

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

APR 24 PM 5:01
CLERK OF COURT
COURT REPORTER

UNITED STATES OF AMERICA

v.

CASE NO. 6:13-cr- **99-ORL-18KRS**
18 U.S.C. § 371
18 U.S.C. § 1014
18 U.S.C. § 1344
18 U.S.C. § 982(a)(2)(A) - Forfeiture

JAMES FIDEL SOTOLONGO
CHRISTOPHER MENCIS
STEPHANIE MUSSELWHITE
RAMARA GARRETT

INDICTMENT

The Grand Jury charges:

COUNT ONE
(Conspiracy)

A. Introduction

At all times material to this Information:

1. A HUD-1 Settlement Statement is a United States Department of Housing and Urban Development form which is universally used in closings of residential properties in the United States. A HUD-1 is used to identify and allocate the various expenses associated with the sale of residential real estate between the buyer and the seller of the property. A HUD-1 also reports the amount of cash to be paid to the seller as net proceeds.

2. A Uniform Residential Loan Application, commonly referred to as a mortgage loan application or a Form 1003, is a universally used mortgage application developed by federal government agencies, and is utilized by lending

institutions in the mortgage loan approval process. The Form 1003 requires the buyer/borrower to submit his/her financial history, including employment information, monthly income, assets and liabilities, and the specific details of the residential real estate transaction.

3. Mortgage companies facilitate the mortgage loan process by assembling information and documentation used by lending institutions in connection with lending institutions' loan approval process for residential real estate loans. Mortgage companies are tasked with ensuring that the information set forth on Forms 1003 is true, correct and free of any misrepresentation, procuring property appraisals, securing verification of employment letters, and if necessary, securing escrow letters reflecting that the buyer/borrower has deposited the necessary funds into an escrow account to close the real estate sale transaction.

4. Purchase and Sale Agreements are written contracts used in the sale of real estate and set forth the terms of the real estate transaction, including identifying the property to be sold, the seller of the property, the buyer of the property, the purchase price, and other conditions of the sale.

5. The term "closing" or "settlement" is used in the real estate industry to refer to the legal transfer of real estate from seller to buyer.

6. The term "lender" is used in this Indictment to refer to institutions that extended mortgage loans to fund the purchases of properties involved in the defendant's fraudulent real estate scheme.

7. The Federal Deposit Insurance Corporation ("FDIC") was an agency of the United States which insured member financial institutions against loss with the purpose of preventing catastrophic collapse of the financial institutions insured.

8. Washington Mutual Bank, FA, Wells Fargo Bank, NA, JP Morgan Chase Bank, and Bank of America were financial institutions whose accounts were insured by the Federal Deposit Insurance Corporation ("FDIC") (hereinafter collectively referred to as "federally insured banks"). Part of the business of these federally insured banks was to make loans to individual borrowers, which loans were secured through an interest in residential real estate, commonly known as a mortgage. The federally insured banks also refinanced existing loans, made supplemental home-equity loans secured through mortgages on residential real estate, and purchased existing home loans from financial institutions.

9. In order to decide whether to make such a loan to a residential purchaser/borrower, or in what amount, or with what terms, these federally insured banks and private mortgage lenders generally required that:

(a) the true purchaser/borrower be disclosed, as well as any familial relationships between and among the parties to the transactions;

(b) the purchaser/borrower provide information to establish the actual purchase/sale price of the property to be mortgaged;

(c) the purchaser/borrower state the intended use of the mortgaged property, that is, its use as a (i) primary residence, (ii) secondary residence, or (iii) investment property;

(d) the purchaser/borrower provide employment and financial information to establish credit worthiness and an ability to repay the loan, usually on a standardized Form 1003";

(e) the purchaser/borrower contribute equity (also referred to as a down-payment) towards the purchase price of the property and to identify the source of the equity funds; and

(f) the loan proceeds be distributed appropriately and in accordance with the terms and conditions of the loan, the lender's closing instructions, and as represented on the settlement statement, usually on a standardized HUD-1.

10. Wire transfers of funds borrowed from federally insured financial institutions that were used to purchase real estate and fund second mortgages on real estate were routed through the Federal Reserve Banking System and cleared through Federal Reserve operations center in East Rutherford, New Jersey.

11. Defendant, JAMES FIDEL SOTOLONGO, controlled a shell company called "American Signature Homes, Inc." that he used to receive funds from real estate closings conducted in the Middle District of Florida.

12. Defendant, CHRISTOPHER MENCIS, was a licensed mortgage broker and did business under the name "Real Estate Mortgage Professionals" or "REMP." A mortgage broker is knowledgeable about the mortgage lending

business, and is generally aware of borrower eligibility requirements and mortgage-related loan documents. For a fee, a mortgage broker facilitates the mortgage lending business by (a) assisting the purchaser/borrower with the completion of the loan application and related documents, and (b) locating the most suitable and appropriate FDIC-insured bank or mortgage lender to which to submit the purchaser/borrower's loan application.

13. The loan issued by the FDIC-insured bank or mortgage lender and the sale of the property were consummated at a settlement conference, commonly known as a "closing," and usually presided over by a title agent or settlement officer employed by, or in a contractual relationship with, a title insurance company. The FDIC-insured bank or mortgage lender would send the loan proceeds to the title agent or settlement officer, ordinarily via wire-transfer. At the closing, the purchaser/borrower and seller executed the purchase/sale and loan documents, and reaffirmed the truth of the statements and representations-of-fact contained in those purchase/sale and loan documents. Based on those statements and representations, the FDIC-insured bank or mortgage lender authorized the disbursement of the loan proceeds as directed by, and in accordance with, the terms and conditions set forth in the settlement or closing statements and its closing instructions. The seller or the seller's agent tendered a warranty deed to the purchaser/borrower transferring marketable title to the

property. The FDIC-insured bank or mortgage lender received a mortgage on the property as security.

14. Defendant, STEPHANIE MUSSELWHITE, acted as a title agent and settlement officer, respectively, on behalf of Orlando Title and Abstract of Florida ("OTAF").

15. Defendant, RAMARA GARRETT, was a realtor, the registered agent for Waverly Property Group, LLC, and the manager of Daytona Beach Luxury Rentals, LLC. She also established a shell company called "Omni One Financial" that received funds from real estate closings.

B. The Agreement

16. Between in or around January 2006, and through a date unknown to the United States, in Volusia County, Florida, in the Middle District of Florida, and elsewhere,

**JAMES FIDEL SOTOLONGO
CHRISTOPHER MENCIS
STEPHANIE MUSSELWHITE
RAMARA GARRETT**

the defendants herein, did knowingly and willfully combine, conspire, confederate, and agree with other persons both known and unknown to the Grand Jury to commit the following offense against the United States which affected financial institutions:

- (a) to knowingly make false statements to financial institutions (FDIC-insured banks) for the purpose of influencing the actions of said

financial institutions in connection with mortgage loans, in violation of Title 18, United States Code, Section 1014; and

- (b) to knowingly and willfully devise and intend to devise a scheme and artifice to defraud a federally insured financial institution, and to obtain, by means of materially false and fraudulent pretenses, representations and promises, the moneys, funds, assets and property owned by, and under the custody and control of, a federally insured financial institution, in violation of Title 18, United States Code, Section 1344.

C. Manner and Means of the Conspiracy

17. It was part of the conspiracy that the defendants and others would and did purchase, for investment purposes, residential real estate in Volusia County and elsewhere, which purchase was always accomplished through financing obtained from federally insured banks.

18. It was further part of the conspiracy that the defendants and others would and did employ and utilize false and fraudulent means and methods in order to obtain financing from federally insured banks and private mortgage lenders to purchase said property. For the purpose of obtaining a loan, or a loan of a certain amount, or a loan with certain terms, the defendants and others would and did knowingly make, and cause to be made, false and fraudulent statements, pretenses, representations and promises, and would and did willfully conceal the truth, about the following material matters, among others:

- (a) the true purchaser/borrower in the transaction;
- (b) the relationship between and among the parties to the transaction;
- (c) the actual purchase/sale price of the property;

- (d) the intended use of the property by the purchaser/borrower;
- (e) the employment of the purchaser/borrower;
- (f) the income of the purchaser/borrower;
- (g) the assets of the purchaser/borrower;
- (h) the liabilities of the purchaser/borrower;
- (i) the amount of equity contributed to the purchase of the property by the purchaser/borrower;
- (j) the source of equity contributed to the purchase of the property by the purchaser/borrower; and
- (k) the actual disposition of the loan proceeds disbursed at the settlement/closing.

19. It was further a part of the conspiracy that after having purchased residential estate, members of the conspiracy would and did sometimes apply for and obtain refinancing or home-equity loans or lines of credit ("HELOCs") secured through first or second mortgages from federally insured banks and private mortgage lenders using the same false and fraudulent means and methods described above.

20. It was further a part of the conspiracy that the defendants and others would and did divide up and distribute among themselves the loan proceeds issued by the federally insured banks and private mortgage lenders in accordance with the purposes and objectives of the conspiratorial agreement, and for their personal use and benefit, and from time to time not in accordance

with the purposes represented in the loan applications or the terms and conditions set forth in the Settlement Statements presented to the federally insured banks and private mortgage lenders.

21. It was a further part of the conspiracy that the persons with good credit histories would and were told that the high mortgage payments would be paid with rental income from renters and that substantial improvements would be made to the properties so that the properties could be sold at a substantial profit.

22. It was a further part of the conspiracy that members of the conspiracy would and did fail to find permanent renters for some of the homes and when they did find renters, would not use the rental income to pay the existing mortgages on the homes.

23. It was a further part of the conspiracy that members of the conspiracy would and did fail to make any substantial improvements or additions to the homes that were fraudulently purchased.

24. It was a further part of the conspiracy that most of the closings for the properties would be and were conducted at the same title agent and the loan applications were processed by the same mortgage broker.

25. It was a further part of the conspiracy that members of the conspiracy would and did falsely verify employment and income history with lenders during the verification process.

26. It was further a part of the conspiracy that the defendants and others would and did perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the purposes and objectives of, and the acts done in furtherance of, said conspiracy.

Overt Acts

27. In furtherance of the conspiracy, and to accomplish the goals, purposes and objectives of the conspiracy, the defendants and other conspirators, known and unknown to the Grand Jury, committed and caused to be committed the following Overt Act within the Middle District of Florida, and elsewhere:

28. In 2006, JAMES FIDEL SOTOLONGO took over control of American Signature Homes from J.D. and obtained access to the company's bank account.

29. In 2007, RAMARA GARRETT established Omni One Financial and opened up a bank account in the company's name.

30. In 2005, JAMES FIDEL SOTOLONGO had a conversation with S.M. and agreed to approach S.M.'s elderly grandfather, R.M., and use him as a nominee buyer/purchaser. At the time, R.M.'s monthly income came from Social Security benefits.

31. In 2005, JAMES FIDEL SOTOLONGO and S.M. met with R.M. in Tampa, Florida, and told him they were interested in purchasing a number of

residential properties and would like to use him as the purchaser because he had good credit. They told R.M. that in exchange for acting as their buyer, they would pay off his current mortgage.

32. In late 2006, JAMES FIDEL SOTOLONGO and S.M. agreed that R.M. would be the nominee purchaser/borrower of a residence JAMES FIDEL SOTOLONGO owned at 4249 Atlantic Avenue, Daytona Beach Shores, Florida. JAMES FIDEL SOTOLOGO purchased the home in March 2006 for \$1,900,000 and was going to sell it to R.M. for \$2,350,000.

33. On or about October 9, 2006, JAMES FIDEL SOTOLONGO, and R.M. caused purchaser/borrower R.M. to submit a loan application to Washington Mutual Bank for a first mortgage of \$1,880,000 and a second mortgage of \$234,765, containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 4249 S. Atlantic Avenue, Daytona Beach, Florida, R.M.'s income and assets, R.M.'s employment, that the home would be R.M.'s primary residence, and the source of funds for R.M.'s down payment.

34. On or about October 31, 2006, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Washington Mutual Bank in connection with the two loans issued by Washington Mutual Bank to R.M. for the purchase of 4249 S. Atlantic Avenue, Daytona Beach, Florida.

35. In or about March 2007, JAMES FIDEL SOTOLONGO had a conversation with A.R. and agreed that A.R. would act as JAMES FIDEL SOTOLONGO's nominee purchaser/borrower for 15 Granville Circle, Daytona Beach, Florida.

36. On or about March 21, 2007, JAMES FIDEL SOTOLONGO caused purchaser/borrower A.R. to submit a loan application to Washington Mutual Bank for a first mortgage of \$1,984,000 and a second mortgage of \$247,752, containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 15 Granville Circle, Daytona Beach, Florida, A.R.'s income and assets, A.R.'s employment, and the source of funds for A.R.'s down payment.

37. On or about March 30, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Washington Mutual Bank in connection with the two loans issued by Washington Mutual Bank to A.R. for the purchase of 15 Granville Circle, Daytona Beach, Florida.

38. In or about March 2007, JAMES FIDEL SOTOLONGO had a conversation with A.R. and agreed that A.R. would act as JAMES FIDEL SOTOLONGO's nominee purchaser/borrower for 397 Silverbeach Drive, Daytona Beach, Florida.

39. On or about March 22, 2007, JAMES FIDEL SOTOLONGO, caused

purchaser/borrower A.R. to submit a loan application to Wells Fargo Bank for a first mortgage of \$1,000,000 and a second mortgage of \$161,000, containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 397 Silverbeach, Daytona Beach, Florida, A.R.'s income and assets, A.R.'s employment, and the source of funds for A.R.'s down payment.

40. On or about March 30, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Wells Fargo Bank in connection with the two loans issued by Wells Fargo Bank to A.R. for the purchase of 397 Silverbeach, Daytona Beach, Florida.

41. In April 2007, JAMES FIDEL SOTOLONGO had a conversation with A.R. and agreed that A.R. would act as JAMES FIDEL SOTOLONGO's nominee purchaser/borrower for 1616 N. Atlantic Avenue, Daytona Beach, Florida.

42. On or about April 16, 2007, JAMES FIDEL SOTOLONGO caused purchaser/borrower A.R. to submit a loan application to JP Morgan Chase for a first mortgage of \$1,382,500 and a second mortgage of \$395,000, containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 1616 N. Atlantic Avenue, Daytona Beach, Florida, A.R.'s income and assets, A.R.'s employment, and the source of funds for A.R.'s down

payment.

43. On or about April 20, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to J.P. Morgan Chase in connection with the two loans issued by J.P. Morgan Chase to A.R. for the purchase of 1616 N. Atlantic Avenue, Daytona Beach, Florida.

44. In or about April 2007, JAMES FIDEL SOTOLONGO had a conversation with S.C. and agreed that S.C. would act as JAMES FIDEL SOTOLONGO's nominee purchaser/borrower for 2721 S. Atlantic Avenue, Daytona Beach, Florida.

45. On or about May 16, 2007, JAMES FIDEL SOTOLONGO, CHRISTOPHER MENCIS caused purchaser/borrower S.C. to submit a loan application to Washington Mutual Bank for a first mortgage of \$1,984,000 and a second mortgage of \$247,752, containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 2721 S. Atlantic Avenue, Daytona Beach, Florida, S.C.'s income and assets, S.C.'s employment, and the source of funds for S.C.'s down payment.

46. On or about May 16, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Washington Mutual Bank in connection with the two loans issued by Washington Mutual Bank to S.C. for the purchase of 2721 S.

Atlantic Avenue, Daytona Beach, Florida.

47. In or about July 2007, JAMES FIDEL SOTOLONGO had a conversation with S.C. and agreed that S.C. would act as JAMES FIDEL SOTOLONGO's nominee purchaser/borrower for 1006-1008 17th Avenue, New Smyrna Beach, Florida.

48. In or about July 2007, RAMARA GARRETT convinced the owners of 1006-1008 17th Avenue, New Smyrna Beach, Florida to raise the sales price from \$1,390,000 to \$1,750,000.

49. On or about July 31, 2007, JAMES FIDEL SOTOLONGO caused purchaser/borrower S.C. to submit a loan application to Bank of America for a first mortgage of \$1,280,000 containing a false statement regarding-among other things-the actual purchase/sale price to a lender to obtain 1006-1008 17th Avenue, New Smyrna Beach, Florida, S.C.'s income and assets, S.C.'s employment, and the source of funds for S.C.'s down payment.

50. On or about July 31, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Bank of America in connection with the loan issued by Bank of America to S.C. for the purchase of 1006-1008 17th Avenue, New Smyrna Beach, Florida.

51. In or about July 2007, JAMES FIDEL SOTOLONGO had a conversation with G.G. and agreed that G.G. would act as JAMES FIDEL

SOTOLONGO's nominee purchaser/borrower for 120 Coral Way, Port Orange, Florida.

52. In July 2007, JAMES FIDEL SOTOLONGO caused purchaser/borrower G.G. to submit a loan application to Washington Mutual Bank for a first mortgage of \$980,000 containing a false statement regarding among other things-the actual purchase/sale price to a lender to obtain 120 Coral Way, Port Orange, Florida, G.G.'s income and assets, G.G.'s employment, and the source of funds for G.G.'s down payment.

53. On or about July 10, 2007, in Orlando, Florida, STEPHANIE MUSSELWHITE prepared and signed a false Settlement Statement (HUD-1), which was submitted to Washington Mutual Bank in connection with the loan issued by Washington Mutual Bank to G.G. for the purchase of 120 Coral Way, Port Orange, Florida.

54. From 2007 through 2012, in Daytona Beach, Florida, RAMARA GARRETT, through Waverly Property Group, LLC, and the Manager of Daytona Beach Luxury Rentals, LLC, advertised the rental of 397 Silverbeach, Daytona Beach, Florida, 2721 S. Atlantic Avenue, Daytona Beach, Florida, and other homes JAMES FIDEL SOTOLONGO bought through nominee purchasers.

55. From 2007 through 2012, in Daytona Beach, Florida, RAMARA GARRETT, through Waverly Property Group, LLC, and the Manager of Daytona Beach Luxury Rentals, LLC, received funds for the rental of the properties that

were purchased by the nominees.

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

COUNTS TWO THROUGH TWELVE

A. Introduction

56. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as though fully set forth herein.

B. Criminal Scheme

57. Beginning in or around January 2006 and continuing thereafter up to a date unknown in Volusia, Orange, and Hillsborough Counties in the Middle District of Florida and elsewhere,

**JAMES FIDEL SOTOLONGO
STEPHANIE MUSSELWHITE**

knowingly and willfully devised and intended to devise a scheme and artifice to defraud and to obtain money and property from FDIC-insured banks and mortgage lenders in connection with loans secured by mortgages on residential real property by means of false and fraudulent pretenses, representations and promises relating to material facts.

C. Manner and Means of the Scheme

58. The Grand Jury re-alleges and incorporates by reference Part C of Count One of this Indictment as though fully set forth herein.

D. Execution of the Scheme

59. On or about the dates set forth in the table below, in the Middle District of Florida, and elsewhere, for the purpose of executing the aforesaid scheme and artifice to defraud and attempting to do so,

**JAMES FIDEL SOTOLONGO
STEPHANIE MUSSELWHITE**

the defendant herein, did knowingly cause the financial transactions set forth in the following table:

COUNT	DATE	FINANCIAL TRANSACTION VIA WIRE
Two	10/31/2006	Wire transfer in the amount of \$1,880,000 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 4249 S. Atlantic Avenue.
Three	10/31/2006	Wire transfer in the amount of \$234,765 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 4249 S. Atlantic Avenue.
Four	3/30/2007	Wire transfer in the amount of \$1,984,000 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 15 Granville Circle, Daytona Beach, Florida.
Five	3/30/2007	Wire transfer in the amount of \$247,752 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 15 Granville Circle, Daytona Beach, Florida.

Six	3/30/2007	Wire transfer in the amount of \$1,000,000 from Well Fargo Bank in Iowa to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 397 Silverbeach Drive, Daytona Beach, Florida.
Seven	3/30/2007	Wire transfer in the amount of \$161,000 from Wells Fargo Bank in Iowa to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 397 Silverbeach Drive, Daytona Beach, Florida.
Eight	4/20/2007	Wire transfer in the amount of \$1,382,500,165 from JP Morgan Chase located in New York, New York, to Orlando Title and Abstract account at Seacoast Bank, Orlando, Florida, for the purchase of 1616 N. Atlantic Avenue, Daytona Beach, Florida.
Nine	4/20/2007	Wire transfer in the amount of \$395,000 from JP Morgan Chase located in New York, New York, to Orlando Title and Abstract account at Seacoast Bank, Orlando, Florida, for the purchase of 1616 N. Atlantic Avenue, Daytona Beach, Florida.
Ten	5/16/2007	Wire transfer in the amount of \$1,984,000 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 2721 S. Atlantic Avenue, Daytona Beach, Florida.
Eleven	5/16/2007	Wire transfer in the amount of \$247,752 from Washington Mutual Bank in South Carolina to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 2721 S. Atlantic Avenue, Daytona Beach, Florida.
Twelve	7/13/2007	Wire transfer in the amount of \$1,280,000 from Bank of America in Virginia to Orlando Title and Abstract account as Seacoast Bank, Orlando, Florida, for purchase of 1006-1008 17 th Avenue, New Smyrna Beach, Florida.

All in violation of Title 18, United States Code, Section 1344.

COUNT THIRTEEN

60. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as though fully set forth herein.

61. On or about in April 16, 2007, in the Middle District of Florida,

CHRISTOPHER MENCIS

the defendant herein, for the purpose of influencing the actions of J.P. Morgan Chase Bank, a financial institution whose accounts were then insured by the FDIC, upon an application, commitment and loan, and changes and extensions thereof, in the face amount of \$1,382,500, applied for and received by purchaser/borrower A.R., secured through a mortgage on 1616 N. Atlantic Avenue, Daytona Beach, Florida, did knowingly make and cause to be made false statements, in that the defendants stated and represented, and caused to be stated and represented, that:

- (a) the property would be the primary residence of A.R.
- (b) the monthly income of A.R. was \$48,000;
- (c) A.R. owned liquid assets having a cash or market value of \$652,307; and
- (d) A.R. owned only five properties at the time;

Whereas, in truth and fact as the defendant then and there well knew,

- (a) the property would not be the primary residence of A.R.;
- (b) A.R. had a monthly income substantially less than \$48,000;

(c) A.R. owned liquid assets having a cash or market value substantially less than \$652,307; and

(d) A.R. owned two additional properties, 397 Silverbeach, Daytona Beach, Florida, and 15 Granville Circle, Daytona Beach, Florida, which the defendant had obtained financing for during the previous month.

In violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FOURTEEN

62. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as though fully set forth herein.

63. On or about in July 10, 2007, in the Middle District of Florida,

**JAMES FIDEL SOTOLONGO
RAMARA GARRETT
STEPHANIE MUSSELWHITE**

the defendants herein, for the purpose of influencing the actions of Washington Mutual Bank, a financial institution whose accounts were then insured by the FDIC, upon an application, commitment and loan, and changes and extensions thereof, in the face amount of \$980,000, applied for and received by purchaser/borrower G.G., secured through a mortgage on 120 Coral Way, Port Orange, Florida, did knowingly make and cause to be made false statements, in that the defendants stated and represented, and caused to be stated and represented, that:

- (a) the monthly income of G.G. was \$35,000;
- (b) G.G. owned liquid assets having a cash or market value of \$307,500;

- (c) G.G. paid \$146,325.12 in equity at the settlement/closing;
- (d) there was a "payoff" of \$310,514.00 to American Signature Homes;
- (e) there was a "payoff" of \$99,971.00 to Omni One Financial, Inc.; and
- (f) the loan proceeds were disbursed at the settlement/closing in

accordance with the terms and conditions set forth in the Settlement

Statement(s) and the lender's closing instructions;

Whereas, in truth and fact as the defendant then and there well knew,

- (a) G.G. had a month income substantially less than \$35,000;
- (b) G.G. owned liquid assets having a cash or market value substantially less than \$307,500;
- (c) G.G. did not pay \$146,352.12 in equity at closing;
- (d) there was no "payoff" due to American Signature Homes;
- (e) there was no "payoff" due to Omni One Financial, Inc.; and
- (f) the loan proceeds were not disbursed at the settlement/closing in

accordance with the terms and conditions set forth in the Settlement Statement

and the lender's closing instructions.

In violation of Title 18, United States Code, Sections 1014 and 2.

FORFEITURES

1. The allegations contained in Counts One through Fourteen of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 982(a)(2)(A).

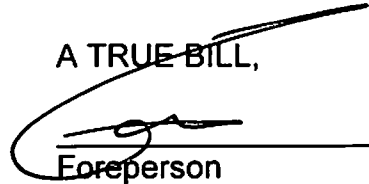
2. The defendants, **JAMES FIDEL SOTOLONGO, CHRISTOPHER MENCIS, STEPHANIE MUSSELWHITE, and RAMARA GARRETT**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982, any and all right, title, and interest they may have in any property constituting, or derived from, proceeds the person obtained directly or indirectly, as a result of such violations of Title 18, United States Code, Sections 371, 1014, and 1344.

3. If any of the property described in above, as a result of any act or omission of the defendants:

- 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 which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

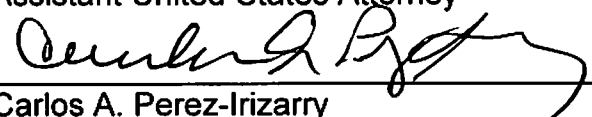
A TRUE BILL,


Foreperson

ROBERT E. O'NEILL
United States Attorney


By: _____

Daniel W. Eckhart
Assistant United States Attorney


By: _____

Carlos A. Perez-Irizarry
Assistant United States Attorney
Chief, Orlando Division

UNITED STATES DISTRICT COURT

Middle District of Florida
Orlando Division

THE UNITED STATES OF AMERICA

vs.

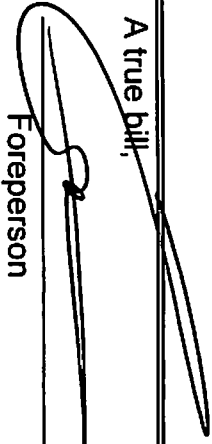
**JAMES SOTOLONGO
RAMARA GARRETT
CHRISTOPHER MENCIS
STEPHANIE MUSSELWHITE**

INDICTMENT

Violations:

18 U.S.C. § 1349

A true bill,


Foreperson

Filed in open court this 24th day

of April, 2013


Clerk

Bail \$