

**UNSEALED
PER ARREST**
as authorized by court order.

United States District Court
Southern District of Texas
FILED

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

DEC - 1 2008

Michael N. Milby, Clerk

UNITED STATES OF AMERICA §
§
v. §
GRANT WILLIAM GONDREZICK (1), §
TIFFANY BLAKE BROOKS (2), §
DIRK DEWAYNE MINNIEFIELD (3), §
MARC JASON WILLIAMS (4) §

CRIMINAL NO.
UNDER SEAL

H-08-778

INDICTMENT

THE GRAND JURY CHARGES:

COUNT ONE
(Conspiracy)

A. INTRODUCTION

At all times material to this indictment:

1. TIFFANY BLAKE BROOKS and MARC JASON WILLIAMS worked as independent loan processors at Lone Star Realtors & Mortgage Inc.
2. GRANT WILLIAM GONDREZICK and DIRK DEWAYNE MINNIEFIELD operated an unincorporated business in the Houston area under the name Mutual Builders. Mutual Builders was purportedly in the business of performing home improvements.

3. GONDREZICK also operated a Texas corporation in the Houston area named G-Hoss Builders & Development, Inc. ("G-Hoss"). G-Hoss was purportedly in the business of performing home improvements.

4. GONDREZICK and an unindicted coconspirator operated a property management business named Pinnacle Management Properties in the Houston area.

5. WILLIAMS operated an unincorporated business in the Houston, Texas area under the name Landmark Construction & Remodeling ("Landmark"). Landmark was purportedly in the business of performing home improvements.

6. MINNIEFIELD was a real estate agent employed at Remax Post Oak in Houston.

7. People's Choice Home Loan Inc. (Irvine, California); Aames Home Loan, (Irvine, California); Expanded Mortgage Credit (Phoenix, Arizona); MIT Lending (New York, New York); New Beginnings Lending (New York, New York); Aegis Funding Corporation (Irvine, California); Argent Mortgage Company (Orange, California); and New Century Mortgage (Irvine, California) (all hereafter referred to as "Lenders") were mortgage lenders engaged in the business of providing residential loans.

B. THE CONSPIRACY AND ITS OBJECT

8. From in or about November 2004, and continuing to in or about May 2005, in the Houston Division of the Southern District of Texas, the defendants,

GRANT WILLIAM GONDREZICK,

TIFFANY BLAKE BROOKS,

DIRK DEWAYNE MINNIEFIELD, and

MARC JASON WILLIAMS,

did knowingly and willfully combine, conspire, confederate and agree with each other and with persons known and unknown to the Grand Jury to commit an offense against the United States, that is, to knowingly devise and attempt to devise a scheme and artifice to defraud mortgage lenders and to obtain money and property from mortgage lenders by means of false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme, to knowingly transmit and cause to be transmitted interstate wire communications, in violation of Title 18, United States Code, Section 1343.

C. MANNER AND MEANS OF THE CONSPIRACY

It was a part of the conspiracy that:

9. GONDREZICK and BROOKS would and did recruit and pay individuals to act as borrowers in applications for residential mortgage loans which would fund

the purchase of homes, even though those borrowers had no intention to reside at the homes or to make payments on the mortgage loans.

10. BROOKS and WILLIAMS would and did fill out the loan applications in the name of the borrowers and provide Lenders with false information concerning the borrower's employment, income, assets, current rent or mortgage payments, and intent to occupy the purchased property.

11. GONDREZICK and BROOKS would and did provide the borrowers' names to MINNIFIELD so that MINNIFIELD would represent these borrowers as their real estate agent even though he never met the borrowers and they never viewed the properties they were supposedly purchasing.

12. GONDREZICK, BROOKS, MINNIFIELD, and WILLIAMS would cause Lenders to fund approximately \$10 million in loans to purchase approximately twenty-four homes in the Houston region.

13. MINNIFIELD and GONDREZICK would and did cause a Special Provision to be inserted into the sales contracts which stated that money for home improvements would be paid to the borrower's contractor for home improvements out of the seller's proceeds at closing, even though neither the borrower nor the seller had hired a contractor for home improvements.

14. GONDREZICK and WILLIAMS would and did cause invoices totalling

more than \$1.5 million to be submitted to title companies for home improvements using various business names including Mutual Builders, G-Hoss, and Landmark.

15. GONDREZICK would and did recruit another individual known to the Grand Jury to allow that individual's contracting company to receive some home-improvement disbursements, most of which would then be forwarded to GONDREZICK, in an attempt to avoid detection of the scheme by using different contractors.

16. GONDREZICK and WILLIAMS would and did fail to perform the home improvements.

17. GONDREZICK and MINNIEFIELD would and did initially attempt to prolong the scheme by finding tenants to reside in the homes purchased with the fraudulently-obtained mortgage loans and using the rent payments to make payments to the Lenders.

D. OVERT ACTS OF THE CONSPIRACY

18. In furtherance of the conspiracy, and to effect the objects thereof, the conspirators performed and caused to be performed the following overt acts, among others, in the Houston Division of the Southern District of Texas and elsewhere:

a. On or about March 3, 2005, GONDREZICK and an unindicted coconspirator caused a Certificate of Ownership to be filed under the name Pinnacle Management Properties in the Assumed Name Records of Harris County, Texas.

b. On or about March 15, 2005, GONDREZICK and MINNIEFIELD caused a Certificate of Ownership to be filed under the name Mutual Builders in the Assumed Name Records of Harris County, Texas.

c. On or about March 30, 2005, WILLIAMS caused a Certificate of Ownership to be filed under the name Landmark Construction & Remodeling in the Assumed Name Records of Harris County, Texas.

3215 Saint George Square, Houston, Texas

d. On or about November 22, 2004, MINNIEFIELD caused to be signed a contract to sell 3215 Saint George Square, Houston, Texas, for \$530,000.

e. On or about November 23, 2004, GONDREZICK caused a borrower to sign a Uniform Residential Loan Application seeking a loan for the purchase of 3215 Saint George Square.

f. On or about November 24, 2005, GONDREZICK and MINNIEFIELD caused Argent Mortgage Company to wire transfer \$496,850 to Integrity Title to fund the purchase of 3215 Saint George Square.

g. On or about November 24, 2004, GONDREZICK caused \$104,928 to be wire transferred to a contractor for “customized upgrades.”

h. One or about November 26, 2004, the contractor who received the \$104,928 wire transfer forwarded \$83,728 to GONDREZICK.

256 Sarasota Circle South, Montgomery, Texas

i. On or about January 6, 2005, BROOKS caused to be signed a Uniform Residential Loan Application seeking a \$590,000 loan for the purchase of 256 Sarasota Circle South, Montgomery, Texas.

j. On or about January 6, 2005, MINNIEFIELD caused to be signed a contract to sell 256 Sarasota Circle South for \$590,000, which included a Special Provision that the seller would pay \$100,000 out of seller's proceeds at closing to the borrower's contractor.

k. On or about January 12, 2005, BROOKS caused People's Choice Home Loan to wire transfer \$473,863.30 to Reliable Title Company to fund the purchase of the property.

l. On or about January 12, 2005, GONDREZICK caused to be submitted to the title company an invoice for “entertainment and theatre room,” which caused \$100,000 of seller's proceeds to be wire transferred to G-Hoss.

8303 Ramblebrook Court, Humble, Texas

m. On or about January 28, 2005, MINNIEFIELD caused to be signed a contract to sell 8303 Ramblebrook Court for \$380,000.

n. On or about March 4, 2005, BROOKS caused to be signed a Uniform Residential Loan Application for a \$380,000 loan to purchase 8303 Ramblebrook, Humble, Texas.

o. On or about March 4, 2005, GONDREZICK caused an invoice for "custom upgrades" to be submitted to the title company, which resulted in \$90,085.94 of seller's proceeds being wired to G-Hoss.

p. On or about March 4, 2005, BROOKS caused Argent Mortgage to wire transfer \$384,303.72 to Reliable Title Company.

609 Edgewood, Montgomery, Texas

q. On or about March 8, 2005, WILLIAMS caused to be signed two Uniform Residential Loan Applications for loans to purchase 609 Edgewood, Montgomery, Texas, consisting of a first loan in the amount of \$440,000 and a second loan in the amount of \$110,000.

r. On or about March 10, 2005, MINNIEFIELD caused to be signed a contract to sell 609 Edgewood for \$550,000.

s. On or about March 16, 2005, GONDREZICK caused an invoice for “custom upgrades” to be submitted to the title company, which resulted in \$85,400 of seller’s proceeds being wired to Mutual Builders.

t. On or about March 17, 2005, MARC JASON WILLIAMS caused New Century Mortgage to wire transfer \$437,687.12 to Reliable Title Company.

40 Carmel Court, Montgomery, Texas

u. On or about March 16, 2005, MINNIEFIELD caused to be signed a contract to sell 40 Carmel Court for \$375,000, which included a Special Provision that seller would pay \$50,000 out of her proceeds at closing to the borrower’s contractor.

v. On or about March 30, 2005, WILLIAMS caused an invoice for “upgrades and remodeling” to be submitted to the title company, which resulted in \$34,833.12 of seller’s proceeds being wired to Landmark.

w. On or about March 31, 2005, BROOKS caused to be signed a Uniform Residential Loan Application for a \$375,000 loan to fund the purchase of 40 Carmel Court, Montgomery, Texas.

x. On or about March 31, 2005, MINNIEFIELD caused New Century Mortgage Corporation to wire transfer \$374,120.90 to Texas Nations Title.

67 Bent Tree Lane, Montgomery, Texas

y. On or about January 6, 2005, MINNIEFIELD caused to be signed a contract to sell 67 Bent Tree Lane for \$470,000, which included a Special Provision that the seller would pay \$100,000 out of seller's proceeds at closing to the borrower's contractor.

z. On or about April 13, 2005, BROOKS caused to be signed two Uniform Residential Loan Applications for loans to purchase 67 Bent Tree Lane, Montgomery, Texas, consisting of a first loan in the amount of \$371,200 and second loan in the amount of \$92,800.

aa. On or about April 13, 2005, BROOKS caused People's Choice Home to wire transfer \$373,317.68 to Montgomery County Title to fund the borrower's loan.

bb. On or about April 14, 2005, GONDREZICK caused \$100,000 of seller's proceeds to be wire transferred to Mutual Builders.

9 Carmel Court, Montgomery, Texas

cc. On or about March 21, 2005, BROOKS caused to be signed two Uniform Residential Loan Applications for loans to purchase 9 Carmel Court, Montgomery, Texas, consisting of a first loan in the amount of \$153,600 and second loan in the amount of \$38,400.

dd. On or about April 21, 2005, BROOKS caused Expanded Mortgage Credit to wire transfer \$155,184.19 to Texas Nations Title Agency.

ee. On or about April 25, 2005, WILLIAMS caused \$44,747.15 of seller's proceeds to be wire transferred to Landmark.

3014 South Rice Avenue, Houston, Texas

ff. On or about April 21, 2005, WILLIAMS and an unindicted co-conspirator caused to be signed a Verification of Rent or Mortgage falsely stating that the borrower rented a residence from Pinnacle Property Management for \$2,650 per month.

gg. On or about April 29, 2005, MINNIEFIELD caused to be signed a One To Four Family Residential Contract to sell 3014 South Rice Avenue, Houston, Texas to the borrower for \$500,000.

hh. On or about April 29, 2005, WILLIAMS and MINNIEFIELD caused Expanded Mortgage Credit to wire transfer \$406,642.10 to Texas Nations Title Agency.

ii. On or about May 13, 2005, GONDREZICK caused to be submitted to the title company an invoice for "custom upgrades," which caused the title company to send a \$81,818.64 check to Mutual Builders.

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

COUNTS TWO THROUGH NINE
(Wire Fraud)

A. INTRODUCTION

1. The Grand Jury realleges the Introduction to Count One of the Indictment.

B. THE SCHEME AND ARTIFICE TO DEFRAUD

2. From in or about November 2004, and continuing to in or about May 2005, in the Houston Division of the Southern District of Texas, the defendants,

GRANT WILLIAM GONDREZICK,

TIFFANY BLAKE BROOKS,

DIRK DEWAYNE MINNIEFIELD, and

MARC JASON WILLIAMS,

aided and abetted by each other and others known and unknown to the Grand Jury, did knowingly devise, intend to devise, and participate in a scheme and artifice to defraud mortgage lenders and obtain money and property from mortgage lenders by means of false and fraudulent pretenses, representations and promises.

C. MANNER AND MEANS OF THE SCHEME TO DEFRAUD

3. The Grand Jury realleges Paragraphs Nine through Seventeen of Count One of the Indictment.

D. EXECUTION OF THE SCHEME TO DEFRAUD

4. On or about the dates set forth below, in the Houston Division of the Southern District of Texas and elsewhere, the defendants, for the purpose of executing the aforementioned scheme and artifice to defraud mortgage lenders and to obtain money and property from mortgage lenders by material false and fraudulent representations, pretenses, and promises, did knowingly cause to be submitted by means of wire communication in interstate commerce, the loan funds described below:

COUNT	DATE	FROM/TO	TRANSMISSION
Two	November 24, 2004	Rolling Meadows, Illinois to Houston, Texas	Wire of \$496,850 to fund a loan to purchase 3215 Saint George Square, Houston, Texas
Three	January 12, 2005	Irvine, California to Houston, Texas	Wire of \$473,863.30 to fund a loan to purchase 256 Sarasota Circle, Montgomery, Texas

Four	March 4, 2005	Rolling Meadows, Illinois to Houston, Texas	Wire of \$384,303.72 to fund a loan to purchase 8303 Ramblebrook Court, Humble, Texas
Five	March 17, 2005	Irvine, California to Houston, Texas	Wire of \$437,687.12 to fund a loan to purchase 609 Edgewood, Montgomery, Texas
Six	March 31, 2005	Irvine, California to Stafford, Texas	Wire of \$374,120.90 to fund a loan to purchase 40 Carmel Court, Montgomery, Texas
Seven	April 13, 2005	Irvine, California to Conroe, Texas	Wire of \$373,317.68 to fund a loan to purchase 67 Bent Tree Lane, Montgomery, Texas
Eight	April 21, 2005	Phoenix, Arizona to Stafford, Texas	Wire of \$155,184.19 to fund a loan to purchase 9 Carmel Court, Montgomery, Texas

Nine	April 29, 2005	Phoenix, Arizona to Stafford, Texas	Wire of \$406,642.10 to fund a loan to purchase 3014 South Rice Avenue, Houston, Texas
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In violation of Title 18, United States Code, Sections 1343 and 2.

NOTICE OF FORFEITURE
(18 U.S.C. § 981(a)(1)c)

Upon conviction of the offenses in violation of Title 18, United States Code, Section 1343, or a conspiracy to commit such offenses, the defendants:

GRANT WILLIAM GONDREZICK,

TIFFANY BLAKE BROOKS,

DIRK DEWAYNE MINNIEFIELD, and

MARC JASON WILLIAMS,

shall forfeit to the United States of America, pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C), any property, real or personal, which constitutes or is derived from proceeds traceable to such violation(s). The property subject to forfeiture includes, but is not limited to, a money judgment in the approximate amount of \$10,000,000 for which the defendants may be jointly and severally liable to the United States of America.

SUBSTITUTE ASSETS

In the event that the property subject to forfeiture as a result of any act or omission of the defendant(s):

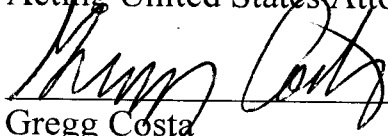
- a. cannot be located upon exercise of due diligence;
- b. has been placed beyond the jurisdiction of the Court;
- c. has been transferred or sold to, or deposited with a third party;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided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

it is the intent of the United States to seek forfeiture of any other property of the defendant(s) up to the value of such property pursuant to Title 21, United States Code, Section 853(p), incorporated by reference in Title 28, United States Code, Section 2461.

A TRUE BILL:

ORIGINAL SIGNATURE ON FILE
FOREPERSON OF THE GRAND JURY

TIM JOHNSON
Acting United States Attorney

By: 
Gregg Costa
Assistant United States Attorney