

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON

UNITED STATES OF AMERICA,)	No. CR 09-60168-40
)	
Plaintiff,)	<u>INDICTMENT</u>
)	
v.)	[18 U.S.C. §§ 1014, 1344, and 2]
)	
MICHAEL WILSON,)	False Statement on Loan
)	Application
Defendant.)	Bank Fraud

THE GRAND JURY CHARGES:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. MICHAEL WILSON was a resident of Redmond, Oregon.
2. Desert Sun Development, Inc., ("DSD"), was a commercial and residential development and construction company located in Bend, Oregon.

3. Tyler Fitzsimons, president of DSD, recruited MICHAEL WILSON to move to Bend, Oregon, and become a construction superintendent for DSD, managing DSD's residential construction projects. Tyler Fitzsimons used DSD's real estate investment program to help convince MICHAEL WILSON to take the job. Under that program, DSD employees, their friends, and their family could take advantage of the burgeoning real estate market in Central Oregon by either buying homes DSD had previously built or hiring DSD to build them a new home at cost. If program participants purchased a previously built home, DSD would assist them with their mortgage payments until the home was sold. At which time, they would split any profits, less any costs and expenses paid by DSD, with DSD. If program participants opted for a new home, they would purchase lots from DSD's holding company, Desert Sun Holdings, LLC, ("DSH"), and use DSD as their general contractor. Desert Sun Development agreed to build the house at cost, and the program participants agreed to split any profits, less any costs and expenses paid by DSD, with DSD.

4. In or about February 2007, MICHAEL WILSON became involved in DSD's real estate investment program. As part of that program, MICHAEL WILSON agreed to purchase a home from Tyler Fitzsimons that DSD had built.

5. Countrywide Bank, FSB, is a financial institution for purposes of 18 U.S.C. §§ 1014 and 1344.

COUNT ONE

(Bank Fraud)

6. Paragraphs 1-5 of the Introductory Allegations are incorporated herein.

SCHEME AND ARTIFICE TO DEFRAUD

7. Beginning in or about March 2007, and continuing through September 2008, in the District of Oregon, defendant MICHAEL WILSON knowingly devised and intended to devise a scheme and artifice to defraud as to material matters and to obtain monies and funds owned and under the custody and control of Countrywide Bank, FSB, by means of material false and fraudulent pretenses, representations, promises, and omissions.

8. It was a part of the scheme that MICHAEL WILSON signed a fraudulent home loan application for his wife, as her attorney-in-fact, that was submitted to Countrywide Bank, FSB. The application listed his wife's employer as DSD and her monthly income as approximately \$15,000. In fact, his wife never worked for DSD and did not earn \$15,000 a month.

9. It was a further part of the scheme that MICHAEL WILSON deposited \$47,000 he received from DSD into his joint personal checking account to inflate his bank account balance. Shortly after this deposit, MICHAEL WILSON's bank issued a verification of deposit, indicating that his joint personal checking account balance was \$49,000. That verification of deposit was submitted to Countrywide Bank, FSB, as a condition of loan approval.

10. It was a further part of the scheme that MICHAEL WILSON signed a letter for his wife, explaining that the \$47,000 deposit was a semi-annual bonus for MICHAEL WILSON from DSD. That letter was submitted to Countrywide Bank, FSB. In fact, the \$47,000 was a

loan from DSD.

11. Relying on the fraudulent home loan application, the fraudulent verification of deposit, and the fraudulent letter, Countrywide Bank, FSB, approved the loan and funded \$500,000. Due to the MICHAEL WILSONS's inability to pay the mortgage on the home, Countrywide Bank, FSB, initiated foreclosure proceedings.

EXECUTIONS OF THE SCHEME AND ARTIFICE TO DEFRAUD

12. On or about May 17, 2007, in the District of Oregon, defendant MICHAEL WILSON, for purposes of executing and attempting to execute a material scheme to defraud and to obtain monies and funds owned or under the custody and control of Countrywide Bank, FSB, by means of material false and fraudulent pretenses, representations, promises, and omissions, knowingly signed and caused the submission of a fraudulent home loan application to Countrywide Bank, FSB.

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

COUNT TWO

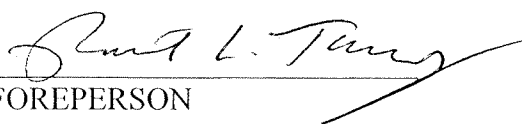
(False Statement on Loan Application)

13. Paragraphs 1-5 of the Introductory Allegations are incorporated herein.

14. On or about May 17, 2007, in the District of Oregon, defendants MICHAEL WILSON made false statements and reports for the purpose of influencing the action of Countrywide Bank, FSB, an FDIC insured financial institution, in connection with an application, advance, commitment, and loan, and any change and extension of any of the same, in that MICHAEL WILSON knowingly caused the submission of a fraudulent home loan application to Countrywide Bank, FSB.

All in violation of 18 U.S.C. §§ 1014 and 2.

DATED this 19 day of November 2009.


FOREPERSON

Presented by:

KENT S. ROBINSON
Acting United States Attorney


SCOTT E. BRADFORD
Assistant U.S. Attorney