

# United States District Court

NORTHERN DISTRICT OF GEORGIA

AUG 02 2006

UNITED STATES OF AMERICA  
v.

## ORIGINAL

JAMES N HATTEN, Clerk  
By *[Signature]* Deputy Clerk

CRIMINAL COMPLAINT

JEFFERY ALAN TEAGUE  
a/k/a Jeffrey Allen Bryant

CASE NUMBER: 1:06-MJ-954

(Name and Address of Defendant)

I, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. From in or about February 2006 through on or about August 2, 2006, in Fulton and Forsyth Counties, in the Northern District of Georgia defendant(s) did, Track Statutory Language of Offense)

devise a scheme and artifice to defraud mortgage lenders by submitting and causing to be submitted materially false qualifying information, including the materially false representations that the homes being purchased were completed to code and fit for occupancy, to obtain mortgage loan in borrower names for the purchase of residential properties from his company with the proceeds of said fraudulently obtained loans, and attempt to do so; on or about May 24, 2000, the defendant, 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 wire communications certain signs, signals and sounds, that is, the defendant caused \$107,935.89 and \$164,938.41 in lender funds to be transmitted through the Colorado closing agent be credited to his Value Homes Ltd. account at an Atlanta branch of Regions Bank through a series of interstate wire communications, which funds resulted from the Ciampa and Ricketts mortgage loans obtained based upon the false Certificates of Occupancy submitted to the lender wherein the defendant falsely stated that the properties he sold to Ciampa and Ricketts which secured these loans, 7725 and 7715 Wisteria Lane, Dawsonville, GA, were completed to code and fit for occupancy

in violation of Title 18 United States Code, Section(s) 2 and 1343.

I further state that I am a(n) Special Agent of the FBI and that this complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT

Continued on the attached sheet and made a part hereof.

(x) Yes ( ) No

*[Signature]*  
Signature of Complainant  
Scott T. Caruana

Based upon this complaint, this Court finds that there is probable cause to believe that an offense has been committed and that the defendant has committed it. Sworn to before me, and subscribed in my presence

August 1, 2006  
Date

at Atlanta, GA  
City and State

E. Clayton Scofield III  
United States Magistrate Judge  
Name and Title of Judicial Officer  
AUSA Gale McKenzie

*[Signature]*  
Signature of Judicial Officer

## AFFIDAVIT

1. I, Scott T. Caruana, am a Special Agent of the Federal Bureau of Investigation, and have been so employed since June 2, 2002. I am currently assigned to the Atlanta Division investigating Financial Crimes which includes mortgage fraud. I have successfully completed investigations and prosecutions involving over a hundred fraudulently obtained mortgage loans. I am currently the case agent of a mortgage fraud case which began in the Northern District of Georgia (hereinafter "NDGA") in 1999 and 2000 and was continued from February 2006 to the current date, involving Jeffery Alan Teague (hereinafter "Teague"), a/k/a Jeffrey Allen Bryant and variations of these names. As detailed below, in 2006, Teague and his company, Value Homes, Ltd, as the builder received builder/seller proceeds from mortgage loans which Teague arranged in the names of sometimes unqualified borrowers on properties with incomplete houses which he caused to be falsely certified as having been completed to code and suitable for occupancy. This affidavit is made in support of: (1) an Arrest Warrant for Jeffery Alan Teague, a/k/a Jeffery A. Bryant, FBI Number 791892N1, a black male, who has used social security account number XXX-XX-5119 and date of birth January 18, 1957, for wire fraud; (2) an application for a Seizure Warrant for a 2006 Silver Porsche Cayenne purchased with scheme proceeds; (3) an application for a Search Warrant for the business office of Teague located in Suite 1200, 6 Concourse Parkway, Atlanta, GA 30328; and (4) an application for Search Warrants for Lot #s 51, 53 through 57, and 59 through 68 and structures located thereon in the Greenleaf Subdivision of Dawsonville, GA (See Attachment 2 for further descriptions of these 16 properties.), which office and property locations there is probable cause to believe contain evidence of and were used in connection with the commission of mail, wire, and bank fraud; interstate transportation of \$5,000 or more obtained by fraud; and conspiracy to commit said offenses described herein in violation of 18 USC §§1341, 1343, 1344 and 2314. Attachment 2 and every other attachment listed below in this affidavit are incorporated herein by reference.
2. The following information was provided to your affiant by investigation, victim and witness interviews, and document review. Examples of FBI interviews include the victim mortgage lender, borrowers, officials of Forsyth County Department of Planning and Development, and bank employees. Examples of documents reviewed by your affiant include lender files, borrower documents, bank records, Secretary of State corporate records, Forsyth County records, photographs of incomplete houses taken by a borrower and by the FBI.
3. From in or about February 2000 to date, Teague represented himself as a residential home builder and used various aliases and company names, including The Pacific Group, Inc., d/b/a Value Homes, Ltd.; Ltd Valu Homes; Value Homes, a 1st Pacific Group Company; Pacific Precision Properties; The Pacific Group, Inc.; Pacific Co.; The 1st Pacific Group; 1st Pacific Group, Inc., (a Pacific Group Company); and The Pacific Group, Inc. (Maryland), a Foreign Profit Corporation, to facilitate the commission of mortgage fraud on

contracts, purchase and sale agreements, warranty deeds, HUD1 Settlement Statements and other closing documents, business cards for employees, the Office of the Secretary of State for Georgia and Maryland, correspondence and other documents. These companies are now located in the Teague office at Suite 1200, 6 Concourse Parkway, Atlanta, GA 30328, according to Forsyth County officials and their attorney who have communicated with Teague in a number of these company names at this location, as well as borrower/purchasers and potential purchasers who have both visited with Teague and communicated with him at this location.

4. Your affiant conducted a search of the Georgia Secretary of State website and discovered that Value Homes, Ltd. is a domestic corporation registered to do business in the State of Georgia. The principal place of business for Value Homes, Ltd. is 6 Concourse Parkway, Suite 1100, Atlanta, Georgia 30328. Jeffery Teague is listed as the registered agent, Chief Executive Officer, Chief Financial Officer, and Secretary of Value Homes, Ltd. Your affiant also discovered that the business name of Pacific Group, Inc. (Maryland) is listed as a foreign corporation registered to do business in Georgia. The same address of 6 Concourse Parkway, Suite 1100, Atlanta, Georgia 30328, which was listed for Value Homes, Ltd. is also listed for Pacific Group, Inc. (Maryland). Jeffrey Teague is also listed as the Chief Executive Officer, Chief Financial Officer, and Secretary of Pacific Group, Inc. (Maryland). On July 31, 2006, the leasing manager for the office building located at 6 Concourse Parkway, Atlanta, GA 30328 advised the FBI that Teague originally leased the 11th floor of this building, known as Suite 1100, in February 2006, while the 12th floor, known as Suite 1200, was built out to his specifications. Teague completed the move of his companies and employees into Suite 1200 in July 2006. The leasing manager provided the FBI with a current floor plan for Suite 1200 which is Attachment 15.

5. From lender files, borrower interviews and other sources detailed in paragraph 2 of this affidavit, it is apparent to your affiant that Teague recruited and caused others to recruit sometimes unqualified buyers and "investors" for homes that Teague either built or contracted to build. From February 15, 2006 to date, Teague sold and caused others to sell the 16 homes to sometimes unqualified borrowers/investors as listed on Attachment 2 for a total of \$5,610,000 in sales prices, falsely representing that the homes were completed to code and ready for occupancy at the time each loan closed. In order to purchase the homes, the 11 home buyers obtained financing and loans totaling \$4,735,800 from federally insured financial institutions and other mortgage lenders ("lenders") for the purchase of the 16 properties sold to them by Teague's company, Value Homes, Ltd. The original and secondary lenders relied upon the Certificate of Occupancy and appraisal reports as proof of the state of completion of their security. The original victim lender for all 16 loans was New Century Mortgage with its main office located in California. Genisys Financial Corporation, a California mortgage broker, originated and brokered all loans to New Century for the 16 NDGA properties. The eleven borrowers who purchased these 16 properties lived in Florida, New York, and California. The closing agent is located in Colorado. All appraisals for all properties were submitted in the name of NDGA appraiser Darryl Cooper of Focus Point

Group. New Century sold a number of these loans on the secondary market to other lenders, including JP Morgan Chase Bank, a FDIC insured financial institution.

6. Throughout the mortgage loan process, Teague made representations and caused others to make representations to the original lender, which were also relied upon by lenders purchasing the loans in the secondary market, that the homes he contracted to sell to the home buyers, were completely built and fit for occupancy. Teague caused real estate appraisals to be prepared that represented that the homes were complete, rather than under construction, and appraised at a value which corresponded to or exceeded the sales price for which Teague was selling the homes. These appraisals and other declarations made by Teague that the homes were complete and fit for occupancy were then submitted to the lenders and were material to the mortgage loan underwriting process.
7. Your affiant knows from information developed in other mortgage fraud cases and from lenders in the present case, including New Century Mortgage, that one of the most important and material factors in a lender's decision to fund a loan is the fact that there is an underlying asset which is used to secure a loan. Typically, a lender funds a loan which is 80 to 90 percent of the value of the underlying collateral asset, so if problems occur and the borrower is unable to make payments on the loan, the lender can foreclose on the property and sell the underlying collateral asset for a value which is more than the loan, and therefore, minimize any losses. If the value of the underlying collateral asset is not supported, then the lender has a security interest in an asset that will be much lower than the loan that it provided, and therefore, upon foreclosure, will typically incur substantial losses.
8. Your affiant discovered discrepancies in a number of the appraisals submitted to lenders for the 16 mortgage loans which were prepared by the Georgia appraisal license number and purported signature of appraiser Darryl Cooper of Focus Point Group, whose office is located in the NDGA according to his web site and the corporate records of the Georgia Secretary of State. Your affiant has been advised by lender New Century Mortgage that all Cooper appraisals were received from the loan originator for the California mortgage broker and that such appraisals reflecting the condition and valuation of the properties are material to their decision to fund the mortgage loans in question and to any lender who purchases New Century mortgage loans on the secondary market. The Cooper appraisals contained in the lender files for all 16 Greenleaf properties were for completed homes.
9. First, the May 15, 2006 appraisal for Lot # 57, 7725 Wisteria Way, Dawsonville, GA, which lists Todd Ciampa as the borrower and an appraised value of \$343,000 "as is", contains photographs on page 12 labeled "7725 Wisteria Way Subject Front" and "Subject Rear." See Attachment 3 which is a copy of the Cooper appraisal for 7725 Wisteria Way. However, your affiant caused FBI photographs to be taken of 7725 Wisteria Way on July 12, 2006 and neither the front nor rear photographs in the Cooper appraisal are of Lot #57, 7725 Wisteria Way. See Attachment 4 for FBI photographs of the real Lot #57, 7725 Wisteria Way. Second, the May 15, 2006 Cooper appraisal for Lot # 56, 7715 Wisteria Way,

Dawsonville, GA, which lists Corey Ricketts as the borrower and an appraised value of \$348,000 "as is", contains photographs on page 12 labeled "7715 Wisteria Way Subject Front" and "Subject Rear." See Attachment 5 which is a portion of the Cooper appraisal for 7715 Wisteria Way. However, your affiant caused FBI photographs to be taken of 7715 Wisteria Way on July 12, 2006 and neither the front nor rear photographs in the Cooper appraisal are of the structure on Lot #56, 7715 Wisteria Way. See Attachment 6 for the July 12, 2006, FBI photographs of the real Lot #56, 7715 Wisteria Way. Third, the photographs on page 13 of the Cooper appraisals labeled "7725 Wisteria Way Subject Interior" from Attachment 3, contain the same photographs as those labeled "7715 Wisteria Way Subject Interior" from Attachment 5, and those labeled "7530 Thrasher Trail Subject Interior" in Attachment 8. In addition they all contain the same kitchen photographs as those labeled "7730 Wisteria Way Subject Interior" in Attachment 7 and "7725 Lilac Lane Subject Interior" from Attachment 9. Fourth, the Cooper appraisal photographs on page 13 labeled "7745 Wisteria Way Subject Interior" from Attachment 10, contain the same photographs as those labeled "7710 Wisteria Way Subject Interior" from Attachment 11, and those labeled "7520 Thrasher Trail Subject Interior" from Attachment 12.

10. From the documents provided to your affiant and included in Attachment 7, the 7230 Thrasher Way appraisal appears to have been signed on March 25, 2005 and e-mailed on April 3, 2006 from Cooper in the NDGA to both loan originator Chris Northup of Genisys Financial Corporation in California and The Pacific Group in Atlanta, a company used by Teague to facilitate this mortgage fraud. Your affiant is also aware that electronic transmission by e-mail is the standard method utilized by many appraisers to deliver their appraisals to mortgage brokers and other clients. The appraisals were provided to the California mortgage broker for delivery to the lender prior to loan approval. Since there are no fax headers on the Cooper appraisals for the 16 NDGA properties listed on Attachment 2 and there is only a short period of time between the appraisal sign dates and the loan close dates, it appears that Cooper routinely used this method of transmission.

11. Attachment 2 lists 16 properties for which Teague arranged mortgages in February through June 27, 2006 for sometimes unqualified borrowers and "investors", so that they could purchase properties from Value Homes, Ltd. According to the copy of the purchase agreement Teague provided to an attorney representing Forsyth County, Value Homes, Ltd. is a company Teague purchased in February 2006. Teague signed and submitted Certificates of Occupancy as President of Value Homes, Ltd. on his Value Homes letterhead for most of these homes, when according to Forsyth County officials, all lacked septic facilities, installation of underground electrical wiring per plans and specs, and county issued Certificates of Occupancy. Furthermore, county stop work orders were in place for Lot #s 54 through 61 due to soil sediment erosion problems, according to information provided to your affiant by Joseph "Tripp" Peak III, Esq, who was retained by Forsyth County to address these and other issues with Teague and his companies. Retaining walls had to be constructed on each of these eight lots, a fine of \$5,000 per lot had to be paid to Forsyth County, and the house construction completed prior to any of the houses being eligible for county-issued

Certificates of Occupancy. See Attachments 4 and 6 for photographs taken by the FBI on July 12, 2006 of Lot 57, 7725 Wisteria Way, and Lot #56, 7715 Wisteria Way, respectively, which are examples of houses sold and financed as complete and ready for occupancy by May 22, 2006, which are in fact incomplete and subject to the posted stop work orders captured in these photographs. On July 27, 2006, Peake advised your affiant that no retaining walls have been constructed to date on Lot #s 54 through 61, that the \$5,000 fines have not been paid, that no Certificates of Occupancy have been issued to date by the county for any of the Value Homes properties, including the 16 listed on Attachment 2, and that Forsyth County is the only authority qualified to issue such certificates. Forsyth County had no knowledge that any such properties had been sold, and advised your affiant that Teague/Value Homes could not legally do so without Forsyth County Certificates of Occupancy.

12. Beginning on or about February 2006 through the current time, Teague, through his company, Value Homes, Ltd., entered into separate purchase and sale agreements with eleven individuals, whereby the eleven individuals agreed to purchase, in separate transactions, the 16 new construction homes listed on Attachment 2 located in the Greenleaf Subdivision, Dawsonville, Georgia. Due to partial fax headers on those purchase and sale agreements, they appear to have been signed in the NDGA on behalf of seller Value Homes and faxed to the broker in California for required delivery to the lender prior to the loans being approved. Each one of the eleven borrowers listed addresses on their loan applications that were outside the state of Georgia, to include, Florida, California, and New York. Your affiant knows from information and knowledge developed by the FBI in investigating numerous mortgage fraud cases that out of state borrowers are often used in mortgage fraud schemes since the borrowers often purchase the properties site unseen, and therefore, have no knowledge of the condition of the property. In the present case, borrowers Corey Ricketts and Todd Ciampa advised your affiant that they purchased the completed houses which were supposed to be located on Lots 56 and 57 without seeing the houses. They signed HUD1s and other closing papers in California on about the May 22, 2006 closing date. They did speak with Teague in Atlanta by conference call from California after closing about "investing" in other Teague properties. Ciampa advised that when he finally came to Atlanta, in June 2006, he asked to see the property he had purchased in the Greenleaf Subdivision, but Teague said it was not a good time to do so, giving Ciampa an excuse about the weather.
13. Ciampa traveled to Atlanta with another potential "investor" from California to discuss additional real estate investments with Teague, who attempted to interest them in other projects such as the Legacy Hills Subdivision in Riverdale, GA and a development he referred to as Norris which Teague said was north of Atlanta. Teague took Ciampa and the new potential California "investor" to the locations of his new developments and encouraged them to make purchases from him, but never showed Ciampa his incomplete house on Lot 57 in Greenleaf which Ciampa had already purchased site unseen.
14. Following his meeting with Teague at his Atlanta offices in Suite 1200 of 6

Concourse parkway, Ciampa traveled to the Greenleaf Subdivision to view for the first time the property located at 7725 Wisteria Way, Dawsonville, Georgia 30534, Lot # 57, which he had purchased on May 22, 2006, from Value Homes, Ltd. When Ciampa viewed the house which was posted as Lot # 57, he discovered that the construction on the house was not complete. Ciampa advised that the house was green in color and that most of the exterior of the house was complete with the exception of the front entrance way, which had no porch or exterior siding or covering. Ciampa advised that the interior of the house was also not complete and did not contain any drywall, floor coverings, or fixtures. Ciampa took photographs of the property which indicated the same and provided these photographs to your affiant.

15. According to information provided to your affiant by the lender and by the borrower, on May 22, 2006, Todd Ciampa, who resides in California, purchased and closed on the property located at 7725 Wisteria Way, Dawsonville, Georgia 30534, Lot # 57, from Ltd. Valu Homes, at a contract sales price of \$343,000. The place of settlement listed on the HUD-1 settlement statement was Guardian Mortgage Services, Lakewood, Colorado. However, Ciampa signed the HUD1 Settlement Statement and all other closing documents in California and obtained a loan from New Century Mortgage in the amount of \$308,700. Although the HUD1 indicated that a down payment of \$31,956.58 had been received from the borrower, Ciampa advised your affiant that he made no down payment and that the income listed on his loan application had been inflated. Your affiant obtained the loan file from New Century Mortgage and reviewed it. Included in the loan file was a Certificate of Occupancy letter signed by Teague as President of Value Homes and typed on Value Homes, Ltd., letterhead, with a letterhead address for Value Homes Ltd of 6 Concourse Parkway, Suite 1200, Sandy Springs, Georgia 30328. (Your affiant is aware that Sandy Springs and Atlanta is often used interchangeably. Furthermore, the business card for 1st Pacific Group, Inc., which is a Teague controlled company associated with Value Homes, Ltd, which was obtained by the FBI on July 31, 2006 from the leasing agent for 6 Concourse Parkway, lists their address as 6 Concourse Pkwy, Ste 1200, Atlanta, GA 30328.) This Certificate of Occupancy letter was dated February 21, 2006, and advised that "the property located at 7725 Wisteria Way, Dawsonville, Georgia, has been completed to code and this new home is suitable for occupancy." Also located in the loan file was a purchase and sale agreement with an offer date of February 3, 2006, which was signed by Todd Ciampa as buyer with Teague signing for Value Homes. The HUD1 Settlement Statement for the transaction indicated that cash in the amount of \$164,938.41 was to be provided to the seller.
16. Also on May 22, 2006, Corey Ricketts, who resides in California, purchased and closed on the property located at 7715 Wisteria Way, Dawsonville, Georgia 30534, Lot # 56, from Ltd. Value Homes, at a contract sales price of \$348,000. The place of settlement listed on the HUD-1 settlement statement was Guardian Mortgage Services, Lakewood, Colorado, although Ricketts advised that he never traveled to Colorado, did not make the income listed on his loan application and did not make the down payment of \$32,437 listed on his HUD1. Ricketts obtained a loan from New Century Mortgage in the amount of \$313,200. Your

affiant obtained the loan file from New Century Mortgage and reviewed it. Included in the loan file was a Certificate of Occupancy letter signed by Teague as President of Value Homes which was typed on Value Homes, Ltd., letterhead. The address on the letterhead for Value Homes, Ltd. was 6 Concourse Parkway, Suite 1200, Sandy Springs, Georgia 30328. The Certificate of Occupancy letter was dated February 21, 2006, and advised that "the property located at 7715 Wisteria Way, Dawsonville, Georgia, has been completed to code and this new property is suitable for occupancy." Also located in the loan file was a purchase and sale agreement with an offer date of February 3, 2006, which was signed by Corey Ricketts as buyer with Teague signing as seller for Value Homes. The HUD1 Settlement Statement for the transaction indicated that cash in the amount of \$107,935.89 was to be provided to the seller.

17. Investigation including the review of Regions Bank records with officials of the bank revealed that on or about May 24, 2006, two wire transfers in the amounts of \$107,935.89 and \$164,938.41 originated from Guardian Mortgage Services in Lakewood, Colorado, and were wired to the Regions Deposit Center in Montgomery, AL for credit to the Regions Bank account of partners Jeffery Alan Bryant and Lashonda H. Washington, d/b/a Value Homes, which had been opened on February 28, 2006 at an Atlanta, GA branch of Regions Bank. On May 24, 2006, a wire communication of these deposits to this account was sent from the Regions Deposit Center in Montgomery, AL to this Atlanta, GA branch of Regions Bank. Thereafter, on or about May 24, 2006, this Value Homes account was debited for \$57,001.46 for the purchase of Official Bank Check No. 612411651 from an Atlanta, GA branch of Regions Bank. At this time the Regions Atlanta branch communicated by wire with their Deposit Center in Montgomery AL, to confirm that this Value Homes account had sufficient funds to cover the Official Check, and to advise of the debit for posting to the account. Also on May 24, 2006, this same Value Homes account was debited \$30,000 for a transfer from this account to related money market and commercial checking accounts, which likewise caused wire communications from the Atlanta, GA branch of Regions Bank to their Montgomery, AL Deposit Center to verify the balance and advise of the debit and transfers. These wire transfers of \$107,935.89 and \$164,938.41 into the Value Homes account are in the exact same amounts as the seller proceeds to Value Homes, Ltd./Ltd Value Homes, as listed on the HUD-1 Settlement Statements for the mortgage loans to purchase Lot #s 56 and 57 by Ricketts and Ciampa, respectively. The lender's records show that on May 23, 2006, loan proceeds for both the Ciampa and the Ricketts loans were wired from a New Century Mortgage bank account in a location outside of Colorado to their closing agent, Guardian Mortgage Services in Lakewood, Colorado, which loan proceeds included these payments to Teague's company as the seller. Prior to the \$107,935.89 and \$164,938.41 deposits into the Value Homes Regions Bank account, there were insufficient funds to cover the over \$80,000 worth of withdrawals made immediately upon receipt of these mortgage loan proceeds.
18. On May 17, 2006, Teague, using his Jeffery Bryant identity, listed himself as President of 1st Pacific Group, Inc Corp to open another account at an Atlanta Georgia

branch of Regions Bank. The May 2006 account is a corporate account.

19. Your affiant has reviewed records which show that the \$57,001.56 Official Regions Bank Check No. 612411651 was used to purchase a 2006 Silver Porsche Cayenne, License Plate Number ABF2907, VIN WP1AA29P86LA25182, registered to First Pacific Group, Inc., Suite 1200, 6 Concourse Parkway, Sandy Springs, GA. On July 31, 2006, this Porsche, along with a silver BMW 745 Li registered to Lashonda H. Washington were observed by the FBI to be located at 8160 Sentinae Chase Drive, Roswell, GA 30076. Both Teague and Washington listed this as their residence address on their current Georgia drivers licenses. On July 26, 2006, your affiant observed this BMW to be parked outside the Greenleaf Subdivision Harry Norman sales office located in the model home at Lot 68, 7510 Thrasher Trail, Dawsonville, GA. The mortgage for 8160 Sentinae Chase Drive is in Washington's name.
20. Your affiant was advised by Ricketts that in July 2006, after he heard about Ciampa's trip to Atlanta where his property was found to be incomplete, Ricketts traveled from California to Atlanta, to view for the first time the property located at 7715 Wisteria Way, Dawsonville, Georgia 30534, Lot # 56, which he purchased on May 22, 2006, from Value Homes, Ltd. Ricketts discovered that the construction on the house that he purchased was also not complete. Ricketts advised that his house did not contain any drywall, flooring, or lighting, but did have some cabinets, a bath tub and a fireplace. Ricketts advised that at the time of his visit, it appeared that preparations were being made to install drywall in the house. Ricketts advised that he had subsequent communications with Jeffery Teague and Teague told Ricketts that Ricketts' house would be complete in thirty days. Ricketts advised that he viewed other homes in the Greenleaf subdivision and discovered that some homes were in worse condition than his.
21. On July 26, 2006, your affiant and an FBI photographer visited the Greenleaf Subdivision and discovered that, from the exterior, many of the homes appeared to be incomplete. Your affiant noticed that many of the homes located on Wisteria Way, which included Ricketts' Lot #56 and Ciampa's Lot #57, did not appear to be complete and had construction activity in front of the houses. In addition to Lot #'s 56 and 57, Wisteria Way also contained Lot #'s 58 through 62.
22. While in the Greenleaf Subdivision on July 26, 2006, your affiant observed evidence of construction personnel, Forsyth County inspectors, Harry Norman realtors, Teague and others accessing the subdivision. Your affiant visited the model home on Lot 68 which was open to the public and obtained current Harry Norman Realty Listings for Lot #s 51 through 68, which had just been sold by Teague for amounts between \$20,000 and \$60,000 greater than these same properties are currently offered for sale. See Attachment 13, the Harry Norman Realtors sales prices for Lot #s 51 through 68. A number of these new sales prices do not cover the outstanding mortgages on the properties. See Attachment 2 for a comparison of the original sales prices to the 11 borrowers and the significantly lower prices

for which their 16 properties in question were offered for sale as of July 26, 2006. Borrower Ciampa advised that he has given no one permission to list or sell his property at Lot 57, 7725 Wisteria Way, which property is now listed for \$19,000 less than he paid for it two months ago. None of the structures contained on Lot # 51 through 68 appeared to be occupied, except for the model home on Lot 68 which contained the Harry Norman office. See Attachment 14, FBI July 26, 2006 photographs of the Harry Norman office in the model home located on Lot 68. In addition, Harry Norman realtors were also offering 50 empty lots as Home Sites in Greenleaf where a buyer could choose from five different floor plans.

23. Todd Ciampa advised your affiant that when he met with Teague in June 2006, Teague showed Ciampa his office space which was located at 6 Concourse Parkway, Suites 1100 and 1200, in Atlanta, Georgia 30328. Ciampa advised that Bryant's office space had at least twelve employees and contained desks, filing cabinets, paperwork, computers, telephones, and other business fixtures and furniture. Ciampa described the office as looking like any normal business office space where real estate business activities took place. Teague told Ciampa that his 11th floor office space was temporary while the 12th floor office space was being built out.

24. Based upon the experience of your affiant and other FBI agents consulting with your affiant on this case and other mortgage fraud cases, and on general business knowledge, your affiant knows that the principal place of business for a company is a location where business records that are used in the ordinary course of business are generated and stored, which would include, in the matter of the Teague companies described above, records associated with the real estate transactions involving the purchase and sale of the 16 lots in the Greenleaf Subdivision, and the construction of structures thereon, plus current resale and attempted resales of such properties. Your affiant also knows that builders generally use many different subcontractors and trade people during the construction of a house and keep detailed accounting and construction records. These types of records are also typically generated and stored at the principle place of business. The Internal Revenue Service requires retention of such records for a number of years to document income, expenses, and deductions. The Social Security Administration, GA Department of Revenue, and GA Department of Labor also require documentation of certain withholdings and other employee records. Your affiant is further aware that persons involved in real estate transactions similar to those detailed above create, receive and retain the type or records listed in Attachment 1.

25. In the experience of your affiant and the FBI agents consulting with him, from specific information developed in this investigation including the Ciampa observations of computers in the Teague office suites, from dozens of similar investigation, and from knowledge of the business workplace, computer hardware and software is routinely utilized to conduct and facilitate business activity including real estate transactions involving multiple properties and projects, numerous purchases and sales, various construction and development sites with inspectors and officials from several counties, recruitment of investors and other purchasers from multiple states, large payments, and related activity. If

the computer hardware and software so utilized by Teague, his companies and employees cannot be searched on site in a timely manner, the FBI intends to seize them for imaging off site and subsequent search.

26. Your affiant also has cause to believe that records regarding the 16 properties listed in Attachment 2, as well as records of Lots 52 and 58 with structures and 50 additional empty lots, are presently located in the model home sales office at Lot #68, 7510 Thrasher Trail, Dawsonville, GA, where these properties are being marketed, and in Teague's offices at Suite 1200, 6 Concourse Parkway, Atlanta, GA. Although these 16 properties sold, they appear to be still controlled by Teague as they are listed for sale at prices lower than the original purchaser/borrowers would have to obtain to pay off their mortgage and pay the real estate commissions. Your affiant therefore believes that this affidavit establishes probable cause for the search of this model home.

27. The homes purchased from Teague by Ciampa and Ricketts were represented to be complete and mortgages were provided to Ciampa and Ricketts based upon representations that the homes were complete and held a value typical of a completed home within close proximity to the homes located in the Greenleaf Subdivision, when in fact the homes were not complete. During this process, Ciampa and Ricketts provided information which the mortgage broker at Genisys Financial Corporation in San Diego, California typically communicated to Teague and other Value Home, Ltd. employees in Atlanta, via e-mail, fax, other correspondence and telephone calls. Ciampa and a friend also visited the Atlanta offices of Teague and his companies to discuss investment in other Teague real estate developments. The Forsyth County Department of Planning and Development and their attorney advised that they communicated in like manner with Teague at his Suite 1100 and 1200 business offices about issues regarding construction on the 18 lots in Greenleaf Subdivision for which building permits had been issued.

28. Your affiant believes this affidavit establishes probable cause for issuance a search warrants for both the model home on Lot 68 and the principal place of business for Value Homes, Ltd., and Teague's related companies, and the computers that reside within Suite 1200 on this premises at 6 Concourse Parkway Atlanta, GA, will contain both electronic and hard copies of business and construction records, correspondence, communications, and documents, as further described in Attachment 1, which are evidence of and have been used in furtherance of Teague's scheme to commit mail, wire/radio and bank fraud, cause \$5,000 in scheme proceeds to be transported in interstate commerce all in connection with a scheme to defraud mortgage lenders and investors in violation of Title 18, United States Code, Sections 1341, 1343, 1344, and 2314; that this affidavit establishes probable cause for a complaint charging Teague with wire fraud and the issuance of a warrant for his arrest; and that this affidavit establishes probable cause for the issuance of a seizure warrant for the silver Porsche purchased with the proceeds of the Teague wire fraud.

29. Finally, your affiant believes this affidavit establishes probable cause for the issuance

of search warrants for the 16 Greenleaf properties and structures thereon listed on Attachment 2 to allow inspection, photographs and videos of the lots and of the interior and exterior of structures located thereon to document the state of completeness of the structure and the condition of each lot.