrowers, a practice commonly known as "flipping."

(m) To submit appraisals to the lenders reflecting artificially inflated property values by omitting the true seller's asking price, by falsely listing the property owner to be the straw



seller instead of the true seller as of the appraisal date, by misrepresentations as to property size and condition, by falsely listing as comparable sales properties which had been artificially inflated through this and other fraud groups and by failing to list prior sales of both the subject property and comparable properties.

(n) To, on occasion, submit appraisals to lenders bearing the forged signature of the primary and/or supervisory appraiser.

(o) To cause fraudulent mortgage loan applications, supporting documentation, title commitments and other material to be faxed and/or mailed to out-of-state lenders and those purchasing said mortgage loans on the secondary market, thereby causing loan proceeds to be mailed or wired in interstate commerce, deposited into The McFarland Law Firm account and disbursed by the defendant, an Atlanta area closing attorney.

(p) To use portions of the fraudulently obtained mortgage loan proceeds to purchase the properties which had just been sold to unqualified straw borrowers, to make payments to the closing attorney, title agent, paralegals, real estate agents, appraisers, identity sellers, current and former mortgage brokers, mortgage originators, loan processors, scheme orchestrators, fraudulent document preparers, bank employees, recruiters, straw sellers, straw borrowers, property managers and/or other co-conspirators and to pay other expenses incurred in arranging

fraudulent mortgage loans with cashiers checks and other checks generated from scheme proceeds, either through the cash-out or the deposit of mortgage loan settlement checks payable to shell companies controlled by the defendant and her co-conspirators, settlement checks payable to the straw sellers and settlement checks payable to the defendant and her co-conspirators.

(q) To divide control of the properties so purchased with the fraudulently obtained loan proceeds between the defendant and her co-conspirators for use as the personal residences of the defendant, her co-conspirators, friends and relatives and for rent to other persons, while often failing to make timely mortgage payments; in addition, to distribute to the defendant or to a co-conspirator who controlled the property the majority of the loan proceeds by which the property was artificially inflated, after "under the table" payments to the closing attorney, appraiser, recruiter, straws and/or identity seller.

(r) To lease/purchase or attempt to resell such fraudulently acquired properties to other unqualified or straw borrowers, including tenants receiving HUD Section 8 housing assistance, often requiring payments from Section 8 tenants which were not disclosed to HUD.

(s) To provide false and misleading explanations to lenders who questioned items in loan files funded and presented for funding.

(t) To remove, conceal and destroy records of The McFarland Law Firm and American Mortgage Exchange then under subpoena by a Northern District of Georgia Grand Jury of the United States in connection with a mortgage fraud investigation being conducted by the Grand Jury, the Federal Bureau of Investigation (FBI) and the HUD Office of Inspector General.

(u) To provide and cause to be provided false and misleading information about the missing records of the McFarland Law Firm to a Northern District of Georgia Grand Jury of the United States and in a deposition taken in a United States District Court Northern District of Georgia civil case.

4. In furtherance of this conspiracy, and to effect the objects and purposes thereof, various overt acts were committed by the defendant and her co-conspirators within the Northern District of Georgia and elsewhere, including, but not limited to, the following:

**Overt Acts (a) through (uu) incorporate by reference the chart beginning on page 29 of this Indictment, entitled "Fraudulent Mortgage Loans" (hereinafter "Chart").**

(a) In or about August 1999, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND put her name on the credit report of another for use in qualifying for an agency agreement to write title policies for First American Title Insurance Company/Attorney's Title Guaranty Fund and received the

insured closing letters required by lenders who employed defendant MCFARLAND to close mortgage loans.

(b) On or about the dates listed in the Chart, in the metropolitan Atlanta, Georgia area, defendant CHALANA C. MCFARLAND, Brenda G. Brown, Lisa R. Bellamy, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, Lupita McCarthy, Melvin Howard Quillen, Thomas Christopher Davis, Sr., Brandon G. Wilhite, Omar Rashad Turrall, Renee Meeks, Melinda Renee Tyner, a/k/a Little Renee, Latonia Cromartie, Jewel Williams, Sidney Williams and/or their co-conspirators caused to be prepared materially false borrower qualifying information and supporting documentation regarding employment, income, assets, liabilities, residence and/or identity for submission to the below listed original lenders and any purchasers of these loans, including false and counterfeit pay stubs, tax returns, W2 tax forms, rent checks, bank statements, earnest money checks, borrower down payments, Primary Residence Affidavits, Verifications of Deposit, Employment, Rent and Mortgage and/or borrower names and social security numbers; borrower income was often completely falsified or materially inflated by listing as borrower employers shell companies and companies associated with friends and co-conspirators, including The McFarland Law Firm, The Nile Group, BGB Construction, Pineapple House Ventures, MacGooden, Inc., Technology Services, Special Management, Prolan Communications, Solomon Concepts, Galaxy Communications, Ultimate

Illusions, Lee Construction and Consulting, RAC Trucking, LMD, Inc., Circle of Life, Dunwoody Financial Services, The Scurlock Group, Inc., Slocum & Associates, The Cromartie Group, Inc., WRM Financial Services, Sweet Honey in the Rock and other such entities.

(c) At various times between in or about August and in or about November 1999, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, Brenda G. Brown, Melvin Howard Quillen, Thomas Christopher Davis, Sr., and Brandon G. Wilhite advised Smart Choice Loan Officer James Patterson, who they were recruiting to participate in this conspiracy, that they would all share in scheme proceeds as partners because Davis found properties which could be flipped, his relative, Wilhite, appraised the properties at the inflated values as needed, the loan officers created or received income and asset documentation and defendant MCFARLAND with the assistance of her paralegal Brown provided the documents needed for "double closings" or "flip deals" without the down payments from borrowers reflected on the settlement statement submitted to lenders, while delaying payment to the true seller until receipt from the lender of loan proceeds in the inflated amount.

(d) On or about August 31, 1999, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND disbursed an \$81,256 McFarland Law Firm check to Loan Officer James Patterson then being recruited for the purchase by Melvin Howard Quillen of a property

at 2828 Green Trail Drive in College Park, Georgia, which the loan officer personally owned and had been trying to sell for some time.

(e) From on or about September 2, 1999 through on or about November 19 1999, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND requested James Patterson, the newly recruited loan officer, to deposit proceeds from checks issued from the McFarland Law Firm account totaling \$168,678 from loans Patterson originated for properties located by realtor Thomas Christopher Davis, Sr., appraisals completed by Brandon G. Wilhite and borrowers provided by Melvin Howard Quillen into his Dalton Contractor Company account and return the money to her in the form of cash and checks from his personal account.

(f) On or about the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND signed and caused to be signed HUD-1 Settlement Statements as the closing attorney for mortgage loans where the straw sellers and/or the straw borrowers failed to appear at closing, the loan proceeds were not disbursed as reflected on the HUD-1s, the down payments did not come from borrower funds as reflected on the HUD-1s, the borrowers did not intend to occupy the property as their primary residence and/or the straw sellers did not yet own the property purportedly sold to the borrowers.

(g) On or about many of the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND

falsely represented to her title insurance company and the lenders to whom she owed a fiduciary duty that the straw sellers then owned the properties when sold to the straw borrowers, when in fact a portion of the loan proceeds delivered to defendant MCFARLAND by lenders were used by her to purchase from the true seller the property which had just been sold, often at amounts approximately \$100,000 less than the purchase price defendant MCFARLAND represented to the lenders who employed her.

(h) On or about many of the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND disbursed loan proceeds to herself, co-conspirators and relatives and to shell and other companies controlled and used by defendant MCFARLAND, Brenda G. Brown, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, Lupita McCarthy, Melvin Howard Quillen, Thomas Christopher Davis, Sr., Brandon G. Wilhite, Renee Meeks, Melinda Renee Tyner, a/k/a Little Renee, Latonia Cromartie, Jewel Williams, Sidney Williams and others, including Alexander Construction, BGB Construction, Household Management Company, Lee Construction and Consulting, DMRI, GCC Construction, Sea Breeze Design, TCP Home Improvement, Expert Home Repair, WRM Financial Services, Dunwoody Financial, The Cromartie Group, LMD, Inc., Dalton Contractor, G&K Construction, Pineapple House Ventures and others, which disbursements neither appeared on the HUD-1 Statement Settlements nor cleared title, but were rather scheme proceeds from the

fraudulently obtained and artificially inflated loans for the particular co-conspirator who was to control the property "deal" and for the appraiser, closing attorney, identity seller, recruiter and/or straw borrower for that property.

(i) On or about the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND required and received "under the table" payments to close fraudulent mortgage loans in addition to her closing, title insurance and other fees reflected on the HUD-1 Settlement Statements submitted to the lenders.

(j) In or about November 1999, in the Northern District of Georgia, Thomas Christopher Davis, Sr., warned James Patterson, the recently recruited Smart Choice loan officer who wished to withdraw from this conspiracy, that the loan officer had already "done too much" and would be in trouble like the rest of his co-conspirators if he should tell anyone about their mortgage fraud scheme.

(k) In or about November 1999, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND referenced a "storm" when assuring Loan Officer James Patterson, who wished to withdraw from this conspiracy, that he need not worry about MCFARLAND's records causing a problem.

(l) On or about November 19, 2001, in Atlanta, Georgia, defendant CHALANA C. MCFARLAND, while being deposed under oath in



a civil lawsuit filed by a victim lender in the United States District Court for the Northern District of Georgia, stated that she could not produce the closing files and other records requested by that lender because all files from her Redan Road office had been stored in her home attic as of November 1999, where they were subsequently destroyed by a storm; defendant MCFARLAND further testified that she was notified on January 21, 2001, that closing files and a CPU unit for a computer were missing from her North Hairston Road office, well before she received a grand jury subpoena for those records from the United States Attorney's Office in April 2001, and notice of the civil lawsuit filed February 28, 2001.

(m) On or about the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND used Brenda G. Brown to assemble false and misleading paperwork for submission to the lenders and title insurance companies, by mail and by interstate facsimile, which documentation was necessary for title commitments, binders and insured closing letters to be issued and for lenders to release loan proceeds to defendant MCFARLAND, to select closing dates for loans whether or not straw sellers and borrowers were to appear for closing, to sign as a witness to straw seller and borrower signatures which Brown did not witness and assist in disbursing funds to co-conspirators.

(n) During the course of this conspiracy, in the Northern District of Georgia, Brenda G. Brown recruited friends, relatives and others to act as straw sellers and straw borrowers, was a borrower herself on occasion and caused false qualifying information and artificially inflated appraisals to be submitted to lenders for her recruits and for herself.

(o) From on or about August 16, 1999 through on or about December 4, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused checks containing fraudulently obtained loan proceeds to be drawn on The McFarland Law Firm account totaling approximately \$650,000 payable to her paralegal, Brenda G. Brown, and to Brown's shell companies, BGB Construction and Household Management, for subsequent disbursement to pay identity sellers, appraisers, straws, defendant MCFARLAND, Brown and other co-conspirators.

(p) On or about March 3, 2000, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND advised Attorneys' Title Guaranty Fund that the Brenda Brown endorsement on a 12/22/99 McFarland Law Firm check in the amount of \$1,400 payable to BGB Construction for 1180 Dolphin Drive which Attorneys' Title had questioned was not the same person employed by the McFarland Law Firm, but rather another Brenda Brown who owned BGB Construction.

(q) On or about December 1, 6, and 28, 1999 and on or about February 17, 2001, in the Northern District of Georgia,

defendant CHALANA C. MCFARLAND directed paralegals Brenda G. Brown and Lisa R. Bellamy to negotiate checks each in amounts of approximately \$4,000 and return the cash to her, which checks had been provided by co-conspirators for MCFARLAND to close their fraudulent loans.

(r) On or about the dates listed in the Chart, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND used paralegal Lisa R. Bellamy to notarize closing documents, falsely representing that Bellamy had witnessed the signatures of borrowers and sellers and to forward by the United States Postal Service and other interstate carriers and by interstate facsimiles, said documentation to the lenders, including HUD-1 Settlement Statements containing false receipts and disbursements and omitting from the lender packages the HUD-1 Settlement Statements which reflected the true seller and the true purchase price of the properties in question.

(s) During the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND offered to let her paralegal, Lisa R. Bellamy, and her Firm Administrator each "do a deal" because they were working so hard on the "flips" and taking such a risk, but not making any money; defendant MCFARLAND thereafter closed a "flip deal" for Bellamy on September 28, 2000.

(t) During the course of this conspiracy, in the Northern District of Georgia, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, introduced defendant CHALANA C. MCFARLAND to a group of loan originators and processors Hooper had assembled and arranged to operate under the brokerage license of American Mortgage Exchange after teaching them how to: artificially inflate property values; recruit straw borrowers; create, purchase and use false information and documentation to qualify said unqualified borrowers for mortgage loans; and select real estate agents, closing attorneys, appraisers, bank employees and property managers who would participate in this conspiracy to defraud lenders.

(u) In or about November 1999, in the Northern District of Georgia, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, made a list of how the loan proceeds for the 625 North Shore property listed in the Chart would be divided, including a \$4,000 payment to "Chalana."

(v) During the course of this conspiracy, in the Northern District of Georgia, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, paid an illegal alien, in addition to Lupita McCarthy, and other co-conspirators to recruit straw borrowers, to manage properties which she obtained in the names of the straw borrowers so recruited and to maintain bank accounts in company names, including Sea Breeze Design, DMRI, GCC and TCP Home Improvements, for the use of Hooper in receiving her portion of scheme proceeds,

paying defendant CHALANA C. MCFARLAND and other co-conspirators and making disbursements for other scheme related expenses.

(w) From on or about August 12, 1999 through on or about July 27, 2000, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused checks totaling over \$1.4 million in scheme proceeds from loans she closed to be drawn on The McFarland Law Firm account payable to shell companies controlled by Judith H. "Judy" Hooper and her co-conspirators.

(x) During the course of this conspiracy, in the Northern District of Georgia, Alabama and Belize, Judith H. "Judy" Hooper used the alias of Jerry Dale Hunter, acquired both a Virgin Islands and a North Carolina Birth Certificate, a United States Social Security Number, an Alabama Drivers License and bank accounts in the United States and Belize in that identity, advising co-conspirators that this identity change had cost \$30,000.

(y) During the course of this conspiracy, in the Northern District of Georgia, Melvin Howard Quillen routinely appeared at the offices of American Mortgage Exchange and The McFarland Law Firm, recruited straw borrowers and purchased student and other identities for use as straw borrowers for properties he was to control.

(z) Throughout the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND used The McFarland Law Firm bank account to disburse to Melvin Howard

Quillen scheme proceeds from a number of the loans listed on the Chart by causing multiple checks totaling \$82,728 issued to Quillen in amounts just under \$10,000 to avoid bank reporting requirements, and disbursed other law firm checks payable to WRM Financial Services for Renee Meeks to cash for Quillen through her WRM account at Bank of America.

(z) During the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND paid certain straw sellers and borrowers for a number of the loans listed on the chart with checks drawn on The McFarland Law Firm account.

(aa) Within about thirty days prior to the dates listed on the Chart, in the Northern District of Georgia, Brandon G. Wilhite completed and signed in his own name to the following fraudulently inflated appraisals for submission to lenders on loans closed by defendant CHALANA C. MCFARLAND: 8387 Carlton Road; 568 Woodstone Road; 493 Watson Bay; 530 Watson Bay; 636 Watson Cove; 823 Mountain View Run; 882 Shore Drive; 6914 Waters Edge; 670 Watson Cove; 1791 Wedgewood Close; 851 Backwood Avenue; 537 Lone Oak Trace; 5625 Windswept Trace; 3370 Forrest Bend Lane; 7463 Woodruff Way; 756 Stone Breeze Drive; 6964 Dockbridge Way; 5707 Mountain Crest; 551 Cottage Oaks Drive; 6397 Phillips Court; 6971 Arbor Town Way; 4071 Na Ah Tee Tail; and 597 Watson Bay.

(bb) Within about thirty days prior to the dates listed on the Chart, in the Northern District of Georgia, Brandon G. Wilhite completed and forged the name of appraiser Kenneth Koon to the following fraudulently inflated appraisals for submission to lenders on loans closed by defendant CHALANA C. MCFARLAND: 6810 Waters Edge; 6880 Gledhill Way; 790 Mountain Oaks Parkway; 571 Fortune Ridge Drive; 6884 Breeze Drive; 6336 Southland Forest; 6918 Breeze Drive; 770 Amroth Court; 6910 Stone Breeze Drive; 693 Watson Reef; 615 Watson Cove; 3216 Palm Tree Drive; 6974 Overlook Point; 501 Fortune Ridge Drive; 7014 Wind Run Way; 6206 Rock Springs Road; 580 Watson Bay; 625 Stone Creek Way; 815 Mountain Oaks Parkway; 5863 Southland Drive; 7025 Wind Run Way; 538 Wynbrooke Parkway; 751 Stone Breeze Lane; 959 Hill Street; 528 Cottage Oaks Drive; 7162 Lone Oak Way; 661 Appomattox Trace; 12131 Olmstead Drive; and 871 Cherokee Avenue.

(cc) During the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused checks drawn on the McFarland Law Firm account totaling over \$411,000 in scheme proceeds from loans closed by her to be issued for appraiser Brandon G. Wilhite in his own name, in his wife's married name and in the maiden name of his wife.

(dd) On or about September 23, 2000, in the Northern District of Georgia, Omar Rashad Turrall received a check from The Cromartie Group account which contained scheme proceeds, in the

amount of \$10,000, for the purchase of a student identity for use as straw borrower for a mortgage loan on a property closed by defendant CHALANA C. MCFARLAND and controlled by a conspirator.

(ee) On or about September 29, 2000, October 3, 2000, November 6, 2000, December 5 and 7, 2000, and January 3 and 18, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused a series of \$10,000 checks totaling \$110,000, to be drawn on The McFarland Law Firm payable to Omar Rashad Turrall for the purchase of student identities used as straw borrowers on loans closed by defendant MCFARLAND, which identities defendant Turrall obtained while attending the Pharmacy School at Florida A&M University.

(ff) During the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND spoke with Omar Turrall by telephone in Tallassee, Florida, assured him that he would be paid as her "deals" with Latonya Cromartie closed and discussed Florida A&M University also being her alma mater.

(gg) On or about April 17, 2001, in the Northern District of Georgia, Brenda G. Brown signed a check in the amount of \$10,000 drawn on her Household Management/Diana Jefferson account at Bank of America which contained scheme proceeds payable to Omar Rashad Turrall for the purchase of a student identity for use as straw borrower for a mortgage loan "deal" on a property to be controlled by Brown.



(hh) On or about April 18, 2001, in the Northern District of Georgia, Brandon G. Wilhite caused a cashiers check in the amount of \$10,000 to be purchased with scheme proceeds payable to Omar Rashad Turrall for the purchase of a student identity for use as straw borrower for a mortgage loan on a property to be controlled by Wilhite.

(ii) On or about April 17, 2001, in the Northern District of Georgia, Melinda Renee Tyner, a/k/a Little Renee, signed a check in the amount of \$10,000 drawn on her Dunwoody Financial Services account which contained scheme proceeds, payable to Omar Rashad Turrall, for the purchase of a student identity for use as straw borrower for a mortgage loan on a property to be controlled by Tyner.

(jj) During the course of this conspiracy, in the Northern District of Georgia, Melinda Renee Tyner, a/k/a Little Renee, Latonia Cromartie and Renee Meeks originated and processed many of the mortgage loans listed on the Chart under the license of American Mortgage Exchange, using either paid straw borrowers or straw borrower identities purchased from Omar Turrall and another co-conspirator, created false qualifying documentation for the straws, paid defendant CHALANA C. MCFARLAND an additional \$4,000 per loan to close these fraudulent loans and received the majority of the inflated loan amounts generated on the property "deals" they were to personally control through payments totaling approximately \$1.1 million approved by defendant CHALANA C. MCFARLAND and drawn

on The McFarland Law Firm account payable to their shell companies, including Dunwoody Financial Services, The Cromartie Group, LMD and WRM Financial Services.

(kk) On or about November 20, 2000, January 18 and 19, 2001, and February 21, 2001, in the Northern District of Georgia, Jewel and Sidney Williams located properties for co-conspirators to be artificially inflated through misleading appraisals for the purpose of obtaining loans in the names of unqualified straw borrowers and purchased identities, receiving checks totaling \$182,445 drawn on The McFarland Law Firm account from "deals" they were to control themselves.

(ll) On or about September 28, 2000, and on or about November 14, 2000, in the Northern District of Georgia, Jewel Williams and Sidney Williams allowed their company, Pineapple House Ventures, to be used as fake employment for two straw borrowers for loans originated by co-conspirators at American Mortgage Exchange and closed by defendant CHALANA C. MCFARLAND.

(mm) On or about February 5, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND prepared a letter in response to the January 22, 2001 inquiry of lender RBMG, Inc. regarding a number of artificially inflated mortgage loans with misleading appraisals and false borrower qualifying information originated by American Mortgage Exchange and closed by defendant MCFARLAND after she issued title commitments, stating that "we have researched and reviewed the files" in question and

that "the discrepancies are apparently due to a scrivener's error," which letter defendant MCFARLAND faxed for delivery to RBMG on or about February 21, 2001.

(nn) In or about early 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND discussed paying up to \$100,000 in "political donations" to make the investigations "all go away" and accompanied co-conspirators to meet with someone purportedly then employed "at the White House."

(oo) In or about the third week of April 2001, in the Northern District of Georgia, after learning that United States Grand Jury subpoenas with a return date of April 24, 2001, had been issued for the records of The McFarland Law Firm and American Mortgage Exchange in connection with a criminal mortgage fraud investigation, Brenda G. Brown, Lisa R. Bellamy, Melinda Renee Tyner, a/k/a Little Renee, Jewel Williams, Sidney Williams and Latonia Cromartie met in the North Hairston offices of American Mortgage Exchange to discuss the matter and decided to follow the advice of Sidney Williams to remove the fraudulent loan files from both offices after he explained that since the government had given at least two weeks for production of the records to the Grand Jury, "they had nothing or they would have come in and got what they wanted right then, so the best thing to do is to get rid of the files because without the files they don't have anything."

(pp) In or about the third week of April 2001, in the Northern District of Georgia, after deciding to remove all

fraudulent mortgage loan packages, closing files and computers containing incriminating data, Brenda G. Brown and Lisa R. Bellamy proceeded to The McFarland Law Firm offices located at 900 North Hairston in the same building as the American Mortgage Exchange office, where they gathered files involving property "flip deals" and selected the closing computer CPU for removal, while Melinda Renee Tyner, a/k/a Little Renee, and Latonia Cromartie gathered like material at American Mortgage Exchange; Jewel Williams and Sidney Williams assisted in locating several fraudulent loan packages originated by American Mortgage Exchange for properties they controlled and also assisted Brown and Bellamy with the removal of files from The McFarland Law Firm, whereupon the files and computers were loaded in the vehicles of these co-conspirators, temporarily hidden at a business where Tyner had a contact and later destroyed.

(qq) On or about April 23 and 25, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused her attorney to advise the United States Attorney's Office that The McFarland Law Firm closing files subpoenaed by a United States Grand Jury on April 4 and 18, 2001, "were subject to misappropriation or theft... on or around January 29, 2001," which representation was to be presented to the Grand Jury in lieu of the most of the subpoenaed closing files.

(rr) On or about April 23, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND caused her Firm

Administrator and her aunt/bookkeeper to sign false affidavits for submission to the Grand Jury stating that the real estate files had been removed from The McFarland Law Firm when they arrived at work on January 29, 2001.

(ss) During the course of this conspiracy, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND purchased a BMW 750 IL for her Firm Administrator with scheme proceeds.

(tt) Throughout this conspiracy, defendant CHALANA C. MCFARLAND and her co-conspirators caused banks, out-of-state mortgage companies and other mortgage lenders to wire transfer and send by the Postal Service and other interstate carriers loan proceeds to closing attorney MCFARLAND located in the Northern District of Georgia to fund mortgage loans for the properties listed in the following Chart.

#### Fraudulent Mortgage Loans

Date	Property Address	Seller	Borrower	Lender	Loan Amt
8/1/99	155 Windy Ridge Court Fairburn, Georgia	Bradley, Milton	McNeair, Ronald	Central Pacific	\$306,000
8/12/99	1175 Gun Club Atlanta, Georgia	Bell, Robert	Harris, Yolanda	Option One	\$70,200
8/12/99	3510 Hunters Hill Lithonia, Georgia	Moore Living Trust	Dorsey, Servonia & Philbreck	America's Mortgage/ Countrywide	\$218,250
8/12/99	1186 Arlington Avenue Atlanta, Georgia	Harwood, Rockwell & Catherine	Harris, Yolanda	Oakmont	\$68,000
8/18/99	7424 Harbor Cove Court Stone Mountain, Georgia	Chester, Joann	Dorsey, Servonia & Philbreck	Option One	\$275,500

Date	Property Address	Seller	Borrower	Lender	Loan Amt
8/18/99	188 Harbor Pointe Drive Stone Mountain, Georgia	Chester, Joann	Jones, Cleophus	Chase	\$256,500
8/19/99	505 Hopkins Atlanta, Georgia	refi	Branch, Dora Ann Brown	Chase	\$123,500
8/31/99	7348 Waters Edge Drive Stone Mountain, Georgia	Johnson, Paula	Jones, Cleophus	Oakmont	\$232,000
8/27/99	2828 Green Trail Drive College Park, Georgia	Patterson, Jimmy	Quillen, Melvin	Centrex	\$87,300
9/10/99	2460 Abner Place Atlanta, Georgia	Blackstone, K.W.	Moore, Rosemary	Infinity	\$72,000
9/10/99	847 Pine Ridge Court Stone Mountain, Georgia	Griffin, Andrew & D'Ann Patricia	Neal, Andrea	Mortgage Wholesale/ Household Bank	\$162,360
9/22/99	715 Northern Avenue Clarkston, Georgia	Dandridge, Martin	Moore, Rosemary	Premier Lending/ BB&T	\$119,700
9/22/99	6363 Alexander Parkway Douglasville, Georgia	Acker, Mark	Perez, Carla	Equibanc	\$161,000
10/20/99	1434 Everhart Street Atlanta, Georgia	Falling, Cedric	Ragland, Brenda	Chase	\$83,100
11/10/99	8387 Carlton Road Riverdale, Georgia	Quillen, Melvin	Frederick, Ronald	Central Pacific	\$199,500
11/12/99	5260 Golf Valley Way Stone Mountain, Georgia	Rougley, Ricky	McNair, Ronald	Central Pacific	\$159,210
11/15/99	7062 Wind Run Way Stone Mountain, Georgia	White, Carla	Dorsey, Servonia & Philbreck	Creve Coeur	\$224,400
11/19/99	786 Southland Way Stone Mountain, Georgia	Carter, Danielle	Brown, Stella	Heartland Finance	\$279,000
11/19/99	5850 Derrick Road College Park, Georgia	Davis, M. Edwin	Cameron, Lester	Greater Atlantic	\$198,000
11/19/99	2653 Cherokee Avenue Macon, Georgia	Manley, Michael & Janet	Bownam, Chriszetta	Mortgage Portfolio	\$80,000
11/30/99	625 North Shore Road Lithonia, Georgia	Carter, Danielle	Brown, Stella	Sebring Capital	\$267,600
12/3/99	590 Watson Bay Stone Mountain, Georgia	Carter, Danielle	Taylor, Tacicia	National Finance	\$249,900
12/23/99	1180 Dolphin Drive, Atlanta, Georgia	Dandridge, Martin	Smith, Clifton	America's Wholesale/ Countrywide	\$79,110

Date	Property Address	Seller	Borrower	Lender	Loan Amt
12/28/99	728 Woodstone Road Lithonia, Georgia	Pelayo, Thania	Taylor, Tacicia	Heartland	\$249,885
1/8/00	664 Watson Bay Stone Mountain, Georgia	McLachlan, Bruce & Shannon	Moore, Rosemary	EQ Fin'l	\$238,275
1/14/00	3200 Palm Tree Drive Lithonia, Georgia	Davis, Jefferson	Brown, Brenda	Countrywide	\$173,610
1/31/00	612 Watson Cove Stone Mountain, Georgia	Taylor, Terrell	Grantham, Karyn	Countywide	\$238,410
2/2/00	568 Woodstone Road Lithonia, Georgia	Bradley, Regina	Quillen, Melvin	Chase	\$237,500
2/7/00	530 Watson Bay Stone Mountain, Georgia	Jordan, Cheryl	Terry, Mattie	Chase	\$212,500
2/7/00	660 Quaker Street Atlanta, Georgia	Dandridge, Martin	Smith, Clifton	Southstar Funding	\$76,950
2/15/00	823 Lane Street Griffin, Georgia	Taylor, Turrell	Allen, Janien	Southstar Funding	\$81,900
2/16/00	636 Watson Cove Stone Mountain, Georgia	Pelayo, Thania	Brown, Stella	Crossland/ Wells Fargo	\$249,950
3/2/00	493 Watson Bay Stone Mountain, Georgia	French, Terrence & Serena	Reynolds, Little Ben III	Crossland/ Wells Fargo	\$280,250
3/3/00	823 Mountain View Run Stone Mountain, Georgia	Carter, Danielle	Atteck, Cynthia	Chase	\$249,300
3/10/00	882 Shore Drive Lithonia, Georgia	Carter, Danielle	Atteck, Cynthia	Chase	\$224,900
3/17/00	5622 Wilderness Trace Stone Mountain, Georgia	Carter, Danielle	Jones, Dorita	Crossland	\$249,950
3/17/00	771 Southland Way Stone Mountain, Georgia	Jones, Fannie	Meeks, Will	Crossland	\$235,000
3/24/00	670 Watson Cove Stone Mountain, Georgia	Ragman, John	Jones, Dorita	Chase	\$249,750
3/27/00	1791 Wedgewood Close Stone Mountain, Georgia	Jones, Fannie	Meeks, Will	Chase	\$155,700
4/1/00	851 Beechwood Avenue Atlanta, Georgia	Pinson, John	Adams, Christina	Chase	\$121,500
4/13/00	537 Lone Oak Trace Stone Mountain, Georgia	Ragman, John	Jones, Dorita	RBMG/ Net Bank	\$249,750

Date	Property Address	Seller	Borrower	Lender	Loan Amt
4/14/00	5625 Windswept Trace Sugar Hill, Georgia	Martin, Betty	Strickland, Ellie	Chase	\$157,750
4/25/00	424 Arbor Ridge Stone Mountain, Georgia	Jones, D.M.	Atteck Cynthia	RBMG/ Net Bank	\$206,955
4/25/00	7463 Woodruff Way Stone Mountain, Georgia	Boyd, Angie	Williams, Bobby, Jr.	Chase	\$226,100
5/2/00	6964 Dockbridge Way Stone Mountain, Georgia	Jones, Henry	Jones, Damon	RBMG/ Net Bank	\$247,500
5/4/00	5707 Mountain Crest Stone Mountain, Georgia	Brown, Darryl	Jones, Eric	RBMG/ Net Bank	\$239,400
5/8/00	6810 Waters Edge Stone Mountain, Georgia	Brooks, Troy	Danquah, Albert	Chase	\$249,300
5/9/00	551 Cottage Oaks Drive Stone Mountain, Georgia	Brooks, Troy	Hyman, Michael	RBMG/ Net Bank	\$249,300
5/15/00	6397 Phillips Court Lithonia, Georgia	Branch, Carrie	Rozelle, Brandon	Crossland/ Wells Fargo	\$145,500
5/18/00	6957 Watkins Glen Stone Mountain, Georgia	Simpson, Deysha	Jones, Eric	Crossland/ Wells Fargo	\$243,000
5/19/00	6971 Harbor Town Way Stone Mountain, Georgia	Golden, Cynthia	Jones, Damon	Crossland/ Wells Fargo	\$243,000
5/26/00	6979 Sandtown Lane Stone Mountain, Georgia	Wortham, Shane L. & Jacquelyn, T.	Jefferson, Diana	First Union	\$250,200
5/31/00	649 Watson Cove Stone Mountain, Georgia	Henley, Brian	Israel, Reuben	Chase	\$240,300
6/1/00	4071 Na Ah Tee Trail Lithonia, Georgia	Quillen, Melvin	Lanier, Carolyn	Crossland/ Wells Fargo	\$247,500
6/8/00	1219 June Drive Decatur, Georgia	Pelayo, Christie	Israel, Reuben	Mortgage Portfolio	\$133,200
6/12/00	776 Mountain Oaks Pkwy Stone Mountain, Georgia	Pelayo, Christie	Prawl, Paulette	Aegis	\$238,500
6/26/00	8350 Pleasant Hill Dr Lithonia, Georgia	Lista, Orestes	Garcia, Jorge	Chase	\$191,700
6/26/00	6880 Gledhill Way Stone Mountain, Georgia	Smith, Carol	Lanier, Carolyn	Chase	\$249,300
6/28/00	7612 Watson Kaye Stone Mountain, Georgia	Williams, D. L.	Jackson, Denise	Crossland/ Wells Fargo	\$249,300
6/29/00	7155 Lone Oak Trace Stone Mountain, Georgia	Williams, Donald	Israel, Reuben	Mortgage Bankers	\$245,050



Date	Property Address	Seller	Borrower	Lender	Loan Amt
6/30/00	597 Watson Bay Lithonia, Georgia	Branch, Carrie	Grantham, Karyn	Chase	\$248,400
7/19/00	823 Mountain Oaks Pkwy Stone Mountain, Georgia	Muhammad, Rasheed	Jefferson, Diana	First Choice	\$247,000
7/20/00	790 Mountain Oaks Pkwy Stone Mountain, Georgia	Butler, Walter	Burgess, William	RBMG/ Net Bank	\$240,000
7/20/00	587 Watson Bay Stone Mountain, Georgia	Jones, Dorita	Jackson, Denise	RBMG/ Net Bank	\$243,450
7/24/00	571 Fortune Ridge Drive Stone Mountain, Georgia	Jones, Renee	Meeks, Will	RBMG/ Net Bank	\$249,300
7/24/00	503 Mosswood Shoals Stone Mountain, Georgia	Golden, Bernard	Burgess, William	Flagstar	\$249,300
7/25/00	661 Anderson Walk Marietta, Georgia	refi	Johnson, Toby III	RBMG/ Net Bank	\$95,200
8/8/00	6884 Breeze Drive Stone Mountain, Georgia	Wilson, George	Coleman, Charles	Chase	\$249,350
8/9/00	573 Riverbirch Trace Stone Mountain, Georgia	Moore, Rosemary	Meadows, LaVon	First Choice	\$248,900
8/10/00	6918 Breeze Drive Stone Mountain, Georgia	Wilson, George	Coleman, Charles	RBMG/ Net Bank	\$249,375
8/10/00	6336 Southland Forest Stone Mountain, Georgia	Golden, Otisa	Arnold, Ladonna	Chase	\$249,850
8/11/00	770 Amroth Court Stone Mountain, Georgia	Jones, Byron	Arnold, Ladonna	RBMG/ Net Bank	\$249,375
8/14/00	6910 Stone Breeze Drive Stone Mountain, Georgia	Bradley, Bryan	Walker, Quentin	RBMG/ Net Bank	\$249,300
8/16/00	693 Watson Reef Stone Mountain, Georgia	Hart, Marsha Y.	Monagan, Sygania	Chase	\$249,300
8/18/00	615 Watson Cove Stone Mountain, Georgia	Hart, Marsha Y.	Monagan, Sygania	RBMG/ Net Bank	\$249,300
8/19/00	3216 Palm Tree Drive Lithonia, Georgia	Jones, Josephine	Brown, Brenda	RBMG/ Net Bank	\$163,800

Date	Property Address	Seller	Borrower	Lender	Loan Amt
8/29/00	625 Stone Creek Way Stone Mountain, Georgia	Coleman, Charles	White, Andrew	Chase	\$249,300
9/5/00	6974 Overlook Point Stone Mountain, Georgia	Jones, Henry	Bufford, Cassandra	RBMG/ Net Bank	\$249,300
9/21/00	501 Fortune Ridge Drive Stone Mountain, Georgia	Taylor, Terrell	Brooks, Frederick	RBMG/ Net Bank	\$249,300
9/22/00	7014 Wind Run Way Stone Mountain, Georgia	Hanks, John	Brooks, Frederick	Chase	\$249,300
9/25/00	6206 Rock Springs Road Lithonia, Georgia	Butler, Gray	Smith, Clifton	RBMG/ Net Bank	\$250,650
9/28/00	580 Watson Bay Stone Mountain, Georgia	Hart, Marsha	Allen, Briano	RBMG/ Net Bank	\$248,400
9/28/00	815 Mountain Oaks Pkwy Stone Mountain, Georgia	Boyd, Cartrina	Bekhet, Padi	Chase	\$249,300
9/28/00	5863 Southland Drive Stone Mountain, Georgia	Golden, Melissa	Ferguson, Wilbert	Chase	\$247,050
9/29/00	7025 Wind Run Way Stone Mountain, Georgia	Golden, Allison	Ward, Latoya	Chase	\$249,700
10/2/00	538 Wynbrooke Pkwy Stone Mountain, Georgia	Jones, Henry	Allen, Briano	Chase	\$248,400
10/6/00	2720 Brackenwood Drive Snellville, Georgia	Riley, Alice	Prawl, Paulette	RBMG/ Net Bank	\$114,300
10/19/00	966 Parkette Place Stone Mountain, Georgia	Tomlinson, Karen	Bufford, Cassandra	Chase	\$77,100
10/25/00	751 Stone Breeze Drive Stone Mountain, Georgia	Maddox, Timothy	Floyd, Melony	Chase	\$248,850
11/14/00	959 Hill Street Atlanta, Georgia	McGinnas, Huberta	Smith, Danita	Southstar	\$168,300
11/15/00	528 Cottage Oaks Drive Stone Mountain, Georgia	Williams, Lisa	Wilson, Juanita	Chase	\$249,650
11/29/00	7162 Lone Oak Way Lithonia, Georgia	Alexander, Rubin	Ponder, Cynthia	Loan City	\$249,300

Date	Property Address	Seller	Borrower	Lender	Loan Amt
12/4/00	661 Appromattox Trace Stone Mountain, Georgia	Hollie, LaShawn	Floyd, Melony	Wells Fargo	\$248,850
12/4/00	12131 Olmstead Drive Fayetteville, Georgia	Segundo, Victoria	Long, Amy	Chase	\$223,250
12/8/00	3487 Chinaberry Lane Snellville, Georgia	Jones, Renee	Meeks, Will	Wells Fargo	\$247,500
12/14/00	553 Wynbrooke Parkway Stone Mountain, Georgia	Branch, Carrie	Wilson, Juanita	Loan City.com	\$249,750
1/18/01	172 Tuskegee Street Atlanta, Georgia	Cole, David	Long, Amy	Loan City.com	\$204,250
1/19/01	6896 Old Fox Trail Stone Mountain, Georgia	Ford, Kelly	Godwin, Sheila	Chase	\$248,850
2/21/01	167 Warren Street Atlanta, Georgia	Atlanta Investment Properties	Arthurson, Trecia	Auucbanc Mortgage/ NCM	\$188,100
3/28/01	971 Cherokee Ave, SE Atlanta, Georgia	Cherokee Ave Trust	Jaimes, Maria	GN Mtg Corp	\$261,250

(uu) Counts 2 through 170 are incorporated herein by reference as additional overt acts.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2 THROUGH 31  
(Bank Fraud)

1. The Grand Jury hereby alleges and incorporates by reference herein paragraphs 2, 3, and 4 of Count 1 of this Indictment as if fully set forth herein.

2. Between in or about mid 1999 and in or about late 2002, in the Northern District of Georgia and elsewhere, defendant CHALANA C. MCFARLAND, aided and abetted by Brenda G. Brown, Lisa R. Bellamy, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, Lupita McCarthy, Melvin Howard Quillen, Thomas Christopher Davis, Sr., Brandon G.

Wilhite, Omar Rashad Turrall, Melinda Renee Tyner, a/k/a Little Renee, Latonia Cromartie, Renee Meeks and others, did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud insured financial institutions and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

3. On or about the below listed dates, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, aided and abetted by others, did knowingly execute and attempt to execute a scheme and artifice to defraud Chase Manhattan Bank ("Chase"), a financial institution the deposits of which were then insured by the Federal Deposit Insurance Corporation, by means of materially false and fraudulent pretenses, representations and promises, in that the defendant caused the below listed mortgage loans to be made and the proceeds thereof utilized by the defendant MCFARLAND and her co-schemers by causing to be submitted to Chase materially false qualifying information and documentation, including false borrower employment, income, assets, liabilities, residency, down payments and/or identity and inflated collateral to obtain said loans:

Count	Date	Borrower/ Property Address/ Loan Amount
2	8/18/99	Cleophus Jones 188 Harbor Pointe Drive \$256,500
3	10/20/99	Brenda Ragland 1434 Everhart Street \$83,100

Count	Date	Borrower/ Property Address/ Loan Amount
4	1/19/00	Sheila Godwin 6896 Old Fox Trail \$248,850
5	2/2/00	Melvin Quillen 568 Woodson Road \$237,500
6	2/7/00	Mattie Terry 530 Watson Bay \$212,500
7	3/3/00	Cynthia Atteck 823 Mountain View Rum \$249,300
8	3/10/00	Cynthia Atteck 882 Shore Drive \$224,900
9	3/24/00	Dorita Jones 670 Watson Cove \$249,750
10	3/27/00	Will Meeks 1791 Wedgewood close \$155,700
11	4/1/00	Christina Adams 851 Beechwood Avenue \$121,500
12	4/14/00	Ellie Strickland 5625 Windswept Trace \$157,750
13	4/25/00	Bobby Williams, Jr. 7463 Woodruff Way \$226,100
14	5/8/00	Albert Danquah 6810 Waters Edge \$249,300
15	5/31/00	Ruben Israel 649 Watson Cove \$240,300
16	6/26/00	Carolyn Lanier 6880 Gledhill Way \$249,300
17	6/26/00	Garcia, Jorge 8350 Pleasant Hill Drive \$191,700

Count	Date	Borrower/ Property Address/ Loan Amount
18	6/30/00	Karyn Grantham 597 Watson Bay \$248,400
19	8/8/00	Charles Coleman 6884 Breeze Drive \$249,350
20	8/10/00	Ladonna Arnold 6336 Southland Forest \$249,850
21	8/16/00	Syrania Monagan 693 Watson Reef \$249,300
22	9/22/00	Frederick Brooks 7014 Wind Run Way \$249,300
23	9/28/00	Fadi Bekhet 815 Mountain Oaks Pkwy \$249,300
24	9/28/00	Wilbert Ferguson 5863 Southland Drive \$247,050
25	9/28/00	Andrew White 625 Stone Creek Way \$249,300
26	9/29/00	Latoya Ward 7025 Wind Run Way \$249,700
27	10/2/00	Briano Allen 538 Wynbrooke Parkway \$248,400
28	10/19/00	Cassandra Bufford 966 Parkette Place \$77,100
29	10/25/00	Melody Floyd 751 Stone Breeze Lane \$248,850
30	11/15/00	Juanita Wilson 528 Cottage Oaks Drive \$249,650
31	12/4/00	Amy Long 12131 Olmstead Drive \$223,250

All in violation of Title 18, United States Codes, Sections 1344 and 2.

COUNTS 32 THROUGH 92  
(Wire Fraud)

1. The Grand Jury alleges and incorporates herein by reference paragraphs 2, 3 and 4 of Count 1 of this Indictment as if fully set forth herein.

2. Between in or about mid 1999 and in or about late 2002, in the Northern District of Georgia and elsewhere, defendant CHALANA C. MCFARLAND, aided and abetted by Brenda G. Brown, Lisa R. Bellamy, Judith H. "Judy" Hooper, a/k/a Jerry Dale Hunter, Lupita McCarthy, Melvin Howard Quillen, Thomas Christopher Davis, Sr., Brandon G. Wilhite, Omar Rashad Turrall, James Patterson, Melinda Renee Tyner, a/k/a Little Renee, Latonia Cromartie, Renee Meeks, Jewel Williams, Sidney Williams and others, did knowingly and willfully devise and intend to devise a scheme and artifice to defraud mortgage lenders and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

3. On or about the following dates, in the Northern District of Georgia, the defendant CHALANA C. MCFARLAND, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to defraud, did cause to be transmitted in interstate commerce, by means of a wire communication, certain signs, signals and sounds, that is, the defendant caused interstate facsimiles of

loan applications, qualifying documents, title information, draft HUD-1s and/or funding authorizations to be sent to and from the below listed lenders to obtain approval for the below listed loans, and also caused the below listed wire transfers of money to be sent in interstate commerce from out-of-state accounts of lenders to The McFarland Law Firm account in the Northern District of Georgia, to fund fraudulently inflated mortgage loans in the name of the unqualified borrowers for the below listed properties:

Count	Date of Wire Transfer	Lender/ Wire Amount	Borrower/ Property
32	8/1/99	Central Pacific \$306,000	Ronald McNear 155 Windy Ridge Ct
33	8/12/99	Option One \$70,200	Yolanda Harris 1175 Gun Club
34	8/12/99	America's Mtg/ Countywide \$218,250	Servonia & Philbreck Dorsey 3510 Hunters Hill
35	8/12/99	Oakmont \$68,000	Yolanda Harris, 1186 Arlington Ave
36	8/18/99	Option One \$275,500	Servonia & Philbreck Dorsey 7424 Harbor Cove Ct
37	8/31/99	Oakmont \$232,000	Cleophus Jones 7348 Waters Edge Dr
38	9/10/99	Infinity \$72,000	Rosemary Moore 2460 Abner Place
39	9/22/99	Premier/BB&T \$119,700	Rosemary Moore 715 Northern Ave
40	11/10/99	EQ Fin'l \$238,275	Rosemary Moore 664 Watson Bay
41	11/10/99	Central Pacific \$199,500	Ronald Frederick 8387 Carlton Rd
42	11/12/99	Central Pacific \$159,210	Ronald McNear 5260 Golf Valley Way
43	11/15/99	Creve Coeur \$224,400	Servonia & Philbreck Dorsey 7062 Wind Run Way



Count	Date of Wire Transfer	Lender/ Wire Amount	Borrower/ Property
44	11/19/99	Hartland \$279,000	Stella Brown 786 Southland Way
45	11/19/99	Greater Atlantic \$198,000	Lester Cameron 5850 Derrick Rd
46	11/30/99	Sebring Capital \$267,600	Stella Brown 625 North Shore Rd
47	12/3/99	National Finance \$249,900	Tacicia Taylor 590 Watson Bay
48	12/23/99	America's Wholesale/ Countrywide \$79,110	Clifton Smith 1180 Dolphin Drive
49	12/28/99	Heartland \$249,885	Tacicia Taylor 728 Woodson Rd
50	1/14/00	Countrywide \$173,610	Brenda Brown 3200 Palm Tree Dr
51	1/31/00	Countrywide \$238,410	Karyn Grantham 612 Watson Cove
52	2/5/00	Crossland/Wells Fargo \$280,250	Little Ben Reynolds III 493 Watson Bay
53	2/11/00	Option One \$275,500	Servonia & Philbreck Dorsey 7424 Harbor Cove
54	2/16/00	Crossland/Wells Fargo \$249,950	Stella Brown 636 Watson Cove
55	3/17/00	Crossland/Wells Fargo \$249,950	Dorita Jones 5622 Wilderness Trace
56	3/17/00	Crossland/Wells Fargo \$235,00	Will Meeks 771 Southland Way
57	4/14/00	RBMG/Net Bank \$249,750	Dorita Jones 537 Lone Oak Trace
58	4/25/00	RBMG/Net Bank \$206,955	Cynthia Atteck 424 Arbor Ridge
59	5/2/00	RBMG/Net Bank \$247,500	Damon Jones 6964 Dockbridge
60	5/4/00	RBMG/Net Bank \$239,400	Eric Jones 5707 Mountain Ct
61	5/9/00	RBMG/Net Bank \$249,300	Michael Hyman 551 Cottage Oaks
62	5/15/00	Crossland/Wells Fargo \$115,500	Brandon Rozelle 6397 Phillips Ct

Count	Date of Wire Transfer	Lender/ Wire Amount	Borrower/ Property
63	5/18/00	Crossland/Wells Fargo \$243,000	Eric Jones 6957 Watkins Glenn
64	5/19/00	Crossland/Wells Fargo \$243,000	Damon Jones 6971 Harbor Town
65	6/1/00	Crossland/Wells Fargo \$247,500	Carolyn Lanier 4071 Na Ah Tee Tr
66	6/8/00	Mortgage Portfolio \$133,200	Ruben Israel 1219 June Drive
67	6/12/00	Aegis \$238,500	Paulette Prawl 776 Mountain Oaks
68	6/28/00	Crossland/Wells Fargo \$249,300	Denise Jackson 7612 Watson Kaye
69	6/29/00	Mortgage Bankers \$245,050	Ruben Israel 7155 Lone Oak Tr
70	7/19/00	First Choice \$247,000	Diana Jefferson 823 Mountain Oaks
71	7/20/00	RBMG/Net Bank \$240,000	William Burgess 790 Mountain Oaks
72	7/20/00	RBMG/Net Bank \$243,450	Denise Jackson 587 Watson Bay
73	7/24/00	RBMG/Net Bank \$249,300	Will Meeks 571 Fortune Ridge
74	7/24/00	Flagstar \$249,300	William Burgess 503 Moss Wood Shoals
75	8/10/00	RBMG/Net Bank \$249,375	Charles Coleman 6918 Breeze Drive
76	8/11/00	RBMG/Net Bank \$249,375	Ladonna Arnold 770 Amroth Court
77	8/14/00	RBMG/Net Bank \$249,300	Quinton Walker 6910 Stone Breeze
78	8/18/00	RBMG/Net Bank \$249,300	Syrania Monagan 615 Watson Cove
79	8/19/00	RBMG/Net Bank \$163,800	Brenda Brown 3216 Palm Tree Dr
80	9/5/00	RBMG/Net Bank \$249,300	Casandra Bufford 6974 Overlook Point
81	9/21/00	RBMG/Net Bank \$249,300	Frederick Brooks 501 Fortune Ridge

Count	Date of Wire Transfer	Lender/ Wire Amount	Borrower/ Property
82	9/25/00	RBMG/Net Bank \$250,650	Clifton Smith 6206 Rocksprings
83	9/28/00	RBMG/Net Bank \$248,400	Briano Allen 580 Watson Bay
84	11/14/00	Southstar \$168,300	Danita Smith 959 Hill Street
85	11/29/00	Loan City \$249,300	Cynthia Ponder 7162 Lone Oak Way
86	12/4/00	Wells Fargo \$248,850	Melony Floyd 661 Appomattox Tr
87	12/11/00	Wells Fargo \$247,500	Will Meeks 3487 Chinaberry Ln
88	12/15/00	Loan City \$249,750	Juanita Wilson 553 Wynbrooke Pkwy
89	1/16/01	EQ Fin'l \$250,000	Stella Brown 786 Southland Way
90	1/17/01	Loan City \$204,250	Amy Long 172 Tuskegee Street
91	2/21/01	Acubanc/NCM \$188,100	Trecia Arthurson 167 Warren Street
92	3/28/01	GN Mortgage \$261,250	Maria Jaimes 971 Cherokee Ave

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT 93 THROUGH COUNT 165  
(Money Laundering)

On or about the following dates, in the Northern District of Georgia and elsewhere, defendant CHALANA C. MCFARLAND, aided and abetted by others, knowingly and unlawfully conducted and attempted to conduct the following financial transactions which involved the proceeds of specified unlawful activity, that is, acts indictable under Title 18, United States Code, Sections 1341, 1343 and 1344

(mortgage fraud violating the mail fraud, wire fraud and bank fraud statutes as further described in Count 1, paragraphs 1(a) and (b), 2, 3 and 4, and Counts 2 through 92 of this Indictment which are incorporated herein by reference), with the intent to promote the carrying on of the specified unlawful activity, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity and knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of the specified unlawful activity, to wit: the defendant was aided and abetted by others in causing loan proceeds of the mortgage fraud scheme received in The McFarland Law Firm bank account by defendant MCFARLAND to be withdrawn by the below listed law firm checks which were cashed at financial institutions; converted to cashiers checks; and/or deposited into bank accounts, often in corporate names, controlled by co-schemers and the funds thereafter converted to checks, cash and cashiers checks, said scheme proceeds then being used to pay scheme participants and to pay other expenses incurred in arranging fraudulent mortgage loans:

COUNT	DATE	FINANCIAL TRANSACTIONS
93	7/28/99	\$41,798.23 law firm check payable to Lisa Bellamy exchanged for cashiers check
94	8/12/99	\$26,000, \$50,000 & \$26,500 law firm checks payable to GCC Construction negotiated at bank

COUNT	DATE	FINANCIAL TRANSACTIONS
95	8/19/99	\$113,454 law firm check payable to GCC Construction negotiated at bank
96	11/15/99	\$75,629.80 law firm check payable to GCC Construction negotiated at bank
97	11/22/99	\$97,710 law firm check, dated 11/19/99, payable to Sea Breeze Design negotiated through Sea Breeze account at First Union National Bank (FUNB)
98	12/1/99	\$81,756.52 law firm check, 12/1/99, payable to Sea Breeze Design negotiated through Sea Breeze account at FUNB
99	12/7/99	\$92,651.87 law firm check, 12/6/99, payable to Sea Breeze Design negotiated through Sea Breeze account at FUNB
100	12/28/99	\$96,960.30 law firm check, dated 12/28/99, payable to Sea Breeze Design negotiated through Sea Breeze account at FUNB
101	2/18/00	\$101,107.52 law firm check, dated 2/12/00 payable to Sea Breeze Design negotiated through Sea Breeze account at FUNB
102	3/14/00	\$87,879.18 & \$232,380.14 law firm checks, both dated, 3/14/00, payable to TCP Home Improvement exchanged for FUNB cashiers checks and deposited into the Sea Breeze account at Citizens Trust Bank on 3/14/00
103	3/31/00	\$80,614.09 law firm check, dated 3/20/00, payable to TCP Home Improvement negotiated through Sea Breeze Design account at Citizens Trust Bank
104	4/7/00	\$89,856.99 law firm check, dated 3/30/00, payable to TCP Home Improvement negotiated through Sea Breeze Design account at Citizens Trust Bank
105	4/24/00	\$69,119.67 law firm check, dated 4/18/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
106	5/8/00	\$66,331.10 law firm check, dated 4/27/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
107	5/30/00	\$67,121.95 law firm check, dated 5/22/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
108	6/9/00	\$69,877.97 law firm check, dated 6/2/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
109	6/19/00	\$229,536.34 law firm check, dated 6/13/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank

COUNT	DATE	FINANCIAL TRANSACTIONS
110	7/25/00	\$68,075.85 & \$78,604.04 law firm checks, dated 7/20/00 and 7/10/00, payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
111	8/21/00	\$68,045.28 law firm check, dated 7/27/00 payable to Sea Breeze Design negotiated through Sea Breeze account at Citizens Trust Bank
112	12/1/99	\$4,000 check payable to Lisa Bellamy drawn on Sea Breeze FNUB account, negotiated at bank with cash proceeds provided to defendant MCFARLAND
113	12/6/99	\$4,000 check payable to Brenda Brown drawn on Sea Breeze FNUB account, negotiated at bank with cash proceeds provided to defendant MCFARLAND
114	12/28/99	\$4,000 check payable to Brenda Brown drawn on Sea Breeze FNUB account, negotiated at bank with cash proceeds provided to defendant MCFARLAND
115	2/17/00	\$4,000 check payable to Brenda Brown drawn on Sea Breeze FNUB account, negotiated at bank with cash proceeds delivered to defendant MCFARLAND
116	11/26/99	\$27,500 law firm check, payable to BGB Construction negotiated through the BGB account at Wachovia Bank
117	12/23/99	\$1,400 law firm check payable to BGB Construction negotiated through BGB account at Wachovia Bank
118	1/3/00	\$30,002.14 law firm check payable to BGB Construction negotiated through BGB account at Wachovia Bank
119	1/12/00	\$68,000 law firm check, dated 1/11/00, payable to BGB Construction negotiated through the BGB account at Wachovia Bank
120	1/18/00	\$16,034.98 law firm check, dated 1/14/00, payable to BGB Construction negotiated through the BGB account at Wachovia Bank
121	2/7/00	\$37,969.15 law firm check, dated 2/6/00, payable to BGB Construction negotiated through the BGB account at Wachovia Bank
122	5/26/00	\$65,998.08 law firm check, dated 5/26/00, payable to Household Management negotiated through Household account at Bank of America
123	7/21/00	\$78,778.49 law firm check payable to Household Management negotiated through Household account at Bank of America
124	10/11/00	\$53,579 law firm check, dated 10/3/00, payable to Household Management negotiated through Household account at Bank of America
125	11/6/00	\$106,898.95 law firm check, dated 11/6/00, payable to BGB Construction cashed out at the bank by Brown

COUNT	DATE	FINANCIAL TRANSACTIONS
126	12/20/00	\$67,760 and \$6,833.55 law firm checks, dated 12/14/00 and 12/13/00, payable to Household Management negotiated through Household account at Bank of America
127	5/12/00	6 law firm checks payable to Quillen for \$9,500, \$9,000, \$9,756.22, \$9,000, \$9,000 & \$9,500 cashed out by Quillen at bank
128	5/15/00	\$7,730 law firm check payable to Quillen cashed out at bank
129	10/3/00	\$9,700 & \$9,543.87 law firm checks payable to Quillen cashed out at bank
130	5/4/00	\$32,916.51 law firm check payable to The Cromartie Group negotiated through bank
131	7/24/00	\$26,473.67 law firm check payable to The Cromartie Group negotiated through bank
132	7/28/00	\$49,547 law firm check payable to Cromartie Group negotiated through bank
133	8/17/00	\$40,000 law firm check payable to The Cromartie Group negotiated through bank
134	8/24/00	\$45,854.72 law firm check payable to Cromartie Group negotiated through bank
135	9/22/00	\$33,735.28 law firm check payable to the Cromartie Group negotiated through bank
136	9/29/00	\$58,562.35, \$51,966.45 & \$66,478.03 law firm checks payable to Cromartie Group negotiated through bank
137	10/11/00	\$66,478.03 law firm check payable to The Cromarite Group used to purchase cashier's check at FUNB and \$51,956.45 law firm check negotiated through bank
138	11/2/00	\$60,000 law firm check payable to The Cromartie Group negotiated through bank
139	10/3/00	\$50,934.88 law firm check payable to Dunwoody Financial negotiated through bank
140	1/3/01	\$59,987.84 law firm check payable to Dunwoody Financial negotiated through bank
141	3/10/00	\$54,205.74 law firm check, dated 3/9/00, payable to WRM Financial Services negotiated through WRM account at Bank of America
142	4/3/00	\$17,719.06 law firm check payable to WRM Financial Services negotiated through WRM account at Bank of America

COUNT	DATE	FINANCIAL TRANSACTIONS
143	6/8/00	\$60,888.14 law firm check, dated 6/6/00, payable to WRM Financial Services negotiated through WRM account at Bank of America
144	7/18/00	\$51,470.66 law firm check, dated 7/10/00, payable to WRM Financial Services negotiated through WRM account at Bank of America
145	7/31/00	\$68,266.34 law firm check, dated 7/28/00, payable to WRM Financial Services negotiated through WRM account at Bank of America
146	10/4/00	\$50,000 law firm check, dated 10/3/00, payable to WRM Financial Services negotiated through WRM account at Bank of America
147	12/15/00	\$72,705.64 law firm check payable to WRM Financial Services negotiated at Bank of America
148	5/3/00	\$80,173.96 law firm check payable to Wilhite's mother negotiated through financial institution
149	5/23/00	\$34,360.78 law firm check payable to Wilhite negotiated through financial institution
150	8/17/00	2 law firm checks for \$40,000 & \$13,463.15 payable to Wilhite cashed at financial institution
151	9/26/00	4 law firm checks each for \$8,997.94 payable to Wilhite and his wife negotiated through financial institution
152	11/6/00	2 law firm checks for \$42,099.61 & \$42,099.61 payable to Wilhite and his wife negotiated through financial institution
153	12/4/00	\$186,000 law firm check payable to Wilhite's wife in her maiden name negotiated through financial institution
154	12/15/00	\$18,536.55 law firm check payable to Wilhite's and wife in her maiden name negotiated through financial institution
155	9/29/00	2 law firm checks each for \$10,000 payable to Omar Turrall negotiated at bank
156	10/3/00	3 law firm checks for each for \$10,000 payable to Omar Turrall negotiated at bank
157	11/6/00	\$10,000 law firm check payable to Omar Turrall negotiated at bank
158	12/5/00	\$10,000 law firm check payable to Omar Turrall
159	12/7/00	2 law firm checks for each for \$10,000 payable to Omar Turrall negotiated at bank
160	1/3/01	\$10,000 law firm check payable to Omar Turrall negotiated at bank



COUNT	DATE	FINANCIAL TRANSACTIONS
161	1/18/01	\$10,000 law firm check payable to Omar Turrall negotiated at bank
162	11/20/00	\$29,666.71 law firm check payable to Pineapple House Ventures negotiated at bank
163	1/18/01	\$66,402.72 law firm check payable to Pineapple House Ventures and negotiated at bank
164	1/19/01	\$16,000 law firm check payable to Pineapple House Ventures cashed and negotiated at bank
165	2/21/01	\$70,100 law firm check payable to Pineapple House Ventures negotiated at bank

All in violation of Title 18, United States Code, Sections 2 and 1956(a) (1) (A) (i) and (B) (i).

Count 166  
(Obstruction of Justice)

Between on or about April 23, 2001, and on or about May 22, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, aided and abetted by others, did influence, obstruct and impede and endeavor to influence, obstruct and impede the due administration of justice, in that, defendant MCFARLAND caused her attorney to advise the Northern District of Georgia United States Attorney's Office and Grand Jury that The McFarland Law Firm closing files and other records subpoenaed on April 4, and 18, 2001, "were subject to misappropriation or theft... on or about January 29, 2001," which representation was to be presented to a Grand Jury of the United States in the Northern District of Georgia in lieu of her subpoenaed records, when defendant MCFARLAND well knew that the records in question did not leave her office until in

or about the third week of April 2001, after she was aware that her records had been subpoenaed for an April 24, 2001 production before said Grand Jury; defendant MCFARLAND further and caused her Firm Administrator and her aunt/bookkeeper to sign false affidavits for submission to the United States Attorney's Office and said Grand Jury, stating that real estate files, a computer and other records had been removed from The McFarland Law Firm when they arrived at work on January 29, 2001, said false representations being made and caused to be made by the defendant in an endeavor to influence, impede and obstruct the investigation into the mortgage fraud detailed in Count 1 of this Indictment and incorporated by reference herein, in violation of Title 18, United States Code, Sections 1503 and 2.

COUNT 167  
(Perjury)

1. On or about November 19, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, while under oath and testifying in a proceeding ancillary to a Court of the United States, being a deposition in Central Pacific Mortgage Company v. Chalana McFarland and The McFarland Law Firm, Civil Action No. 1:01-CV-0554, filed on February 28, 2001, in the United States District Court for the Northern District of Georgia, Atlanta Division, did knowingly make a false material declaration.

2. Defendant MCFARLAND was deposed by plaintiff Central Pacific Mortgage Company, a mortgage lender who filed said civil

lawsuit against their closing attorney, CHALANA C. MCFARLAND, and her law firm, The McFarland Law Firm, in connection with MCFARLAND closing fraudulent mortgage loans in violation of Central Pacific's closing instructions, failing to notify Central Pacific of same-day closings wherein property sale prices were materially inflated within that day and failing to disburse loan proceeds as directed by Central Pacific and as represented on the HUD-1 Settlement Statements caused to be prepared and certified by MCFARLAND. Location and/or disposition of The McFarland Law Firm real estate loan closing files required to be maintained by MCFARLAND and The McFarland Law Firm bank records reflecting disbursement of loan proceeds were material to Central Pacific.

3. Defendant MCFARLAND knowingly made the following declarations during her deposition while under oath with respect to that material matter:

A. ... I had some records from the office that were missing. That was from the Hairston Road office.

Q. And when did that occur?

A. That happened in January of this year.

Q. January of 2001?

A. Yes.

Q. And when you say missing, how did you determine that they were missing?

A. I believe it was the 21st of January. I received a call from my receptionist stating that it looked as if there were some things missing from the office. There was a CPU unit for one of the computers that was taken, and she said it looks like as if someone

has been in the filing cabinet. When I came in - we didn't keep a master list of files, so it was difficult for me to determine what files were actually missing. There was - I didn't determine the extent of the loss until April of this year when I received a subpoena from Gayle McKenzie's office at the U.S. Attorney's Office in which she asked me to produce several files that I had closed. And when I went to try to find those files at that point I realized the full extent of what was missing.

Q. And as of now do you have any idea how many files were stolen?

A. My best guess would be probably about 20 files. 20 to 25 files. I believe.

Q. Were they all real estate loan closing files?

A. Yes, it appears to be.

\* \* \*

A. ... All the cancelled checks for all the closings were taken in January when we had the items come up missing.

\* \* \*

A. ... I noticed the bank records were missing that day when we came in. The checkbooks were locked up so the checkbooks were secure, but the statements and the copies of the cancelled checks were taken.

4. The sworn testimony and declarations of defendant CHALANA C. MCFARLAND in her November 19, 2001 deposition that her real estate loan closing files, a CPU unit from one of her computers and her law firm bank records were missing from her Hairston Road office in January, 2001, were false, as she then and there well knew that said closing files, CPU unit and bank records were not removed from her office until in or about the third week in April,

2001, after she had been sued by Central Pacific and had received notice of subpoenas from the United States Attorney's Office requiring the production of her loan closing files and bank records related thereto before a United States Grand Jury in the Northern District of Georgia.

All in violation of Title 18, United States Code, Section 1623.

COUNT 168  
(Perjury)

1. On or about November 19, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, while under oath and testifying in a proceeding ancillary to a Court of the United States, being a deposition in Central Pacific Mortgage Company v. Chalana McFarland and The McFarland Law Firm, Civil Action No. 1:01-CV-0554, filed on February 28, 2001, in the United States District Court for the Northern District of Georgia, Atlanta Division, did knowingly make a false material declaration.

2. Defendant MCFARLAND was deposed by plaintiff Central Pacific Mortgage Company, a mortgage lender who filed said civil lawsuit against their closing attorney, CHALANA C. MCFARLAND, and her law firm, The McFarland Law Firm, in connection with MCFARLAND closing fraudulent mortgage loans in violation of Central Pacific's closing instructions, failing to notify Central Pacific of same-day closings wherein property sale prices were materially inflated in or about that day and failing to disburse loan proceeds as directed

by Central Pacific and as represented on the HUD-1 Settlement Statements caused to be prepared and certified by MCFARLAND. Payments to closing attorney CHALANA C. MCFARLAND not disclosed on the HUD-1 Settlement Statements were material to Central Pacific.

3. Defendant MCFARLAND knowingly made the following declaration with respect to that material matter during her deposition while under oath and being questioned about the 625 North Shore loan closing:

Q. Then it says \$4,000 for Chalana. Did you get \$4,000 for this closing?

A. No.

4. The sworn testimony and declaration of defendant CHALANA C. MCFARLAND, in her November 19, 2001 deposition that she did not get \$4,000 for the 625 North Shore closing was false, as she then and there well knew that she was paid \$4,000 for the North Shore closing and that she requested and received similar \$4,000 payments which were not listed on the HUD-1 Settlement Statements for many of her other loan closings.

All in violation of Title 18, United States Code, Section 1623.

COUNT 169  
(Perjury)

1. On or about November 19, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, while under oath and testifying in a proceeding ancillary to a Court of the United

States, being a deposition in Central Pacific Mortgage Company v. Chalana McFarland and The McFarland Law Firm, Civil Action No. 1:01-CV-0554, filed on February 28, 2001, in the United States District Court for the Northern District of Georgia, Atlanta Division, did knowingly make a false material declaration.

2. Defendant MCFARLAND was deposed by plaintiff Central Pacific Mortgage Company, a mortgage lender who filed said civil lawsuit against their closing attorney, CHALANA C. MCFARLAND, and her law firm, The McFarland Law Firm, in connection with MCFARLAND closing fraudulent mortgage loans in violation of Central Pacific's closing instructions, failing to notify Central Pacific of same-day closings wherein property sale prices were materially inflated in or about that day and failing to disburse loan proceeds as directed by Central Pacific and as represented on the HUD-1 Settlement Statements caused to be prepared and certified by MCFARLAND. Collection by the closing attorney of the down payments required by the lender and reflected on the HUD-1 Settlement Statements as being received from the borrower was material to Central Pacific.

3. Defendant MCFARLAND knowingly made the following declaration with respect to that material matter during her deposition while under oath and being questioned about collection of a down payment from borrower Ronald McNear in connection with the closing of 5260 Golf Valley Way:

A. And again, you don't know whether Mr. McNeair brought a down payment as he was required to do to this closing, do you?

A. No. I didn't receive the funds directly from him.

Q. And you don't know whether Brenda Brown or Lisa Bellamy collected the down payment that was due?

A. I don't know with absolute certainty that they did. I know that it's our policy that you have to have the down payment before you even get to the closing table, because without that we won't be able to close. So they are not even supposed to get back to the conference room unless they have all the documentation that's required.

4. The sworn testimony and declaration of defendant CHALANA C. MCFARLAND, in her November 19, 2001 deposition that it was "our policy" that the borrower had to have the down payment for the loan to be closed was false, as she then and there well knew that, while she caused required borrower down payments to be listed on the HUD-1 Settlement Statements as having been received from the borrower, she did not usually require borrowers to make any down payment whatsoever, that most borrowers who were aware of loans being closed in their names received a portion of the loan proceeds themselves rather than making a down payment and that on many occasions a portion of the loan proceeds were paid to identity sellers for stolen names and social security numbers to use as borrowers who never appeared at closing or made any down payment for loans of which they were then unaware.

All in violation of Title 18, United States Code, Section 1623



COUNT 170  
(Perjury)

1. On or about November 19, 2001, in the Northern District of Georgia, defendant CHALANA C. MCFARLAND, while under oath and testifying in a proceeding ancillary to a Court of the United States, being a deposition in Central Pacific Mortgage Company v. Chalana McFarland and The McFarland Law Firm, Civil Action No. 1:01-CV-0554, filed on February 28, 2001, in the United States District Court for the Northern District of Georgia, Atlanta Division, did knowingly make a false material declaration.

2. Defendant MCFARLAND was deposed by plaintiff Central Pacific Mortgage Company, a mortgage lender who filed said civil lawsuit against their closing attorney, CHALANA C. MCFARLAND, and her law firm, The McFarland Law Firm, in connection with MCFARLAND closing fraudulent mortgage loans in violation of Central Pacific's closing instructions, failing to notify Central Pacific of same-day closings wherein property sale prices were materially inflated in or about that day and failing to disburse loan proceeds as directed by Central Pacific and as represented on the HUD-1 Settlement Statements caused to be prepared and certified by MCFARLAND. Disbursement of loan proceeds was material to Central Pacific.

3. Defendant MCFARLAND knowingly made the following declaration with respect to that material matter during her deposition while under oath and being questioned about disbursement

of loan proceeds to BGB Construction Company which appeared to be associated with her paralegal, Brenda Brown:

- Q. Have you ever heard of BGB Construction Company?
- A. They were a rehab company?
- Q. And what sort of things did they rehabilitate?
- A. I don't know. I just know they were on some of our HUDs.
- Q. Does Brenda Brown have an interest in this company?
- A. I don't think so. This was an issue that came up during an audit with Vicki Acker from Attorney's Title regarding the ownership of that company, and it was determined that it wasn't Brenda Brown that worked for me, but another Brenda Brown...

4. The sworn testimony and declaration of defendant CHALANA C. MCFARLAND, in her November 19, 2001 deposition that it was not the Brenda Brown that worked for her who had an interest in BGB Construction Company was false, as she then and there well knew that, as of the date of her deposition she had caused checks payable to BGB Construction totaling over \$325,000 in loan proceeds to be drawn on her The McFarland Law Firm bank account and delivered to her paralegal, Brenda Brown.

All in violation of Title 18, United States Code, Section 1623.

SPECIAL FINDINGS

1. With respect to Counts 1 through 92 of the Indictment, defendant CHALANA C. MCFARLAND:

(a) was an organizer or leader of a criminal activity that involved five or more participants and was otherwise extensive;

(b) abused her position of trust and used a special skill in a manner that significantly facilitated the commission and concealment of the offenses;

(c) committed offenses which involved more than minimal planning;

(d) committed offenses which involved sophisticated means;

(e) committed offenses which involved a scheme to defraud more than 50 victims;

(f) committed offenses which involved the unauthorized transfer and use of any means of identification unlawfully to obtain any other means of identification;

(g) the possession of 5 or more means of identification that unlawfully were produced from, and obtained by, the use of another means of identification;

(h) committed offenses where the loss exceeded \$2.5 million;

(i) wilfully obstructed and impeded and attempted to obstruct and impede the administration of justice during the investigation of the instant offenses and the obstructive conduct related to the defendant's offenses charged and any relevant conduct; and

(j) committed offenses wherein the seriousness of said offenses would otherwise be understated because:

(1) the offenses involving a substantial amount of interest, late charges, penalties, amounts based on an agreed-upon rate of return or rate of return and other similar costs, not otherwise included in the determination of loss; and

(2) the offenses caused and risked substantial non-monetary harm arising from the substantial invasion of the privacy interests of many individuals, the use of many stolen identities and numerous uses of a single individual's stolen identity.

2. With respect to Counts 93 through 165 of the Indictment, defendant CHALANA C. MCFARLAND:

(a) was an organizer or leader of a criminal activity that involved five or more participants and was otherwise extensive;

(b) abused her position of trust and used a special skill in a manner that significantly facilitated the commission and concealment of the offenses;

(c) committed offenses which involved sophisticated money laundering;

(d) committed offenses wherein the value of the funds laundered exceeded \$2.5 million; and

(e) wilfully obstructed and impeded and attempted to obstruct and impede the administration of justice during the investigation

of the instant offenses and the obstructive conduct related to the defendant's offenses charges and any relevant conduct.

3. With respect to Count 166 through 170 of the Indictment, defendant CHALANA C. MCFARLAND:

(a) was an organizer or leader of a criminal activity that involved five or more participants and was otherwise extensive; and

(b) committed an offense which resulted in substantial interference with the administration of justice.

FORFEITURE PROVISION

1. Upon conviction of one or more of the offenses alleged in Counts 1 through 31 of this Indictment, defendant CHALANA C. MCFARLAND shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(2) all property, real or personal, constituting or derived from proceeds obtained directly or indirectly as a result of the said violations.

2. Upon conviction of one or more of the offenses alleged in Counts 33 through 92 of this Indictment, defendant CHALANA C. MCFARLAND shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c) all property, real or personal, which constitutes or is derived from proceeds traceable to the said violations.

3. Upon conviction of one or more of the offenses alleged in Counts 93 through 165 of this Indictment, defendant CHALANA C. MCFARLAND shall forfeit to the United States, pursuant to 18 U.S.C. 982(a)(1), all property, real or personal involved in each offense, and all property traceable to such property for which the defendant is convicted, including the following: (1) all money or other property that was the subject of each transaction, transportation, transmission or transfer in violation of Section 1956; (2) all commissions, fees and other property constituting proceeds obtained as a result of those violations; and (3) all property used in any manner or part to commit or to facilitate the commission of those violations.

4. If, as a result of any act or omission of a defendant, any property subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

the United States intends, pursuant Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982 (b) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

A TRUE BILL  
Jerry W. Bird  
FOREPERSON

DAVID E. NAHMIAS  
UNITED STATES ATTORNEY

Gale McKenzie  
GALE MCKENZIE  
ASSISTANT UNITED STATES ATTORNEY  
600 U.S. Courthouse  
75 Spring Street, S.W.  
Atlanta, GA 30303  
404/581-6045  
Bar Number 494800