

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

FILED
U.S. DISTRICT COURT
MIDDLE DISTRICT OF TENN.

SEP 19 2012

Res
DEPUTY CLERK

UNITED STATES OF AMERICA)
)
v.)
)
DEBBIE FOUST)
)

NO. 3:12-00188
18 U.S.C. § 1343
18 U.S.C. § 1957

INDICTMENT

COUNTS ONE THROUGH THREE

THE GRAND JURY CHARGES:

At times material to this Indictment:

I. Background

- 1) **DEBBIE FOUST** was an independent real estate broker and owner of Century 21 Music City, a real estate brokerage located in Hermitage, Tennessee.
- 2) Individual 1 and Individual 2 were residents of New York and members of a group of investors (collectively, the "Investors") who sought to purchase a parcel of commercial real estate located in Madison, Tennessee ("the Tennessee Property").
- 3) In or around August 2007, DEBBIE FOUST and Century 21 Music City agreed to act as buyer's broker for the Investors in the purchase of the Tennessee Property.
- 4) In or around August 2007, DEBBIE FOUST arranged for Investor 2, acting on behalf of the Investors, to execute a real estate agreement to purchase the Tennessee Property for \$1,530,000.

II. The Scheme to Defraud

5) It was a principal goal of the scheme to obtain advance deposits of funds from the Investors by falsely representing that the funds would be used as a down payment to be applied to the purchase price of the Tennessee Property, when, in fact, FOUST would instead use the funds for her personal benefit.

6) It was part of the scheme that in or around August 2007, DEBBIE FOUST caused or induced Investor 1, acting on behalf of the Investors, to wire funds for a down payment for the Tennessee Property to an account controlled by defendant FOUST at SunTrust Bank.

7) It was further part of the scheme that on or about September 25, 2007, in response to the inducement by defendant FOUST, Investor 1, acting on behalf of the Investors, caused three interstate wire transfers, totaling \$200,000, to be sent to a bank account controlled by DEBBIE FOUST at SunTrust bank (account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes).

8) It was further part of the scheme that, contrary to her representations to the Investors (or their agents), FOUST never intended to use the funds received from the borrowers for a down payment on the Tennessee Property, and, instead, converted and used the funds for other purposes that were unrelated to the purchase of the Tennessee Property.

9) It was further part of the scheme that FOUST either performed no services, or did such activities only to a minimal extent in order to give the appearance of legitimacy and in furtherance of her scheme.

10) It was further part of the scheme that, from September 25, 2007 through November 1, 2007, DEBBIE FOUST converted the funds wired by the Investors to her own

use by writing checks totaling \$170,000 from a SunTrust account to other accounts

controlled by her. Specifically, DEBBIE FOUST wrote and signed the following checks:

Date	Check #	Amount	Payee
9/25/2007	1505	\$90,000	Century 21 Music City General
9/26/2007	1509	\$35,000	Century 21 Music City General Account
9/28/2007	1510	\$5,000	Century 21 Music City General Account
10/9/2007	1511	\$5,000	Century 21 Music City General Account
10/19/2007	1513	\$10,000	Century 21 Music City General Account
10/22/2007	1515	\$5,000	Century 21 Music City General Account
10/26/2007	1516	\$5,000	Century 21 Music City General Account
10/31/2007	1519	\$10,000	Century 21 Music City
11/1/2007	1522	\$5,000	Century 21 Music City

11) It was further part of the scheme that each of the above-referenced checks were deposited into a SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes, and none of the funds wired from investors were used for a down payment on the Tennessee Property.

12) It was further part of the scheme that, on September 27, 2007, DEBBIE FOUST wrote Check #11195 for \$10,000 from a SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes to herself, and subsequently deposited that check into another SunTrust account under her control.

13) It was further part of the scheme that, on September 26, 2007, DEBBIE FOUST wrote check 11191 for \$81,577.21 from a SunTrust account styled Vision Properties,

Inc. d/b/a Century 21 Haworth Homes, payable to Century 21 Real Estate, LLC, and subsequently deposited the check into a Bank of America account under her control.

14) It was further part of the scheme that, on October 31, 2007, DEBBIE FOUST wrote check #1520 for \$2,000 from a SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes, payable to cash.

15) In furtherance of the scheme, FOUST, in or around November 2007, provided a \$50,000 earnest money check to agents of the seller of the Tennessee Property that was later returned for insufficient funds.

16) In furtherance of the scheme, FOUST failed to appear at the closing for the sale of the Tennessee Property on May 7, 2008, and failed to return the \$200,000 down payment to the Investors.

III. The Wire Communications

17) On or about the dates set forth below with respect to each count, in the Middle District of Tennessee and elsewhere, **DEBBIE FOUST**, for the purpose of executing the scheme, and attempting to do so, did knowingly cause to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and pictures, namely, the following, each instance being a separate count of this Indictment:

Count	Date of Wire	Description of Interstate Wire
1	On or about September 25, 2007	\$30,000 wire sent interstate from New York to Tennessee.
2	On or about September 25, 2007	\$110,000 wire sent interstate from New York to Tennessee.
3	On or about September 25, 2007	\$60,000 wire sent interstate from New York to Tennessee.

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

COUNTS FOUR THROUGH SIX

THE GRAND JURY FURTHER CHARGES:

- 1) Paragraphs 1 through 16 of Counts One through Three are hereby incorporated and realleged as if fully set forth herein.

- 2) On or about the dates set forth below with respect to each count, in the Middle District of Tennessee and elsewhere, **DEBBIE FOUST** did knowingly engage and attempt to engage in the following monetary transactions in criminally derived property of a value greater than \$10,000; affecting interstate commerce and by, through, and to a financial institution, namely, the transfer and deposit of funds by the means set forth below, such property having been derived from a specified unlawful activity, namely, wire fraud, in violation of Title 18, United States Code, Section 1343, as follows:

Count	Date	Monetary Transaction
4	On or about September 25, 2007	Deposit of check # 1505 in the amount of \$90,000 from SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes to SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes
5	On or about September 27, 2007	Deposit of check # 1509 in the amount of \$35,000 from SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes to SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes
6	On or about September 28, 2007	Deposit of check # 11191 in the amount of \$81,577.21 from SunTrust account styled Vision Properties, Inc. d/b/a Century 21 Haworth Homes to Bank of America account.

In violation of Title 18, United States Code, Section 1957.

FORFEITURE ALLEGATIONS

THE GRAND JURY FURTHER CHARGES:

- 1) The allegations contained in this Indictment are re-alleged and incorporated by reference as if fully set forth in support of this forfeiture.
- 2) Upon conviction of Counts One through Three, **DEBBIE FOUST** shall forfeit to the United States of America:
 - A. pursuant to Title 18, United States Code, Section 981(a)(1)(C) and 28 United States Code, Section 2461, any property which constitutes or is derived from proceeds traceable to a violation of 18, United States Code, Section 1343.

3) Upon conviction of Counts Four through Six, **DEBBIE FOUST** shall forfeit to the United States of America:

A. pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in the violation, including proceeds of the violation.

4) If any of the property described above, as a result of any act or omission

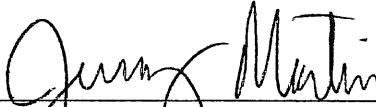
DEBBIE FOUST:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- 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 that cannot be divided without difficulty,

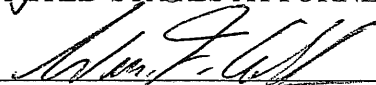
the United States shall be entitled to forfeiture of substitute property, and it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of **DEBBIE FOUST** up to the value of said property listed above as subject to forfeiture.

A TRUE BILL


FOREPERSON



JERRY E MARTIN
UNITED STATES ATTORNEY



WILLIAM F. ABELY
ASSISTANT UNITED STATES ATTORNEY

Petty Offense ()
 Misdemeanor ()
 Felony (X)
 Juvenile ()

CRIMINAL COVER SHEET
 MIDDLE DISTRICT OF TENNESSEE
 NASHVILLE DIVISION

County of Offense: Davidson

AUSA's NAME: William Abely

Debbie Foust
 Defendant's Name

Interpreter Needed? ___ Yes ___ X No

Defendant's Address _____

If Yes, what language?

COUNT(s)	TITLE/SECTION	OFFENSE CHARGED	MAX. PRISON	MAX. FINE
1	18 U.S.C. § 1343	Wire fraud	20 years	\$250,000
2	18 U.S.C. § 1343	Wire fraud	20 years	\$250,000
3	18 U.S.C. § 1343	Wire fraud	20 years	\$250,000
4	18 U.S.C. § 1957	Money laundering	10 years	\$250,000
5	18 U.S.C. § 1957	Money laundering	10 years	\$250,000
6	18 U.S.C. § 1957	Money laundering	10 years	\$250,000

If the defendant is charged with violating 18 U.S.C. sec. 922(g) and has 3 prior qualifying felonies, then the penalties are as follows: imprisonment not less than 15 years nor more than life; fine not more than \$250,000; supervised release not more than 5 years; 18:924(e)(1)

If the defendant is charged with conspiracy but not with the primary offense, list the primary offense below:

TITLE/SECTION	OFFENSE	MAX. PRISON	MAX. FINE

Is the defendant currently in custody? () Yes (X) No If Yes, State or Federal? _____

Has a complaint been filed? () Yes (X) No
 If Yes: Name of Magistrate Judge _____ Case No.: _____
 Was the defendant arrested on the complaint? () Yes () No

Has a search warrant been issued? () Yes (X) No
 If Yes: Name of Magistrate Judge _____ Case No.: _____

Was bond set by Magistrate/District Judge: () Yes (X) No Amount of bond: _____

Is this a Rule 20? () Yes (X) No To/from what district? _____
 Is this a Rule 40? () Yes (X) No To/from what district? _____

Is this case related to a pending or previously filed case? () Yes (X) No

What is the related case number: _____

Who is the Magistrate Judge: _____ District Judge: _____

Estimated trial time: 3 days

The Clerk will issue a Summons / Warrant (circle one)

Bond Recommendation: _____