



U.S. Department of Justice

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October 10, 2013

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OCT 17 2013

Re: United States v. Bonnie Kreamer  
Criminal No. JKB-12-659

AT BALTIMORE  
CLERK U.S. DISTRICT COURT  
DISTRICT OF MARYLAND  
BY \_\_\_\_\_ DEPUTY

Dear Mr. Ruter:

This letter, together with the Sealed Supplement, confirms the plea agreement which has been offered to the Defendant by the United States Attorney's Office for the District of Maryland ("this Office"). If the Defendant accepts this offer, please have her execute it in the spaces provided below. If this offer has not been accepted by **October 11, 2013**, it will be deemed withdrawn. The terms of the agreement are as follows:

Offense of Conviction

1. The Defendant agrees to plead guilty to Count One of the Third Superseding Indictment currently pending against the Defendant, which charges the Defendant with Conspiracy, in violation of Title 18 U.S.C. § 1349. The Defendant admits that she is, in fact, guilty of this offense and will so advise the Court.

Elements of the Offense

2. The elements of Count One to which the Defendant has agreed to plead guilty, and which the Government would prove if the case went to trial are as follows:

First, Kreamer knowingly and willfully agreed with Nieshia Williams, Rhonda Scott, Demetrius Peete, Gregory Green, or Anthony Cannady, or other persons known and unknown, to commit certain offenses against the United States, namely, to devise a scheme and artifice to defraud financial institutions, lenders, lienholders, title insurance companies, and buyers and sellers of real estate, and to obtain money, by means of materially false and fraudulent pretenses, representations, and promises;

Second, for the purpose of such scheme and artifice to defraud, one of the co-conspirators did knowingly transmit and cause to be transmitted by means of wire communication in interstate commerce, certain writings, signals, pictures, and sounds;

Third, the Defendant knew of the unlawful purpose of the agreement; and

Fourth, the Defendant joined in the agreement willfully, that is, with the intent to further its unlawful purpose.<sup>1</sup>

#### Penalties

3. The maximum sentence provided by statute for the offense to which the Defendant is pleading guilty is as follows: a maximum sentence of thirty years (30) years imprisonment; a \$250,000 fine or the greater of twice the gross gain or loss derived or caused by the offense; and a period of supervised release of up to five (5) years. In addition, the Defendant must pay \$100.00 per count as a special assessment pursuant to 18 U.S.C. § 3013, which will be due and should be paid at or before the time of sentencing. This Court may also order her to make restitution pursuant to 18 U.S.C. §§ 3663, 3663A, and 3664.<sup>2</sup> If a fine or restitution is imposed, it shall be payable immediately, unless, pursuant to 18 U.S.C. § 3572(d), the Court orders otherwise. The Defendant understands that if she serves a term of imprisonment, is released on supervised release, and then violates the conditions of her supervised release, her supervised release could be revoked - even on the last day of the term - and the Defendant could be returned to custody to serve another period of incarceration and a new term of supervised release. The Defendant understands that the Bureau of Prisons has sole discretion in designating the institution at which the Defendant will serve any term of imprisonment imposed.

#### Waiver of Rights

4. The Defendant understands that by entering into this agreement, she surrenders certain rights as outlined below:

a. If the Defendant had persisted in her plea of not guilty, she would have had the right to a speedy jury trial with the close assistance of competent counsel. That trial could be conducted by a judge, without a jury, if the Defendant, this Office, and the Court all agreed.

b. If the Defendant elected a jury trial, the jury would be composed of twelve individuals selected from the community. You and the Defendant would have the

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<sup>1</sup> The Conspiracy must also have a connection to the District of Maryland and must have existed at some point during the time period specified in the indictment.

<sup>2</sup> Pursuant to 18 U.S.C. § 3612, if the Court imposes a fine in excess of \$2,500 that remains unpaid 15 days after it is imposed, the Defendant shall be charged interest on that fine, unless the Court modifies the interest payment in accordance with 18 U.S.C. § 3612(f)(3).

opportunity to strike prospective jurors who demonstrated bias or who were otherwise unqualified, and you would have the opportunity to strike a certain number of jurors peremptorily. All twelve jurors would have to agree unanimously before the Defendant could be found guilty of any count. The jury would be instructed that the Defendant was presumed to be innocent, and that presumption could be overcome only by proof beyond a reasonable doubt.

c. If the Defendant went to trial, the Government would have the burden of proving the Defendant guilty beyond a reasonable doubt. The Defendant would have the right to confront and cross-examine the Government's witnesses. The Defendant would not have to present any defense witnesses or evidence whatsoever. If the Defendant wanted to call witnesses in her defense, however, she would have the subpoena power of the Court to compel the witnesses to attend.

d. The Defendant would have the right to testify in her own defense if she so chose, and she would have the right to refuse to testify. If she chose not to testify, the Court could instruct the jury that they could not draw any adverse inference from her decision not to testify.

e. If the Defendant were found guilty after a trial, she would have the right to appeal the verdict to see if any errors were committed which would require a new trial or dismissal of the charges against her.

f. By pleading guilty, the Defendant will be giving up all of these rights, except the right, under the limited circumstances set forth in the "Waiver of Appeal" paragraph below, to appeal the sentence. By pleading guilty, the Defendant understands that she may have to answer the Court's questions both about the rights she is giving up and about the facts of her case. Any statements the Defendant makes during such a hearing would not be admissible against her during a trial except in a criminal proceeding for perjury or false statement.

g. If the Court accepts the Defendant's plea of guilty, there will be no further trial or proceeding of any kind, and the Court will find her guilty.

h. By pleading guilty, the Defendant will also be giving up certain valuable civil rights and may be subject to deportation or other loss of immigration status. The Defendant recognizes that if she is not a citizen of the United States, pleading guilty may have consequences with respect to his/her immigration status. Under federal law, conviction for a broad range of crimes can lead to adverse immigration consequences, including automatic removal from the United States. Removal and other immigration consequences are the subject of a separate proceeding, however, and the Defendant understands that no one, including his/her attorney or the Court, can predict with certainty the effect of a conviction on immigration status. Defendant nevertheless affirms that she wants to plead guilty regardless of any potential immigration consequences.

Advisory Sentencing Guidelines Apply

5. The Defendant understands that the Court will determine a sentencing guidelines range for this case (henceforth the "advisory guidelines range") pursuant to the Sentencing Reform Act of 1984 at 18 U.S.C. §§ 3551-3742 (excepting 18 U.S.C. §§ 3553(b)(1) and 3742(e)) and 28 U.S.C. §§ 991 through 998. The Defendant further understands that the Court will impose a sentence pursuant to the Sentencing Reform Act, as excised, and must take into account the advisory guidelines range in establishing a reasonable sentence.

Factual and Advisory Guidelines Stipulation

6. This Office and the Defendant understand, agree and stipulate to the Statement of Facts set forth in Attachment A, which would be proved beyond a reasonable doubt, and to the following applicable sentencing guidelines factors:

Guideline Stipulation

a. The parties stipulate and agree that U.S.S.G. §§ 2X1.1(a), 2B1.1(a) apply to the Defendant's offense of Conspiracy to commit wire fraud, resulting in a base offense level of 7. The parties further stipulate and agree that, pursuant to § 2B1.1(b)(1), the base offense level should be increased by 18 levels because the loss was more than \$2,500,000, but less than \$7,000,000. The offense level is further increased by two (2) levels, pursuant to § 2B1.1(b)(2), because the offense involved more than 10 victims, and by two (2) levels, pursuant to § 2B1.1(b)(10), because the offense involved sophisticated means. The offense level is further increased by two (2) levels, pursuant to § 3B1.3, because the offense involved the defendant's abuse of a position of trust, including but not limited to causing Sanford Title to improperly issue title insurance on behalf of Stewart Title and misusing Sanford Title's escrow funds. The parties stipulate and agree that this results in an adjusted offense level of thirty-one (31).

b. This Office does not oppose a two-level reduction in the Defendant's adjusted offense level for Count One, based upon the Defendant's apparent prompt recognition and affirmative acceptance of personal responsibility for her criminal conduct. This Office agrees to make a motion pursuant to U.S.S.G. § 3E1.1(b) for an additional one-level decrease in recognition of the Defendant's timely notification of his intention to plead guilty. This Office may oppose any adjustment for acceptance of responsibility if the Defendant (a) fails to admit each and every item in the factual stipulation; (b) denies involvement in the offense; (c) gives conflicting statements about her involvement in the offense; (d) is untruthful with the Court, this Office, or the United States Probation Office; (e) obstructs or attempts to obstruct justice prior to sentencing; (f) engages in any criminal conduct between the date of this agreement and the date of sentencing; or (g) attempts to withdraw her plea of guilty.

7. The Defendant understands that there is no agreement as to her criminal history or criminal history category, and that her criminal history could alter her offense level if

she is a career offender or if the instant offense was a part of a pattern of criminal conduct from which she derived a substantial portion of her income.

8. This Office and the Defendant agree that with respect to the calculation of the advisory guidelines range, no other offense characteristics, sentencing guidelines factors, potential departures or adjustments set forth in the United States Sentencing Guidelines will be raised or are in dispute.

18 U.S.C. Section 3553(a)

9. This Office and the Defendant agree that both parties reserve the right to argue that this Court should sentence the Defendant to a variant sentence outside of the advisory guidelines range determined by the Court. This Office and the Defendant stipulate and agree that if either party intends to argue, pursuant to 18 U.S.C. Section 3553(a), that the sentence in this case should fall outside of the advisory guidelines range based on any factor, that party will notify opposing counsel at least 14 days in advance of sentencing of the facts or issues the party intends to raise. If the party seeking the non-guideline sentence fails to provide timely notice of the intent to argue for a sentence outside the advisory guidelines range, that party will withdraw the 3553(a) arguments or consent to a continuance of the sentencing date.

Obligations of the United States Attorney's Office

10. At the time of sentencing, the United States will move to dismiss any open counts against the Defendant in the Third Superseding Indictment as well as move to dismiss the Second Superseding Indictment, Superseding Indictment, and the original Indictment. The parties reserve the right to bring to the Court's attention at the time of sentencing, and the Court will be entitled to consider, all relevant information concerning the Defendant's background, character and conduct, including the conduct that is the subject of counts of the Third Superseding Indictment and prior indictments that this Office has agreed to dismiss at sentencing.

Forfeiture

11. The Defendant understands that the Court will, upon acceptance of her guilty plea, enter an order of forfeiture as part of her sentence, and that the order of forfeiture may include assets directly traceable to her offense, substitute assets and/or a money judgment equal to the value of the property derived from, or otherwise involved in, the offense. Specifically, the Court will order the forfeiture of all property constituting, derived from, or traceable to the gross proceeds obtained directly or indirectly as a result of this offense, including but not limited to \$4,800,000. The Defendant agrees to consent to the entry of orders of forfeiture for such property and waives the requirements of Federal Rules of Criminal Procedure 11(b)(1)(J), 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, advice regarding the forfeiture at the change-of-plea hearing, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. The Defendant and the Government agree that it may be necessary for the Court to make a factual determination regarding the amount of the money judgment and/or the forfeiture of certain assets. To the

extent that it is not possible for the Court to make that determination prior to the date of sentencing, the Defendant agrees to waive any right she may have to have the forfeiture determined at that time, and agrees that the Court may make any necessary factual determination in a post-sentencing proceeding, and may amend the order of forfeiture and the judgment to include the forfeited property at that time.

Assisting the Government with Regard to the Forfeiture

12. The Defendant agrees to assist fully in the forfeiture of the foregoing assets. The Defendant agrees to disclose all of her assets and sources of income to the United States, and to take all steps necessary to pass clear title to the forfeited assets to the United States, including but not limited to executing any and all documents necessary to transfer such title, assisting in bringing any assets located outside of the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden or otherwise made unavailable for forfeiture. The Defendant further agrees that she will not assist any third party in asserting a claim to the forfeited assets in an ancillary proceeding and that she will testify truthfully in any such proceeding.

Waiver of Further Review of Forfeiture

13. The Defendant further agrees to waive all constitutional, legal and equitable challenges (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture constitutes an excessive fine or punishment. The Defendant also agrees not to challenge or seek review of any civil or administrative forfeiture of any property subject to forfeiture under this agreement, and will not assist any third party with regard to such challenges or review or with regard to the filing of a petition for remission of forfeiture.

Restitution

14. The Defendant agrees to the entry of a Restitution Order for the full amount of the victims' losses, which the parties stipulate is at least \$2,400,000. The Defendant agrees that, pursuant to 18 U.S.C. §§ 3663 and 3663A and §§ 3563(b)(2) and 3583(d), the Court may order restitution of the full amount of the actual, total loss caused by the offense conduct set forth in the factual stipulation. The Defendant further agrees that she will fully disclose to the probation officer and to the Court, subject to the penalty of perjury, all information, including but not limited to copies of all relevant bank and financial records, regarding the current location and prior disposition of all funds obtained as a result of the criminal conduct set forth in the factual stipulation. The Defendant further agrees to take all reasonable steps to retrieve or repatriate any such funds and to make them available for restitution. If the Defendant does not fulfill this provision, it will be considered a material breach of this plea agreement, and this Office may seek to be relieved of its obligations under this agreement.

Collection of Financial Obligations

15. The Defendant expressly authorizes the U.S. Attorney's Office to obtain a credit report in order to evaluate the Defendant's ability to satisfy any financial obligation imposed by the Court. In order to facilitate the collection of financial obligations to be imposed in connection with this prosecution, the Defendant agrees to disclose fully all assets in which the Defendant has any interest or over which the Defendant exercises control, directly or indirectly, including those held by a spouse, nominee or other third party. The Defendant will promptly submit a completed financial statement to the United States Attorney's Office, in a form this Office prescribes and as it directs. The Defendant promises that the financial statement and disclosures will be complete, accurate and truthful, and understands that any willful falsehood on the financial statement will be a separate crime and may be punished under 18 U.S.C. § 1001 by an additional five years' incarceration and fine.

Waiver of Appeal

16. In exchange for the concessions made by this Office and the Defendant in this plea agreement, this Office and the Defendant waive their rights to appeal as follows:

a. The Defendant knowingly waives all right, pursuant to 28 U.S.C. § 1291, or otherwise, to appeal the Defendant's conviction;

b. The Defendant and this Office knowingly waive all right, pursuant to 18 U.S.C. § 3742 or otherwise, to appeal whatever sentence is imposed (including the right to appeal any issues that relate to the establishment of the advisory guidelines range, the determination of the Defendant's criminal history, the weighing of the sentencing factors, and the decision whether to impose and the calculation of any term of imprisonment, fine, order of forfeiture, order of restitution, and term or condition of supervised release), except as follows: (i) the Defendant reserves the right to appeal any term of imprisonment to the extent that it exceeds 97 months imprisonment; (ii) and this Office reserves the right to appeal any term of imprisonment to the extent that it is below 78 months imprisonment.

c. Nothing in this agreement shall be construed to prevent the Defendant or this Office from invoking the provisions of Federal Rule of Criminal Procedure 35(a), or from appealing from any decision thereunder, should a sentence be imposed that resulted from arithmetical, technical, or other clear error.

d. The Defendant waives any and all rights under the Freedom of Information Act relating to the investigation and prosecution of the above-captioned matter and agrees not to file any request for documents from this Office or any investigating agency.

Obstruction or Other Violations of Law

17. The Defendant agrees that she will not commit any offense in violation of federal, state or local law between the date of this agreement and her sentencing in this case. In the event that the Defendant (i) engages in conduct after the date of this agreement which would justify a finding of obstruction of justice under U.S.S.G. § 3C1.1, or (ii) fails to accept personal responsibility for her conduct by failing to acknowledge her guilt to the probation officer who prepares the Presentence Report, or (iii) commits any offense in violation of federal, state or local law, then this Office will be relieved of its obligations to the Defendant as reflected in this agreement. Specifically, this Office will be free to argue sentencing guidelines factors other than those stipulated in this agreement, and it will also be free to make sentencing recommendations other than those set out in this agreement. As with any alleged breach of this agreement, this Office will bear the burden of convincing the Court of the Defendant's obstructive or unlawful behavior and/or failure to acknowledge personal responsibility by a preponderance of the evidence. The Defendant acknowledges that she may not withdraw her guilty plea because this Office is relieved of its obligations under the agreement pursuant to this paragraph.

Court Not a Party

18. The Defendant expressly understands that the Court is not a party to this agreement. In the federal system, the sentence to be imposed is within the sole discretion of the Court. In particular, the Defendant understands that neither the United States Probation Office nor the Court is bound by the stipulation set forth above, and that the Court will, with the aid of the Presentence Report, determine the facts relevant to sentencing. The Defendant understands that the Court cannot rely exclusively upon the stipulation in ascertaining the factors relevant to the determination of sentence. Rather, in determining the factual basis for the sentence, the Court will consider the stipulation, together with the results of the presentence investigation, and any other relevant information. The Defendant understands that the Court is under no obligation to accept this Office's recommendations, and the Court has the power to impose a sentence up to and including the statutory maximum stated above. The Defendant understands that if the Court ascertains factors different from those contained in the stipulation set forth above, or if the Court should impose any sentence up to the maximum established by statute, the Defendant cannot, for that reason alone, withdraw her guilty plea, and will remain bound to fulfill all of her obligations under this agreement. The Defendant understands that neither the prosecutor, her counsel, nor the Court can make a binding prediction, promise, or representation as to what guidelines range or sentence the Defendant will receive. The Defendant agrees that no one has made such a binding prediction or promise.


Entire Agreement

19. This letter supersedes any prior understandings, promises, or conditions between this Office and the Defendant and, together with the Sealed Addendum, constitutes the complete plea agreement in this case. The Defendant acknowledges that there are no other agreements, promises, undertakings or understandings between the Defendant and this Office

other than those set forth in this letter and addendum and none will be entered into unless in writing and signed by all parties.

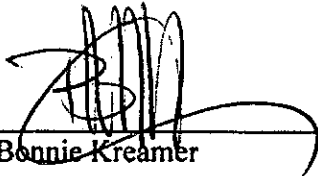
If the Defendant fully accepts each and every term and condition of this letter, please sign and have the Defendant sign the original and return it to me promptly.

Rod J. Rosenstein  
United States Attorney

By:   
Harry M. Gruber  
Judson Mihok  
Assistant United States Attorneys


I have read this agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Specifically, I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I understand this plea agreement, and I voluntarily agree to it. I am completely satisfied with the representation of my attorney.

10-11-13  
Date

  
Bonnie Kreamer

I am Ms. Kreamer's attorney. I have carefully reviewed every part of this agreement with her. To my knowledge, her decision to enter into this agreement is an informed and voluntary one.

10-11-13  
Date

  
Gerald C. Ruter, Esquire

## **KREAMER FACTUAL STIPULATION**

### **Background & Overview**

Defendant Bonnie Kreamer (hereinafter "Kreamer" or "Defendant") began working in the title company industry in 1984, soon after she finished high school. Her employment included work with the Law Offices of Marvin Schneider, Dunn Title, and Troese Title. In 1996, the State of Maryland issued Kreamer a license to act as a title insurance producer. To obtain this license, Kreamer was required to get training regarding the duties and obligations of a title insurance producer, as well as training in real estate transactions and how they must occur in the State of Maryland.

In 1999, while working for the Law Offices of Melvin Schneider, the Defendant fraudulently endorsed checks, which were made payable to Mr. Schneider and contained proceeds from real estate closings. In 2002, following Kreamer's conviction for Theft in connection with checks payable to Mr. Schneider, the Maryland Insurance Administration ("MIA") revoked Kreamer's license to produce insurance. As a result, after 2002, Kreamer could not issue title insurance, have access to escrow funds in real estate transactions, act as a settlement officer, or even work for a title company without a written waiver from MIA.

Nevertheless, from in or about 2007 until in or about January 2010, Kreamer worked at Sanford Title, Inc. ("Sanford Title"). The owner of Sanford Title was S. Bruce Jaffe, but Kreamer had significant day-to-day responsibility for the operation of Sanford Title. Kreamer considered herself the "boss" of Sanford Title. Kreamer prepared HUD-1 Settlement Statements and even sat in on closings, but she did not have a license and knew she was not supposed to handle closings. Kreamer knew Nieshia Williams ("Williams"), and Williams introduced Kreamer to Rhonda Scott ("Scott").

Beginning in 2008, and continuing until 2010, Kreamer knowingly and willfully agreed with Williams, Scott, Demetrius Peete ("Peete"), Gregory Green ("Green"), Anthony Cannady, and others, to commit certain offenses against the United States, namely, to devise a scheme and artifice to defraud financial institutions, lenders, lienholders, title insurance companies, and buyers and sellers of real estate, and to obtain in excess of \$4,800,000, by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme and artifice to defraud did knowingly transmit and cause to be transmitted by means of wire communication in interstate commerce, certain writings, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343.

In or about August 2007, Kreamer registered a company called BKM Processing and Consulting LLC ("BKM") with the State of Maryland. In furtherance of the conspiracy to commit wire fraud, Kreamer also established a bank account for BKM at Branch Banking and Trust ("BB&T") with an account number ending in 2827 ("BB&T 2827"). Kreamer created and

used BB&T 2827 to hide her receipt of proceeds from fraudulent real estate transactions. Kreamer failed to file any income tax returns with the Internal Revenue Service (IRS) for the tax years 2008 and 2009.

Kreamer and the United States hereby stipulate that the conspiracy and wire fraud scheme to which the Defendant is pleading guilty had at least 30 victims. Kreamer further stipulates that because she operated Sanford Title on a day-to-day basis, caused distributions out of the escrow account, carried out lenders' wiring and disbursement instructions, and caused Sanford Title to issue title insurance on behalf of Stewart Title, she owed a fiduciary duty to the participants in the real estate transactions handled by Sanford Title, and to the title insurance company (Stewart Title), and that her illegal conduct violated those fiduciary responsibilities. The reasonably foreseeable loss associated with the Defendant's offenses at Sanford Title is at least \$4,800,000.

Kreamer agrees that as part of her illegal conduct, she personally facilitated deals between her co-conspirators, prepared false and fraudulent HUD-1 Settlement Statements, improperly disbursed funds contrary to the HUD-1 and lender approved disbursements sheets, failed to pay off mortgage loans in accordance with the HUD-1, directed funds to entities created by herself and her co-conspirators, received proceeds of fraudulent transactions, and improperly caused the issuance of title insurance policies on behalf of Stewart Title.

As part of her offense, Kreamer agrees that the co-conspirators used multiple fraudulent techniques, including but not limited to:

- a) fraudulent short sales in which the property would be sold for a higher price than the seller and/or the seller's lien holder were aware of;
- b) sales of properties not owned by the seller, including sales of properties her co-conspirators purported to own, but did not own, at the time of settlement;
- c) real estate transactions in which the buyer's financial status was misrepresented by members of the conspiracy to the bank, mortgage companies, and other lenders;
- d) real estate transactions in which the members of the conspiracy knew there were multiple sales of the same property at the same time;
- e) sales of properties in which the seller and/or buyer were defrauded because they were shown different HUD-1s and the co-conspirators used the difference between the figures in the two HUD-1s to personally enrich themselves;

- f) real estate transactions in which, contrary to the HUD-1, Sanford Title did not disburse money that should have been paid to lien holders, the State of Maryland, and others, and instead diverted a portion of those funds to co-conspirators; and
- g) real estate transactions in which Kreamer and Sanford Title issued title insurance even after Sanford Title was notified that the title insurance company had revoked Sanford Title's authority to issue title insurance.

The parties stipulate and agree that these sophisticated fraudulent techniques furthered the conspiracy and wire fraud scheme offenses committed by Kreamer and her co-conspirators.

A Representative Sample Of Fraudulent Transactions

A. 1054 Vine Street, Baltimore, Maryland

In or about October 2007, Williams purchased the Vine Street property for approximately \$250,000. In April 2008, Williams wanted to sell the property. Williams made arrangements for Gregory Green to purchase Vine Street from Williams. Kreamer participated in the transaction on behalf of Sanford Title and knew about various fraudulent aspects of the deal.

More specifically, Kreamer knew that Williams and Green had agreed that Green would apply for a loan to purchase Vine Street, using his credit and falsely claiming that he would live in the residence in return for Williams agreeing to make Green's down payment, Green's monthly mortgage payments, and provide a lump sum to Green for participating in the transaction. Kreamer was also aware of false information that Williams and Green put in the Uniform Residential Loan Application submitted to Wells Fargo, including false statements regarding Green having sold his prior residence, his intent to live in the property, and the amount of cash Green was providing in connection with the transaction.

To facilitate this transaction, Kreamer caused Sanford Title to send the seller's proceeds from the transaction to Williams in advance of settlement so Williams could in turn use the proceeds from Green's loan to cover Green's down payment on the house purchase. Kreamer knew this was improper and that the lender would not have loaned the money for the transaction if it knew this was happening. Kreamer also knew that Williams created false and fraudulent documents in support of Green's loan application and that there was a renter in the property, so Green did not intend to live in the property.

In furtherance of the conspiracy and wire fraud scheme set forth in Count 1 of the Third Superseding Indictment, Kreamer stipulates as follows: (i) Kreamer caused a wire transfer on June 23, 2008, in the amount of \$141,475 from Susquehanna 3426 to Citi 9618, resulting in an interstate wire communication from Lititz, PA to New York, NY; (ii) on June 23, 2008, Green received a \$47,000 wire from Williams' Citi 9618 to his SunTrust 5699, which resulted in an

interstate wire communication from New York, NY to Atlanta, GA; (iii) on June 23, 2008, Green caused a wire transfer in the amount of \$46,692 from SunTrust 5699 to Susquehanna 3426, resulting in an interstate wire communication from New York, NY to Atlanta, GA; (iv) on June 25, 2008, Williams caused a wire transfer in the amount of \$7,200 from Citi 9618 to Green's SunTrust 5699, resulting in an interstate wire communication from New York, NY to Atlanta, GA; (v) on August 6, 2008, Green deposited \$2,750 into SunTrust 5699 (Check No. 228; drawn on Citi 8702), resulting in an interstate wire communication from Baltimore, Maryland to Atlanta, Georgia; and (vi) on September 10, 2008, Green deposited \$2,750 into SunTrust 5699 (Check No. 805; drawn on SunTrust 4348), resulting in an interstate wire communication from Baltimore, MD to Atlanta, GA.

**B. 2770 The Alameda, Baltimore, Maryland**

In the Spring of 2009, Peete agreed to assist a person with the initials AM in trying to sell his property for less than the amount of money AM owed to his lender, JP Morgan Chase. In May 2009, Peete sent multiple faxes to JP Morgan Chase that sought a release of JP Morgan Chase's lien on the property based on a sales price of \$30,000, when Kreamer, Peete, and Scott all knew that the property was being sold later that day to a buyer with the initials JJ for \$125,000 and JP Morgan Chase would not have approved the short sale if it knew about the sale at \$125,000. Kreamer and Peete both knowingly caused false and fraudulent representations to be made to AM about this sale, resulting in AM thinking he lost the property in a tax auction.

In June 2009, Kreamer caused Sanford Title to send Franklin American Mortgage Corporation (Franklin American), from which JJ was seeking a loan to purchase the property, a HUD-1 that falsely showed AM selling the property to JJ for \$125,000 when Kreamer knew AM did not know about this sale and (ii) JP Morgan Chase would receive \$70,000 in proceeds from this sale when Kreamer knew that Sanford Title would not disburse \$70,000 to JP Morgan Chase because it had approved a short sale in which it only expected to be paid approximately \$25,444. On June 12, 2009, in furtherance of the conspiracy, Kreamer caused a \$73,753 wire to be sent from Sanford Title (Susquehanna 4896) to Scott's AJ&A account (Wachovia 4780), resulting in an interstate wire communication from Lititz, PA to Winston-Salem, NC. This disbursement was fraudulently omitted from both of the HUD-1s sent to JP Morgan Chase and Franklin American. In June 2009, Kreamer caused Sanford Title to issue title insurance regarding this transaction even though Kreamer knew multiple aspects of the transaction were fraudulent.

**C. 1813 N. Payson Street, Baltimore, Maryland**

In the Spring of 2009, the members of the conspiracy arranged for a fraudulent real estate transaction relating to 1813 Payson Street in Baltimore City. The co-conspirators identified a buyer with the initials FG, who was willing to buy the property at a high price and a seller, FO, who was willing to sell the property at a low price, in a purported short sale.

In or about April 2009, while purporting to act on FO's behalf, Peete contacted Wells Fargo, requesting that Wells Fargo approve a short sale of the property based on false and fraudulent documents, including a HUD-1 showing a sales price of \$56,000, when FG had agreed to purchase the property for \$125,000. Based on the purported sale price of \$56,000 in the short sale documentation, FO and Wells Fargo believed this was a short sale in which the property proceeds would not cover the outstanding loan. In reality, FG was purchasing the property for \$125,000, and the co-conspirators' misrepresentations regarding the short sale defrauded FO and Wells Fargo.

Kreamer, Peete, Williams, and Scott all knew that this transaction involved a double price, where Wells Fargo and FO believed the sales price was \$56,000, and Just Mortgage and FG thought the sales price for the property was \$125,000.

In or about May 2009, Kreamer and Williams caused documents, including a materially false and fraudulent loan application and HUD-1, to be sent to Just Mortgage so it would loan FG money to buy the property. Just Mortgage relied on these material misrepresentations in loaning FG approximately \$100,000 to buy the property.

On May 14, 2009, Sanford Title handled the closing for 1813 N. Payson Street, Baltimore, MD 21217. FO and FG were shown different HUD-1 Settlement Statements. Kreamer and Sanford Title only sent the HUD-1 showing a \$125,000 sale price to Just Mortgage. The HUD-1 sent to Just Mortgage stated that Wells Fargo (the lien holder) should receive \$49,405 as part of the settlement transaction, but the HUD-1 sent to Wells Fargo showed a sale price of \$56,000, and stated that the proceeds from the closing would not cover FO's existing debts to Wells Fargo.

Kreamer and her co-conspirators were motivated to engage in this fraudulent deal so they could personally receive money from the transaction. In furtherance of her offense, Kreamer caused Sanford Title to send \$26,000 to a bank account associated with Rhonda Scott and \$7,300 to a bank account associated with Nieshia Williams. Demetrius Peete then received approximately \$6,975 from Scott and Kreamer received approximately \$3,300 from Williams. These distributions to the co-conspirators were illegal and contrary to the HUD-1s provided to the seller (FO), lien holder (Wells Fargo), buyer (FG), and new lender (Just Mortgage). Kreamer agrees that (i) the deposit of the \$7,300 resulted in an interstate wire communication from Baltimore, MD to Atlanta, GA; (ii) the \$26,000 wire transfer resulted in an interstate wire communication from Lititz, PA to Winston-Salem, NC; (iii) the \$6,975 wire transfer resulted in an interstate wire communication from Winston-Salem, NC to East Rutherford, NJ; and (iv) the \$3,300 wire transfer resulted in an interstate wire communication from Atlanta, GA to Wilson, NC.

Kreamer caused Sanford Title to issue title insurance regarding this transaction even though she knew the transaction had fraudulent aspects. Kreamer and Sanford Title then failed to send Wells Fargo money from this real estate transaction. The deed transferring the Payson Street property to FG was not recorded until May 3, 2010, almost a year after the purported settlement by Sanford Title, and it was only recorded at that time pursuant to a title insurance claim.

D. 2918 Hewitt Avenue, Unit 2, Silver Spring, Maryland 20906

In or about July 2009, Kreamer and her co-conspirators engaged in a fraudulent real estate transaction involving 2918 Hewitt Avenue, Unit 2, Silver Spring, Maryland 20906. Prior to the transaction, an individual with the initials SW owned the property and Wells Fargo had a lien against the property, stemming from the loan given to SW when she bought the property. Kreamer, Scott, Peete, and the co-conspirators caused a false and fraudulent HUD-1 to be sent to Wells Fargo, making it appear to Wells Fargo as if SW was selling the property to Scott for \$186,455. Wells Fargo relied upon the false information about the purchase price in approving the short sale. Wells Fargo needed to approve the transaction because the alleged sale price of \$186,455 would be insufficient to pay off the existing lien.

In reality, Kreamer, Scott and the co-conspirators arranged for SW to sell the property to an individual with the initials KDB for \$280,000. SW was not aware that Kreamer, Scott and her co-conspirators were presenting false information to Wells Fargo and attempting to take the difference between the true price and the reduced short sale price that Wells Fargo approved. In this way, the co-conspirators defrauded SW and Wells Fargo.

On July 27, 2009, Franklin American, which loaned KDB money to purchase the property, wired approximately \$273,784 to Sanford Title. On August 13, 2009, Kreamer and Sanford Title improperly distributed proceeds from the transaction, sending a check for approximately \$91,057 from Sanford Title's escrow account to a bank account associated with Rhonda Scott. On August 14, 2009, Scott directed a wire transfer of \$30,000 to a bank account associated with Demetrius Peete, which caused an interstate wire communication from Winston-Salem, NC to East Rutherford, NJ.


Kreamer agrees that Wells Fargo suffered a loss of more than \$105,000 as a result of this fraudulent short sale/double sale. Moreover, KDB did not obtain valid title to the property and Franklin American did not obtain a valid lien on the property.

**E. Additional Transactions That Kreamer Admits Were Fraudulent**

Kreamer admits that she knowingly and willfully participated in the following fraudulent real estate transactions: 2405 Metzertott Road, Hyattsville, Maryland and 4853 Brookstone Terrace, Unit 29, Bowie, Maryland. Each of these transactions involved the co-conspirators creating false and fraudulent HUD-1 Settlement Statements, illegal disbursements from Sanford Title to Kreamer's co-conspirators, interstate wire communications in furtherance of the wire fraud conspiracy; Kreamer causing the improper issuance of title insurance, the untimely recording of deeds, and Kreamer receiving illegal kickbacks from the fraudulent transactions.

I have reviewed the Factual and Advisory Guidelines Stipulation with my attorney, and I do not wish to change any part of it. I understand it, and I voluntarily agree to it. I am completely satisfied with the representation of my attorney.

10-11-13  
Date

  
\_\_\_\_\_  
Bonnie Kreamer