

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

FILED

APR - 9 2008

U. S. DISTRICT COURT
E. DIST. OF MO.
ST. LOUIS

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 DARYL W. MILLER,)
)
 Defendant.)

4 : 0 8CR00223 HEA

INDICTMENT

COUNT I

The Grand Jury charges, that at times relevant to this Indictment:

Introduction

1. Daryl W. Miller operated a company known as Midwestern Realty LLC, a Missouri limited liability corporation.
2. Midwestern Realty LLC and/or Daryl W. Miller owned commercial and residential properties within the Eastern District of Missouri.
3. Daryl W. Miller owned a residential property located at 100 Delord Avenue, Maryland Heights, Missouri, within the Eastern District of Missouri.
4. Midwestern Realty LLC owned property located at 3050 West Clay, St. Charles, Missouri, also within the Eastern District of Missouri.
5. NovaStar Mortgage, Inc. (hereinafter "NovaStar"), which had offices in Kansas City, Missouri, provided residential real estate loans.
6. Truman Bank, headquartered at 8151 Clayton Road, Clayton, Missouri, was a lender whose deposits were insured by the Federal Deposit Insurance Corporation.

7. Commonwealth Land Title Insurance Company, 2019 Walton Road, St. Louis, Missouri, provided title insurance for loans closed at Cave Springs Title Company.

8. RMB, Inc. was a Missouri corporation operated by an individual having initials R.M.B.

9. Private Funding Solutions, Inc. was a Missouri corporation operated by an individual having initials M.R.

Scheme to Defraud

10. Beginning in approximately June 2006 and continuing until approximately March 2007, within the Eastern District of Missouri and elsewhere,

DARYL W. MILLER,

the Defendant herein, having devised and intended to devise a scheme to defraud by material falsehoods and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises from M.R., NovaStar, R.M.B., Truman Bank, and Commonwealth Land Title Insurance Company did the following:

11. On or about July 1, 2006, Daryl W. Miller, either directly or by using a company he controlled named Midwestern Realty LLC, entered contracts to sell two properties to M.R. Further, he executed Quit Claim Deeds on these two properties deeding them to M.R. One of these properties was located at 100 Delord Avenue, Maryland Heights, Missouri. The other property was located at 3050 West Clay, St. Charles, Missouri.

12. On or about August 10, 2006, without disclosing that he had already sold or deeded the Delord property to M.R., Daryl W. Miller pledged the property located at 100 Delord

Avenue, Maryland Heights, Missouri, as collateral for a \$103,900 loan from NovaStar. As a part of the loan closing process, NovaStar wired \$105,168.29 (the loan amount of \$103,900 plus various fees and adjustments) to the closing title company's bank account at Heartland Bank, 212 South Central, Clayton, Missouri. The closing title company, Cave Springs Title, then sent the loan package to NovaStar shortly after the closing. Cave Springs Title sent this package to NovaStar using an interstate commercial carrier.

13. On or about December 22, 2006, without disclosing that he had already sold or deeded the West Clay property to M.R., Daryl W. Miller sold the property located at 3050 West Clay to RMB, Inc.

14. In order to purchase the West Clay property, R.M.B. obtained a loan from Truman Bank. Truman Bank was also unaware that Daryl W. Miller had sold or deeded the property to M.R. before he sold it to RMB, Inc. After Truman Bank funded this loan, wire transfers were sent from Cave Springs Title's bank account at the Heartland Bank, St. Louis, Missouri, to pay off Miller's existing loans on the 3050 West Clay property. Miller's existing loan on the 3050 West Clay property was held by the Private Bank, St. Louis, Missouri. Therefore, the relevant wire transfer went from Heartland Bank to the Private Bank. Even though both the Heartland Bank and the Private Bank were located in St. Louis, Missouri, this wire transfer traveled in interstate commerce through the Federal Reserve Bank's Fedwire Funds Services.

Wiring

15. On or about August 10, 2006, within the Eastern District of Missouri and elsewhere,

DARYL W. MILLER,

the Defendant herein, having devised and intended to devise a scheme to defraud by material falsehoods and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises from M.R., NovaStar, and Commonwealth Land Title Insurance Company did for the purpose of executing this scheme cause to be transmitted by wire, radio, or television communication in interstate commerce certain writings, signs, signals, pictures, or sounds, namely, a wire transfer in the amount of \$105,168.29 from NovaStar to Heartland Bank, 212 South Central, Clayton, Missouri, which funded Miller's refinance of the property located at 100 Delord Avenue, Maryland Heights, Missouri.

In violation of Title 18, United States Code, Section 1343.

COUNT II

The Grand Jury further charges that:

1. Paragraphs 1 through 14 of Count I of this Indictment are realleged and incorporated herein by reference.
2. On or about August 11, 2006, within the Eastern District of Missouri and elsewhere,

DARYL W. MILLER,

the Defendant herein, having devised and intended to devise a scheme to defraud by material falsehoods and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises from M.R., NovaStar, and Commonwealth Land Title Insurance Company did for the purpose of executing the scheme cause to be sent, delivered, and moved by interstate commercial carrier, an envelope containing closing documents related to

Miller's refinance of the property located at 100 Delord Avenue, Maryland Heights, Missouri, from Cave Springs Title LLC, 4640 Mexico Road, St. Peters, Missouri, to NovaStar.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT III

The Grand Jury further charges that:

1. Paragraphs 1 through 14 of Count I of this Indictment are realleged and incorporated herein by reference.
2. On or about December 26, 2006, within the Eastern District of Missouri and elsewhere,

DARYL W. MILLER,

the Defendant herein, having devised and intended to devise a scheme to defraud by material falsehoods and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises from M.R., R.M.B., Truman Bank, and Commonwealth Land Title Insurance Company did for the purpose of executing this scheme cause to be transmitted by wire, radio, or television communication in interstate commerce certain writings, signs, signals, pictures, or sounds, namely, a wire transfer in the amount of \$933,594.89 from Heartland Bank, St. Louis, Missouri (on behalf of Cave Springs Title), through the Federal Reserve Bank's Fedwire Funds Services, to the Private Bank, St. Louis, Missouri, to pay off the original loan on the property located at 3050 West Clay, St. Charles, Missouri.

In violation of Title 18, United States Code, Section 1343.

A TRUE BILL.

FOREPERSON

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Assistant United States Attorney