



Department of Justice

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FOR IMMEDIATE RELEASE
Friday, September 25, 2009
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Docket #: 2:08-cr-00376 EJG

FUGITIVE CHICO MAN ACCUSED OF MORTGAGE FRAUD EXTRADITED FROM SPAIN YESTERDAY

SACRAMENTO-- United States Attorney Lawrence G. Brown and Butte County District Attorney Michael L. Ramsey announced that Spanish authorities yesterday handed over indicted mortgage fraud defendant GARRET GRIFFITH GILILLAND III, 28, Chico, California, after a year-long extradition and asylum battle in Spanish courts. GILILLAND will be arraigned today at 2 p.m. before United States Magistrate Judge Gregory G. Hollows. The government is requesting detention of the defendant as a flight risk and danger to the community.

This case is the product of an extensive and joint investigation by the Federal Bureau of Investigation, Internal Revenue Service-Criminal Investigation, and the Butte County District Attorney's Office.

According to Assistant United States Attorney Russell L. Carlberg, who is prosecuting the case, GILILLAND fled abroad shortly after a search warrant was executed on his Chico residence on June 25, 2008. GILILLAND fled first to Colombia, then on to Spain. (GILILLAND grew up in Paradise, California, and is an American citizen with no known connection to Spain.) He moved on to Barcelona, where he was arrested by Spanish authorities on October 16, 2008. GILILLAND contested extradition to the United States. After losing his extradition battle, GILILLAND sought asylum from Spain. The Spanish denied GILILLAND's asylum petition and ordered him returned to the United States. Yesterday, Spanish authorities handed GILILLAND over to the United States Marshals, who transported him from Madrid, Spain back to Sacramento via airplane.

"This case should dramatically illustrate to defendants that they can run, but they cannot hide. The long-arm of the law will follow you, wherever you go," said United States Attorney Brown.

"This has been a model of state-federal cooperation in investigating fraud and bringing a fugitive to justice," said District Attorney Ramsey. "The FBI, IRS and my investigators have worked shoulder-to-shoulder on all aspects of this case for almost two years. And we're not done yet."

GILILLAND was originally indicted on August 14, 2008, for his role in a mortgage fraud scheme in the Chico area. On October 29, 2008, a federal jury returned a thirty-count superseding indictment, charging GILILLAND with 24 counts of mail fraud in connection with fraudulent mortgage applications and receiving substantial monies from sellers outside of escrow. The grand jury also charged GILILLAND with conspiracy to launder funds, one count

of bulk cash smuggling, and one count of conspiracy to manufacture over 100 marijuana plants. The marijuana charge stems from a number of the fraudulently-acquired homes that were turned into marijuana grow-houses. The bulk cash smuggling involves a scheme by GILILLAND and a Sacramento man to mail \$20,000 in cash inside a can of Pringles to GILILLAND in Spain.

The maximum statutory penalty for each count of mail fraud is 20 years in prison and a \$250,000 fine. The penalty for conspiracy to manufacture marijuana plants is a mandatory minimum term of five years in prison and up to forty years in prison, as well as a \$2,000,000 fine. However, the actual sentence will be dictated by the Federal Sentencing Guidelines, which take into account a number of factors, and will be imposed at the discretion of the court.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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