

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

STEPHANIE CORSMEIER
and STACEY LESTER,

Defendants

Criminal No.:

1:06CR--076

INDICTMENT

18 U.S.C. § 2

18 U.S.C. § 1341

18 U.S.C. § 1343

18 U.S.C. § 1344

18 U.S.C. § 1349

18 U.S.C. § 1956(h)

J. SPIEGEL

The Grand Jury Charges that:

COUNT 1

CONSPIRACY (18 U.S.C. § 1349)

A. GENERAL ALLEGATIONS

1. The defendant, **STEPHANIE CORSMEIER**, owned and operated American Security Title, a real estate title company.
2. The defendant, **STACEY LESTER**, was employed by **STEPHANIE CORSMEIER** at American Security Title as a disbursement clerk.
3. American Security Title is a real estate title company doing business in southwest Ohio.
4. Generally, the defendants worked with co-conspirator loan officers to facilitate a mortgage-loan "down payment assistance" scheme. The defendants had knowledge of and facilitated the transactions involved in the scheme to defraud, as outlined below.
5. The victim lenders for these transactions included, among other lenders, Long

U.S. DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION
JUL 7 2006 5:12 PM

2006 JUN -7 PM 5:12

FILED
JAMES E. SPANGLER
CLERK

Beach Mortgage (a wholly owned subsidiary of Washington Mutual Bank), Chase Manhattan Mortgage Corporation (a subsidiary of Chase Manhattan Bank), and First Franklin Financial Corporation (a wholly owned subsidiary of National City Bank). At all times relevant to the crimes charged in the instant Indictment, the deposits of Washington Mutual Bank, Chase Manhattan Bank, and National City Bank were insured by the Federal Deposit Insurance Corporation. Other victims lenders were: The CIT Group/Consumer Fin INC, New Century Mortgage, Aegis Funding Corp., Argent Mortgage, People's Choice Home Loans, Inc., Masters Financial, American Summit Lending Corp., and Delta Funding Corp.

6. The buyers of the various properties are also victims. The buyers believed the representations of the defendants and their co-conspirators that the loans were legitimate, no-money-down, 100% financing loans.

7. The defendants primarily worked with co-conspirators Clarence Harris and Ike Bronson (and their shell companies, LCI Financial and Iman Realty, respectively) to perform their fraudulent real estate closings.

B. SCHEME TO DEFRAUD

Beginning on a date before January 1, 2002, and continuing up to December 31, 2004, within the Southern District of Ohio and elsewhere, defendants **STEPHANIE CORSMEIER** and **STACEY LESTER**, and other persons known and unknown to the Grand Jury, knowingly devised and intended to devise a scheme to obtain moneys, funds, and other property under the custody and control of the lenders outlined above, by means of false and fraudulent pretenses, representations, and promises more fully described below.

1. The defendants conspired with individuals who would recruit home buyers to purchase real estate, financing 100% of the sales price of the real property with no money down;

2. In order to secure financing, the defendants' co-conspirators would prepare for the buyer a Uniform Residential Loan Application, a/k/a a Form 1003, which generally included the following false statements:

- a. That the buyer possessed funds available for the down payment, when in fact the buyer possessed no such funds (as the defendants knew); and
- b. That the buyer intended to use funds from his or her checking or savings account to make the down payment, when in fact the buyer possessed no such account and had no intention of presenting the full down payment (which the defendants knew);

3. Co-conspirators of the defendants would send the loan application and supporting documentation via interstate carrier to the victim lenders;

4. In reliance on the loan applications and supporting documentation referenced in the preceding paragraph, the lenders would wire the appropriate funds to American Security Title;

5. After receiving the wired funds from the lender, and before the time of closing, defendant **STEPHANIE CORSMEIER**, or defendant **STACEY LESTER** acting at the direction of **CORSMEIER**, would issue a check representing a portion of the wired loan funds to certain co-conspirators (through their shell companies, such as, in the case of Ike Bronson, LCI Financial, and in the case of Clarence Harris, Iman Realty), ostensibly for sums due the co-conspirators in connection with the transaction (hereinafter "payoff checks");

6. The co-conspirators would deposit the payoff checks into their account at a financial institution, then immediately withdraw the money in the form of a cashier's check or the like;

7. At the closing, defendant **STEPHANIE CORSMEIER**, or another closing agent acting at the direction of **CORSMEIER**, would receive the down payment from the co-conspirators in the form of a cashier's check or the like, which had been purchased using funds from American Security Title Company (as described above). The defendant **STEPHANIE CORSMEIER** or another closing agent acting at the direction of **CORSMEIER** would then falsify the closing statement, known as a United States Housing and Urban Development Settlement Statement, a/k/a a HUD-1, to reflect that the buyer had provided the down payment at closing ("cash from borrower," i.e., funds required from borrower at closing), when in fact another co-conspirator had provided the down payment;

8. The defendant **STEPHANIE CORSMEIER** then caused the fraudulent HUD-1, which incorrectly indicated that the buyer had provided the down payment, to be sent by American Security Title via interstate carrier to the victim lenders.

9. The defendants' scheme, as outlined above, generally accomplished two ends. First, the scheme enabled buyers who would normally not qualify for certain mortgage loans to in fact qualify for such loans (by making it appear as if these individuals were providing down payments). Second, because the purchased properties were appraised at inflated values, the scheme enabled buyers to obtain mortgage loans representing 100% of the actual purchase price of property. (Because the buyers were not in actuality providing the down payments, the actual purchase price of the properties was the amount of the loans.)

10. The defendants profited from the scheme outlined above insofar as the scheme allowed otherwise unqualified buyers to qualify for loans the closings for which American Security Title Company received substantial fees. In other words, American Security Title Company and the defendants profited from the scheme because they were able to obtain greater

business volume.

C. THE CHARGE

Beginning on or about January 1, 2002, and continuing thereafter up to and including December 31, 2004, in the Southern District of Ohio, and elsewhere, the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, unlawfully, knowingly, and willfully did combine, conspire, confederate, and agree with others known and unknown to the Grand Jury, to commit certain offenses against the United States, that is:

1. The defendants and their co-conspirators devised a scheme and artifice to defraud various lending institutions (as described above in Section B), and obtain money, funds, and property by false and fraudulent pretenses, representations, and promises by falsifying loan paperwork, including loan applications, also known as a Form 1003, and United States Housing and Urban Development Settlement Statements, also known as a Form HUD-1, in violation of Title 18, United States Code, Section 1344;

2. In furtherance of the scheme and artifice described above in Section B, the defendants and their co-conspirators knowingly and unlawfully transmitted and caused to be transmitted in interstate commerce, by means of wire communications, certain signs, signals, and sounds, that is, interstate telephone, telex and facsimile communications and wire transfers of funds, all to and from outside the Southern District of Ohio to and from the Southern District of Ohio, in violation of Title 18, United States Code, Section 1343; and;

3. In furtherance of the scheme and artifice described above in Section B, the defendants and their co-conspirators knowingly and unlawfully, deposited and caused others to deposit letters, correspondence, and other matter to be sent and delivered by private and

commercial interstate carrier, and took and received therefrom letters, correspondence, and other matter in violation of Title 18, United States Code, Section 1341.

D. OVERT ACTS

In furtherance of such conspiracy and to effect the objects of the conspiracy, the defendants and their co-conspirators committed the following overt acts, among others, in the Southern District of Ohio and elsewhere:

1324 Ryland Avenue, Cincinnati, Ohio 45237

1. Sometime before June 28, 2002, a person known to the Grand Jury, hereafter Buyer 1, spoke with a co-conspirator of the defendants, Clarence Harris, regarding obtaining a mortgage loan. Thereafter, Buyer 1 was assured by Harris, a loan officer, that the loan would be a 100% financing, no money down loan.

2. Subsequently, Harris submitted Buyer 1's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 1's) funds. The loan application was delivered to Long Beach Mortgage, before June 28, 2002.

3. On June 28, 2002, Buyer 1's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 1 purchased 1324 Ryland Ave for \$94,000.

4. On June 28, 2002, Long Beach Mortgage wired \$80,837.51 to American Security Title Company's bank account (PNC Bank account no. 4006428866).

5. On June 28, 2002, Harris was provided a payoff check from American Security Title made payable to his shell company, Iman Realty, which Harris had previously established to facilitate the object of the conspiracy. The payoff check was issued from the proceeds of the

loan in the amount of \$14,900.87. The defendants either gave Harris the payoff check personally or directed another employee of American Security Title to give it to him.

6. On June 28, 2002, Harris deposited the payoff check into his account at Fifth Third Bank. Immediately thereafter, Harris withdrew funds from his account at Fifth Third Bank to purchase a cashier's check to be used as Buyer 1's required down payment for the purchase (and so that Buyer 1 could qualify for the loan).

7. On June 28, 2002, Harris actually provided the defendants with Buyer 1's down payment in the amount of \$13,675.87 (check #2136356 from Fifth Third Bank). The check was made payable to American Security Title Company.

8. On June 28, 2002, at the closing, the defendant, **STEPHANIE CORSMEIER**, signed a HUD-1 as the settlement agent which indicated Buyer 1 provided the down payment of \$13,675.87. Defendant **STEPHANIE CORSMEIER** knew that Buyer 1 had not provided the down payment.

9. On or about June 28, 2002, the defendants caused the HUD-1, which they knew to be fraudulent, to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to the office of Long Beach Mortgage Company, located at 1300 Woodfield Road, 6th Floor, Schaumburg, Illinois, 60173.

726 Whittier Street, Cincinnati, Ohio 45229

10. Sometime before January 23, 2004, a person known to the Grand Jury, hereafter Buyer 2, spoke with a co-conspirator of the defendants, Clarence Harris, regarding obtaining a mortgage loan. Thereafter, Buyer 2 was assured by Harris, a loan officer, that the loan would be a 100% financing, no money down loan.

11. Subsequently, Harris submitted Buyer 2's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 2's) funds. The loan application was delivered to Argent Mortgage Company, before January 23, 2004.

12. On January 23, 2004, Buyer 2's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 2 purchased 726 Whittier Street for \$85,000.

13. On January 23, 2004 at the closing, defendant **STEPHANIE CORSMEIER** signed a HUD-1 as the settlement agent which indicated Buyer 2 had provided the down payment of \$10,361.18. Buyer 2 had not provided the down payment and defendant **STEPHANIE CORSMEIER** knew that Buyer 2 had not provided the down payment.

14. On or about January 23, 2004, the defendants caused the HUD-1 which they knew to be fraudulent to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to Argent Mortgage, Team 5, 2250 West Golf Road, 10th Floor, Rolling Meadows, Illinois, 60008.

15. On January 26, 2004, Argent Mortgage wired \$77,287.74 to American Security Title Company's bank account (PNC Bank account no. 4006428866).

16. On January 26, 2004, Harris was provided a payoff check from American Security Title made payable to a shell company, Iman Realty, which Harris had previously established to facilitate the object of the conspiracy. The payoff check was issued from the proceeds of the loan in the amount of \$14,159.58. The defendants either gave Harris the payoff check personally or directed another employee of American Security Title to give it to him.

17. On January 26, 2004, Harris deposited the payoff check into his account at PNC Bank. Immediately thereafter, Harris withdrew funds from his account at PNC Bank to purchase a cashier's check to be used as Buyer 2's required down payment for the purchase (and so that Buyer 2 could qualify for the loan).

18. On January 26, 2004, Harris actually provided the defendants with Buyer 2's down payment in the amount of \$10,361.18 (cashier's check #088054551 from PNC Bank). The check was made payable to American Security Title Company.

1216 Blanchard Avenue, Cincinnati, Ohio 45205

19. Sometime before November 29, 2002, a person known to the Grand Jury, hereafter Buyer 3, spoke with a co-conspirator of the defendants, Ike Bronson, regarding obtaining a mortgage loan. Thereafter, Buyer 3 was assured by Bronson, a loan officer, that the loan would be a 100% financing, no money down loan.

20. Subsequently, Bronson submitted Buyer 3's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 3's) funds. The loan application was delivered to Aegis Mortgage Corporation, before November 29, 2002.

21. On November 29, 2002, Buyer 3's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 3 purchased 1216 Blanchard Avenue for \$75,000.

22. On November 29, 2002, at the closing, defendant **STEPHANIE CORSMEIER**, signed a HUD-1 as the settlement agent which indicated Buyer 3 had provided the down payment of \$309.20. Buyer 3 had not provided the down payment and defendant **STEPHANIE CORSMEIER** knew that Buyer 3 had not provided the down payment.

23. On or about November 29, 2002, the defendants caused the HUD-1 which they knew to be fraudulent to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to Aegis Mortgage Company, 10049 North Reiger Road, Baton Rouge, Louisiana 70809-4559.

24. On November 29, 2002, Aegis Mortgage Company wired \$74,053.84 (from Bank One account no. 10-78351) to American Security Title Company's bank account (PNC bank account no. 4006428866).

25. On December 2, 2002, Bronson was provided a payoff check from American Security Title made payable to a shell company, LCI Financial, which Bronson had previously established to facilitate the object of the conspiracy. The payoff check was issued from the proceeds of the loan in the amount of \$2,000. The defendants either gave Harris the fraudulent payoff check personally or directed another employee of American Security Title to give it to him.

26. On December 2, 2002, Bronson deposited the payoff check into his account at PNC Bank. Immediately thereafter, Bronson purchased a cashier's check to be used as Buyer 3's required down payment for the purchase (and so that Buyer 3 could qualify for the loan).

27. On December 2, 2002, Bronson actually provided the defendants with Buyer 3's down payment in the amount of \$310.20 (cashier's check #4511062 from PNC Bank). The check was made payable to American Security Title Company.

316 Mohawk Place, Cincinnati, Ohio 45214

28. Sometime before June 19, 2003, a person known to the Grand Jury, hereafter Buyer 4, spoke with a co-conspirator of the defendants, Clarence Harris, regarding obtaining a

mortgage loan. Thereafter, Buyer 4 was assured by Harris, a loan officer, that the loan would be a 100% financing, no money down loan.

29. Subsequently, Harris submitted Buyer 4's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 4's) funds. The loan application was delivered to Chase Manhattan Mortgage, before June 19, 2003.

30. On June 19, 2003, Buyer 4's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 4 purchased 316 Mohawk Place for \$58,000.

31. On June 19, 2003, Chase Manhattan Mortgage wired \$46,584.36 to American Security Title Company's bank account (PNC Bank account no. 4006428866).

32. On June 19, 2003, Harris was provided a payoff check from American Security Title made payable to his shell company, Iman Realty. The payoff check was issued from the proceeds of the loan in the amount of \$28,998.14. The defendants either gave Harris the payoff check personally or directed another employee of American Security Title to give it to him.

33. On June 19, 2003, Harris deposited the payoff check into his account at PNC Bank. Immediately thereafter, Harris withdrew funds from his account at PNC Bank to purchase Buyer 4's required down payment for the purchase (and so that Buyer 4 could qualify for the loan) .

34. On June 19, 2003, Harris actually provided the defendants with Buyer 4's down payment in the amount of \$16,002.04 (cashier's check #4500987 from PNC Bank). The check was made payable to American Security Title Company.

35. On June 19, 2003, at the closing, a settlement agent at American Security Title signed a HUD-1 which indicated that Buyer 4 provided the down payment of \$16,002.04. The settlement agent signed the HUD-1 at the direction of the defendants.

36. On or about June 19, 2003, the defendants caused the HUD-1, which they knew to be fraudulent, to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to the office of Chase Manhattan Mortgage, 1400 East Newport Center Drive, Deerfield Beach, Florida 33442.

5211 Lillian Drive, Cincinnati, Ohio 45237

37. Sometime before April 14, 2003 a person known to the Grand Jury, hereafter Buyer 5, spoke with a co-conspirator of the defendants, Clarence Harris, regarding obtaining a mortgage loan. Thereafter, Buyer 5 was assured by Harris, a loan officer, that the loan would be a 100% financing, no money down loan.

38. Subsequently, Harris submitted Buyer 5's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 5's) funds. The loan application was delivered to First Franklin Financial Corporation, before April 14, 2003.

39. On April 14, 2003, Buyer 5's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 5 purchased 5211 Lillian Drive for \$118,000.

40. On April 14, 2003, First Franklin Financial Corporation wired \$107,211.22 to American Security Title Company's bank account (PNC Bank account no. 4006428866).

41. On April 14, 2003, Harris was provided a payoff check from American Security Title made payable to his shell company, Iman Realty. The payoff check was issued from the

proceeds of the loan in the amount of \$16,998.50. The defendants either gave Harris the fraudulent payoff check personally or directed another employee of American Security Title to give it to him.

42. On April 14, 2003, Harris deposited the payoff check into his account at PNC Bank. Immediately thereafter, Harris withdrew funds from his account at PNC Bank to purchase a cashier's check to be used as Buyer 5's required down payment for the purchase (and so that Buyer 5 could qualify for the loan).

43. On April 14, 2003, Harris actually provided the defendants with Buyer 5's down payment in the amount of \$15,443.18 (cashier's check #4540986 from PNC Bank). The check was made payable to American Security Title Company.

44. On April 14, 2003, at the closing, a settlement agent at American Security Title signed a HUD-1 which indicated Buyer 5 provided the down payment of \$15,443.18.

45. On or about April 14, 2003, the defendants caused the HUD-1 which they knew to be fraudulent, to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to the office of First Franklin Financial Corporation, 100 E-Business Way, Suite 300, Cincinnati, Ohio, 45241.

138 Kinsey Street, Cincinnati, Ohio 45219

46. Sometime before May 21, 2003, a person known to the Grand Jury, hereafter Buyer 6, spoke with a co-conspirator of the defendants, Ike Bronson, regarding obtaining a mortgage loan. Thereafter, Buyer 6 was assured by Bronson, a loan officer, that the loan would be a 100% financing, no money down loan.

47. Subsequently, Bronson submitted Buyer 6's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 6's) funds. The loan application was delivered to New Century Mortgage Corporation, before May 21, 2003.

48. On May 21, 2003, New Century Mortgage wired \$66,921.16 to American Security Title Company's bank account (PNC Bank account no. 4006428866).

49. On May 23, 2003, Buyer 6's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 6 purchased 138 Kinsey Street for \$85,000.

50. On May 23, 2003, Bronson was provided a payoff check from American Security Title made payable to his shell company, LCI Financial. The payoff check was issued from the proceeds of the loan in the amount of \$29,349.58. The defendants either gave Bronson the fraudulent payoff check personally or directed another employee of American Security Title to give it to him.

51. On May 23, 2003, Bronson deposited the payoff check into his account at PNC Bank. Immediately thereafter, Bronson withdrew funds from his account at PNC Bank to purchase a cashier's check to be used as Buyer 6's required down payment for the purchase (and so that Buyer 6 could qualify for the loan).

52. On May 23, 2003, Bronson actually provided the defendants with Buyer 6's down payment in the amount of \$4,732.52 (cashier's check #4525953 from PNC Bank). The check was made payable to American Security Title Company.

53. On May 23, 2003, at the closing, a settlement agent at American Security Title signed a HUD-1 which indicated Buyer 6 provided the down payment of \$4,732.57.

54. On or about May 23, 2003, the defendants caused the HUD-1, which they knew to be fraudulent, to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to the office of New Century Mortgage Corporation, 21600 Oxnard Street, Suite 900, Woodland Hills, California, 91367. **1610 Neilson Place, Cincinnati, Ohio 45207**

55. Sometime before November 18, 2002, a person known to the Grand Jury, hereafter Buyer 7, spoke with a co-conspirator of the defendants, Ike Bronson, regarding obtaining a mortgage loan. Thereafter, Buyer 7 was assured by Bronson, a loan officer, that the loan would be a 100% financing, no money down loan.

56. Subsequently, Bronson submitted Buyer 7's loan application, which contained false information. The loan application indicated that the down payment was to be paid from the borrower's (Buyer 7's) funds. The loan application was delivered to New Century Mortgage Corporation, before November 18, 2002.

57. On November 18, 2002, Buyer 7's loan was closed at American Security Title Company, located in Cincinnati, Ohio. Buyer 7 purchased 1610 Neilson Place for \$85,000.

58. On November 18, 2002, at the closing, a settlement agent at American Security Title signed a HUD-1 which indicated Buyer 7 provided the down payment of \$7,931.72.

59. On November 19, 2002, New Century wired \$75,499.84 to American Security Title Company's bank account (PNC account no. 4006428866).

60. On November 19, 2002, Bronson was provided a payoff check from American Security Title made payable to his shell company, LCI Financial. The payoff check was issued from the proceeds of the loan in the amount of \$20,346.73. The defendants either gave Harris

the payoff check personally or directed another employee of American Security Title to give it to him.

61. On November 19, 2002, Bronson deposited the payoff check into his account at PNC Bank. Immediately thereafter, Bronson withdrew funds from his account at PNC Bank to purchase a cashier's check to be provided to the defendants to serve (along with an additional sum of cash) as Buyer 7's required down payment for the purchase (and so that Buyer 7 could qualify for the loan).

62. On November 19, 2002, Bronson actually provided the defendants with Buyer 7's down payment in the amount of \$7,931.72, which was comprised of two PNC cashier's checks, one in the amount of \$7,720.76 (cashier's check #4540671) and one in the amount of \$210.96. The checks were made payable to American Security Title Company.

63. Sometime thereafter, defendant **STEPHANIE CORSMEIER** called Bronson and told him that "there was a problem," because the lender was demanding evidence regarding the source of the funds constituting the down payment. At **CORSMEIER'S** instruction, Bronson drove to her office. When he arrived, **CORSMEIER** explained the problem and told Bronson to "just fix it, just don't let me [Corsmeier] see it." Bronson addressed the problem by creating a counterfeit check appearing to be drawn on a fabricated account, a copy of which was sent to the lender as the purported down payment, and by altering the loan application to reflect the existence of the fraudulent account.

64. On or about November 19, 2002, the defendants caused the HUD-1, which they knew to be fraudulent, to be sent via interstate carrier from American Security Title Company's office, located at 2300 Montana Avenue, Cincinnati, Ohio, 45211, to the office of New Century

Mortgage Corporation, 21600 Oxnard Street, Suite 900, Woodland Hills, California, 91367.

Additional Properties

65. In addition to the properties outlined above, the following chart lists other properties the closing for which was handled by American Security Title Company and on which the defendants conspired with others to commit mail, wire, and bank fraud by closing the transaction despite knowing that the buyer for the particular property had not brought the down payment (as indicated on the HUD-1 and represented to the lender). The chart lists the address of the subject property, the date of the closing at American Security Title Company, the buyer of the property, the defrauded lender, the total loan amount, and the "cash from borrower" (i.e., the down payment) supposedly provided by the buyer but in fact provided by the defendants' co-conspirators, with the knowledge of the defendants:

Address	Date Sold	Buyer	Lender	Cash from Borrower (i.e., Down Payment)	Loan Amount
1526 Lincoln Ave.	10/04/2002	G.B.	The CIT Group/ Consumer Fin INC	\$8,980.64	\$90,000.00
1992 Harrison Ave.	10/24/2002	D.R.	New Century Mortgage	\$11,554.84	\$57,800.00
6833 Greismer Ave.	10/28/2002	S.S.	New Century Mortgage	\$8,795.51	\$82,800.00
3515 Wabash Ave.	11/25/2002	W.I.	Aegis Funding Corp.	\$8,600.73	\$85,500.00
1137 Grand Ave.	12/18/2002	D.R.	Aegis Funding Corp.	\$5,584.99	\$69,700.00
2540 Queen City Ave.	1/31/2003	K.V.	New Century Mortgage	\$6,695.70	\$72,250.00
4143 Langland St.	2/24/2003	L.T.	New Century Mortgage	\$6,699.90	\$72,250.00
2810 Preston Ave.	3/31/2003	D.R.	Argent Mortgage Co.	\$11,099.23	\$72,250.00
1241 Lincoln Ave.	4/25/2003	B.S.	People's Choice Home Loans, Inc.	\$12,210.39	\$111,150.00

1721 Grand Ave.	5/2/2003	F.Y.	Masters Financial	\$5,754.36	\$76,000.00
1225 Quebec Rd.	6/27/2003	W.I.	Aegis Funding Corp	\$14,824.49	\$82,400.00
2270 Loth Street	6/30/2003	M.H.	Argent Mortgage Co.	\$3,539.89	\$63,000.00
5726 Argus Rd.	8/15/2003	L.R.	Masters Financial	\$9,411.88	\$88,400.00
3058 Kerper Ave.	9/2/2003	K.V and V.V	New Century Mortgage	\$9,293.82	\$78,200.00
1726 Denham Street	2/25/2004	J.B.	Argent Mortgage Co.	\$3,454.45	\$60,000.00
3331 Hewitt Crescent	3/11/2004	G.B.	Argent Mortgage Co.	\$5,194.91	\$54,000.00
1647 Iliff Rd.	3/31/2004	W.W.	Argent Mortgage Co.	\$5,383.37	\$103,500.00
4255 Kirby Ave.	5/5/2004	C.B.	Argent Mortgage Co.	\$9,623.33	\$81,000.00
2159 Oesper Ave.	1/9/2003	J.G.	Long Beach Mortgage	\$16,892.94	\$56,000.00
511-513 Forest Ave.	3/7/2003	E.W.	New Century Mortgage	\$19,755.60	\$113,900.00
515 Hickory	4/29/2003	N.B.	Chase Manhattan Mortgage	\$20,261.12	\$61,600.00
3022 Gilbert Ave.	5/20/2003	R.S.	American Summit Lending Corp.	\$9,031.24	\$81,000.00
1928 Bigelow St.	6/4/2003	S.L.	Delta Funding Corp.	\$44,860.10	\$165,000.00
3020 Gilbert Ave.	6/27/2003	R.S.	Long Beach Mortgage	\$11,157.58	\$81,000.00
2026 Burnet Ave.	10/24/2003	D.J.	Argent Mortgage Co.	\$6,423.00	\$97,850.00
1416 Joseph Ave.	11/21/2003	J.I.	Argent Mortgage Co.	\$7,379.03	\$95,000.00
533 Rockdale Ave.	12/3/2003	D.J.	Long Beach Mortgage	\$9,709.17	\$142,500.00
1226 Dewey Ave.	12/22/2003	D.J.	Argent Mortgage Co.	\$10,849.24	\$85,500.00
1913 Losantiville Ave.	1/2/2004	E.M.	Argent Mortgage Co.	\$12,200.16	\$134,900.00
1628 Blair Ave.	1/14/2004	R.J.	Argent Mortgage Co.	\$6,824.28	\$84,550.00
869 Hutchins Ave.	3/10/2004	M.H.	Argent Mortgage Co.	\$13,875.00	\$103,500.00
1851 Clarion Ave.	3/22/2004	E.M.	Argent Mortgage Co.	\$11,073.60	\$90,000.00
3628 Idlewild Ave.	4/29/2004	D.J.	Argent Mortgage Co.	\$9,356.58	\$63,000.00
5911 Erie Ave.	7/23/2004	E.M.	CIT Group	\$9,022.15	\$90,000.00
3573 Bogart Ave.	9/30/2004	W.M.	Argent Mortgage Co.	\$10,684.11	\$85,500.00

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2 - 4
BANK FRAUD (18 U.S.C. § 1344 and § 2)

1. The Grand Jury realleges and incorporates by reference Part B (and all subparagraphs) of Count 1 of the Indictment as though set forth in full herein as a description of the scheme and artifice to defraud.

2. On or about the dates set forth in the chart below, in counts 2 through 4, inclusive, in the Southern District of Ohio and elsewhere, the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, knowingly and willfully executed and attempted to execute a scheme and artifice to defraud and aided and abetted others in executing and attempting to execute such scheme and artifice to defraud and to obtain by means of false and fraudulent pretenses, representations, and promises the moneys, funds, credits, assets, securities, and other property owned by and under the control of the lenders indicated in the chart, the deposits of each of the lenders in the chart having been at all relevant times insured by the Federal Deposit Insurance Corporation. Each count in the chart lists the Count number, the date of the bank fraud, the property address for the loan, the defrauded lender, and the overt acts in Count 1 where the fraud is described in detail (which the Grand Jury hereby incorporates as if they were set forth in full herein):

Count	Date	Property Address	Lender	Incorporated Overt Acts as Description of Fraud
2	June 28, 2002	1324 Ryland Avenue, Cincinnati, Ohio	Long Beach Mortgage Company	1 - 9

3	June 19, 2003	316 Mohawk Place, Cincinnati, Ohio	Chase Manhattan Mortgage	28 - 36
4	April 14, 2003	5211 Lillian Drive, Cincinnati, Ohio	First Franklin Financial Corporation	37 - 45

All in violation of 18 U.S.C. §§ 1344 and 2.

COUNTS 5 - 7
WIRE FRAUD (18 U.S.C. § 1343 and 2)

1. The Grand Jury realleges and incorporates by reference Part B (and all subparagraphs) of Count 1 of the Indictment as though set forth in full herein as a description of the scheme and artifice to defraud.

2. On or about the dates set forth in the chart below, in counts 5 through 7, inclusive, in the Southern District of Ohio and elsewhere, having devised and intended to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, for the purpose of executing, and attempting to execute, the scheme and artifice to defraud, knowingly did transmit and cause to be transmitted and aided and abetted others in transmitting and causing to transmit in interstate and foreign commerce, by means of wire communications, certain signs, signals, and sounds; that is, wire transfers of money from the out-of-state accounts of the lenders listed in the chart below to the account of American Security Title Company (account no. 4006428866) at PNC Bank in Ohio. Each line on the chart indicates the Count number, the date of the wire transfer, the lender holding the out-of-state account from which the wire was sent, the amount of the wire transfer, and the overt acts in

Count 1 where the fraud is described in detail (which the Grand Jury hereby incorporates as if they were set forth in full herein):

Count	Date	Lender	Amount	Incorporated Overt Acts of Description of Fraud
5	June 28, 2002	Long Beach Mortgage Company	\$80,837.51	1 -9
6	June 19, 2003	Chase Manhattan Mortgage	\$46,584.36	28 - 36
7	April 14, 2003	First Franklin Financial Corporation	\$107,211.22	37 - 45

All in violation of 18 U.S.C. §§ 1343 and 2.

COUNT 8 - 10
MAIL FRAUD (18 U.S.C. § 1341 and 2)

1. The Grand Jury realleges and incorporates by reference Part B (and all subparagraphs) of Count 1 of the Indictment as though set forth in full herein as a description of the objects of the conspiracy, the background of the conspiracy, and the manner and means of the conspiracy.

2. On or about the dates set forth in the chart below, in the Southern District of Ohio, the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, for the purpose of executing and attempting to execute the scheme and artifice as set forth above, did knowingly cause others to deposit letters, correspondence, and other matter to be sent and delivered by private, commercial interstate carrier, that is from the office of American Security Title Company, located at 2300 Montana Avenue, Cincinnati, Ohio, to the offices of the lenders as listed in the chart below. Each Count in the chart lists the Count number, the date of the mail

fraud, the property address of the lender to which the fraudulent HUD-1 was sent, and the overt acts in Count 1 where the fraud is described in detail (which the Grand Jury hereby incorporates as if they were set forth in full herein):

Count	Date	Address of Recipient Lender	Incorporated Overt Acts as Description of Fraud
8	June 28, 2002	Long Beach Mortgage Company, 1300 Woodfield Road, Schaumber, Illinois 60173	1-9
9	June 19, 2003	Chase Manhattan Mortgage, 1400 East Newport Center Drive, Deerfield Beach, Florida 33442	28 - 36
10	April 14, 2003	First Franklin Financial Corporation, 100 East Business Way, Suite 300, Cincinnati, Ohio 45241	37 - 45

In violation of 18 U.S.C. § 1341 and 2.

COUNT 11

CONSPIRACY TO COMMIT MONEY LAUNDERING (18 U.S.C. § 1956(h))

1. The Grand Jury realleges and incorporates by reference all of Parts A, B, and D of Count 1 of this Indictment (and all subparagraphs) as though set forth in full herein.

2. Beginning on or about January 1, 2002, and continuing through on or about December 31, 2004, within the Southern District of Ohio, and elsewhere, the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, did conspire and agree with one another and with others known and unknown to the Grand Jury, to commit certain offenses under Title 18, United States Code, Section 1956, as follows: to conduct and attempt to conduct financial transactions affecting interstate commerce, which transactions involved the proceeds of specified unlawful activity, that is, mail fraud in violation of 18 U.S.C. § 1341, wire fraud in violation of

18 U.S.C. § 1343, and bank fraud in violation of 18 U.S.C. § 1344, and that while conducting and attempting to conduct such financial transactions knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity; with the intent to promote the carrying on of such specified unlawful activities, in violation of 18 U.S.C. § 1956(a)(1)(A)(i) (promotion money laundering).

MANNER AND MEANS

3. It was a part of the conspiracy for the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, in concert with others, to cause, attempt to cause, and aid and abet financial and monetary transactions involving funds and monetary instruments to promote specified unlawful activity, namely, mail fraud, wire fraud and bank fraud, by receiving and transferring the proceeds of loans obtained fraudulently from financial institutions to others for further transfer to bank accounts owned and controlled by co-conspirators for the purposes of furthering the scheme to defraud.

4. It was further a part of the conspiracy for the defendants, **STEPHANIE CORSMEIER** and **STACEY LESTER**, to cause, attempt to cause or aid and abet the financial and monetary transactions listed and described below, on the approximate dates and in the approximate amounts as listed below, representing payoff checks written by American Security Title Company to shell corporations owned and controlled by co-conspirators that were deposited into the accounts of such co-conspirators (which funds were then immediately withdrawn, at least in part, in the form of a cashier's check, to be used as a buyer's down payment), in order to promote specified unlawful activity as alleged in this Count, while knowing that the funds represented the proceeds of some form of unlawful activity:

Property Address	Date	Payor	Payee	Amount
1324 Ryland Ave.	6/28/02	American Security Title Company	Iman Realty	\$14,900.87
1526 Lincoln Ave.	10/4/02	American Security Title Company	LCI Financial	\$34,498.85
1992 Harrison Ave.	10/24/02	American Security Title Company	LCI Financial	\$40,618.20
6833 Greismer Ave.	10/28/02	American Security Title Company	LCI Financial	\$11,295.71
1610 Neilson Pl.	11/18/02	American Security Title Company	LCI Financial	\$20,346.73
3515 Wabash Ave.	11/25/02	American Security Title Company	LCI Financial	\$27,778.89
1216 Blanchard Ave.	11/29/02	American Security Title Company	LCI Financial	\$2,000.00
1137 Grand Ave.	12/18/02	American Security Title Company	LCI Financial	\$12,880.72
2159 Oesper Ave.	1/9/03	American Security Title Company	Iman Realty	\$20,819.95
2540 Queen City Ave.	1/31/03	American Security Title Company	LCI Financial	\$16,141.16
4143 Langland St.	2/24/03	American Security Title Company	LCI Financial	\$31,500.00
511-513 Forest Ave.	3/7/03	American Security Title Company	Iman Realty	\$28,456.39
2810 Preston Ave.	3/31/03	American Security Title Company	LCI Financial	\$37,220.46
5211 Lillian Dr.	4/14/03	American Security Title Company	Iman Realty	\$16,998.50
1241 Lincoln Ave.	4/25/03	American Security Title Company	LCI Financial	\$35,233.25
515 Hickory	4/29/03	American Security Title Company	Iman Realty	\$20,261.12

1721 Grand Ave.	5/2/03	American Security Title Company	LCI Financial	\$13,449.53
3022 Gilbert Ave.	5/20/03	American Security Title Company	Iman Realty	\$18,485.33
138 Kinsey St.	5/21/03	American Security Title Company	LCI Financial	\$29,349.58
1928 Bigelow St.	6/4/03	American Security Title Company	Iman Realty	\$47,200.00
316 Mohawk Pl.	6/19/03	American Security Title Company	Iman Realty	\$28,998.14
3020 Gilbert Ave.	6/27/03	American Security Title Company	Iman Realty	\$21,999.33
1225 Quebec Rd.	6/27/03	American Security Title Company	LCI Financial	\$45,497.34
2270 Loth St.	6/30/03	American Security Title Company	LCI Financial	\$6,539.89
5726 Argus Rd.	8/15/03	American Security Title Company	LCI Financial	\$33,398.00
3058 Kerper Rd.	9/2/03	American Security Title Company	LCI Financial	\$42,364.91
2026 Burnet Ave.	10/24/03	American Security Title Company	Iman Realty	\$14,423.00
1416 Joseph Ave.	11/21/03	American Security Title Company	Iman Realty	\$12,500.00
533 Rockdale Ave.	12/3/03	American Security Title Company	Iman Realty	\$14,937.00
1226 Dewey Ave.	12/22/03	American Security Title Company	Iman Realty	\$15,256.75
1913 Losantiville Ave.	1/2/04	American Security Title Company	Iman Realty	\$20,314.06
1628 Blair Ave.	1/14/04	American Security Title Company	Iman Realty	\$25,000.00
726 Whittier St.	1/23/04	American Security Title Company	Iman Realty	\$14,159.58

1726 Denham St.	2/25/04	American Security Title Company	LCI Financial	\$6,208.10
869 Hutchins Ave.	3/10/04	American Security Title Company	Iman Realty	\$3,500.00
331 Hewitt Crescent	3/11/04	American Security Title Company	LCI Financial	\$24,850.74
1851 Clarion Ave.	3/22/04	American Security Title Company	Iman Realty	\$19,889.08
1647 Iliff Rd.	3/31/04	American Security Title Company	LCI Financial	\$17,865.25
3628 Idlewild Ave.	4/29/04	American Security Title Company	Iman Realty	\$18,268.80
4255 Kirby Ave.	5/5/04	American Security Title Company	LCI Financial	\$28,726.17
5911 Erie Ave.	7/23/04	American Security Title Company	Iman Realty	\$19,538.65
3573 Bogart Ave.	9/30/04	American Security Title Company	Iman Realty	\$16,627.80

All in violation of 18 U.S.C. § 1956(h).

A TRUE BILL.

151
GRAND JURY FOREPERSON

GREGORY G. LOCKHART
UNITED STATES ATTORNEY


WILLIAM E. HUNT
First Assistant United States Attorney