

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

2007 NOV 20 AM 11:20

STEPHEN R. LUDWIG, CLERK
U.S. DISTRICT COURT
FOR THE NORTHERN DISTRICT
OF INDIANA

UNITED STATES OF AMERICA)
)
)
 v.)
)
 ANTHONY K. McDONALD)

CAUSE NO. **2:07 CR 169 RL**
18 USC § 1341 (mail fraud)
18 USC § 1343 (wire fraud)

INDICTMENT

THE GRAND JURY CHARGES:

Background

1. Mortgage Business A (Company A) was a mortgage brokerage company operating in Merrillville, Indiana. Company A obtained financing for the purchase and refinance of residential properties in Gary, Indiana and elsewhere from various lending companies. Company A employees prepared loan packages which included applications, supporting financial documents and a real estate appraisal. Company A submitted loan packages to lending companies.

2. Argent Mortgage Company, located in Rolling Meadows, Illinois (Argent), Long Beach Mortgage Company, located in Stockton, California (Long Beach), and Decision One Mortgage Company, located in Charlotte, North Carolina (Decision One), were businesses involved in providing loans related to the purchase of real estate property.

3. Indiana Title Network, located in Crown Point, Indiana (Indiana Title), Tigor

Title Insurance, located in Crown Point, Indiana (Ticor Title), and Community Title Company, located in Chesterton, Indiana (Community Title), were businesses involved in closings for the sale and purchase of real estate property.

4. During the years 2003 through 2005, defendant ANTHONY K. McDONALD earned about \$20,000 a year in 2003 and 2004 and about \$14,000 in 2005 working for a business in Chicago, Illinois.

Scheme to Defraud and Obtain Money and Property

5. It was part of the scheme that beginning sometime in or about October 2004 and continuing through at least February, 2005, the exact dates being unknown to the Grand Jury, McDONALD retained Company A to obtain financing for the purchase of at least ten (10) residential real estate properties in Gary, Indiana.

6. It was further part of the scheme that McDONALD signed and submitted loan applications containing false and fraudulent information about his residence, amount of money in his bank account, employment history, and wage and income information knowing that the false information would make McDONALD appear more creditworthy to lending companies.

7. It was further part of the scheme that either McDONALD or someone acting with McDONALD created false Form W-2s and pay stubs that greatly inflated McDONALD'S yearly salary information. These documents were submitted to lending companies in support of the loan applications.

8. It was further part of the scheme that Company A employees knowingly assisted McDONALD in providing false information to lending companies and Company A received large fees in return for obtaining fraudulent loans.

9. It was further part of the scheme that Company A provided McDONALD funds for the down payment on some loans.

10. It was further part of the scheme that closings were conducted by a title company and funds were transferred by check to the seller and others, including participants in the fraud scheme.

COUNTS 1-4 (Mail Fraud)

11. On or about the dates listed below, in the Northern District of Indiana and elsewhere, the defendant

ANTHONY K. McDONALD,

and others known and unknown to the Grand Jury, having devised a scheme and artifice to defraud and obtain money and property by means of false and fraudulent pretenses, representations, promises, and material omissions, and for the purpose of executing the scheme, knowingly and willfully caused the following mail matters to be sent and delivered by DHL Express, a commercial interstate carrier or the United States Postal Service:

COUNT	DATE	MAIL MATTER	SENDER	RECIPIENT
1	11/15/2004	Loan payoff check in the amount \$36,654.56	Indiana Title	National City Bank

2	1/28/2005	Loan payoff check in the amount of \$29,437.50	Indiana Title	National City Bank
3	1/28/2005	Loan payoff check in the amount of \$32,745.11	Indiana Title	Homecomings Financial
4	2/17/2005	Broker fee checks	Ticor	Challenge Mortgage

All in violation of Title 18, United States Code, Sections 1341.

COUNTS 5-14 (Wire Fraud)

12. The allegations contained in paragraphs 1 through 10 of this Indictment are hereby realleged and incorporated by reference.

13. On or about the dates listed below, within the Northern District of Indiana, and elsewhere, the defendant

ANTHONY K. McDONALD,

and others known and unknown to the Grand Jury, having devised a scheme and artifice to defraud and obtain money and property by means of false and fraudulent pretenses, representations, promises, and material omissions, and for the purpose of executing the scheme, knowingly and wilfully caused to be transmitted by means of a wire communication in interstate commerce, any signs, signals, or sounds as specified below:

<u>Count</u>	<u>Property Involved & Amount Wired</u>	<u>Date of Wire Transfer</u>	<u>From</u>	<u>To</u>
5	4312 Madison Gary, IN \$60,200.27	11/05/2004	Argent	Indiana Title
6	3943 Washington Gary, IN \$58,603.04	11/05/2004	Decision One	Ticor Title

7	2516 Fillmore Gary, IN \$49,815.44	11/12/2004	Argent	Indiana Title
8	3953 Washington \$60,138.72	11/12/2004	Decision One	Indiana Title
9	3732 Pennsylvania Gary, IN \$50,400	11/22/2004	Argent	Community Title
10	4120 Adams Gary, IN \$44,420.39	1/27/2005	Long Beach	Indiana Title
11	957 Lane Gary, IN \$36,900	1/27/2005	Long Beach	Indiana Title
12	3907 Monroe Gary, IN \$44,197.80	1/27/2005	Long Beach	Indiana Title
13	4377 Monroe Gary, IN \$42,176.16	1/27/2005	Long Beach	Indiana Title
14	4057 Rhode Island Gary, IN \$49,122.58	1/27/2005	Long Beach	Indiana Title

All in violation of Title 18, United States Code, Section 1343.

A TRUE BILL:

S/Foreperson
FOREPERSON

DAVID CAPP
ACTING UNITED STATES ATTORNEY

By: S/Gary T. Bell
Gary T. Bell
Assistant U.S. Attorney