

**IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MISSOURI  
WESTERN DIVISION**

**UNITED STATES OF AMERICA,**

Plaintiff,

v.

**KAREN WASHAM-HAWKINS,**

a/k/a Karen Washam-Hawkins,

a/k/a Karen W. Hawkins,

[DOB: 02/09/1962],

and

**GERALD WILLIAM BARTLETT,**

a/k/a/ Jerry Bartlett,

[DOB: 09/21/1971],

Defendants.

) No. \_\_\_\_\_

)

) **Count One:**

) [Both defendants]

) **18 U.S.C. § 371**

) NMT 5 Years Imprisonment

) NMT \$250,000 Fine

) NMT 3 years Supervised Release

) Class D Felony

)

) **Counts Two through Four:**

) [Both defendants]

) **18 U.S.C. §§ 2314 and 2**

) NMT 10 Years Imprisonment

) NMT \$250,000 Fine

) NMT 3 Years Supervised Release

) Class C Felony

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) **Counts Five and Six:**

) [Defendant Washam-Hawkins]

) **18 U.S.C. §§ 1343 and 2**

) NMT 20 Years Imprisonment

) NMT \$250,000 Fine

) NMT 5 Years Supervised Release

) Class B Felony

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) \$100 Special Assessment On Each Count.

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) Restitution May Be Ordered.

**INDICTMENT**

THE GRAND JURY CHARGES THAT:

**COUNT ONE**

**Introduction**

1. At all times material herein:

a. Defendant KAREN WASHAM-HAWKINS, a/k/a Karen Washan-Hawkins, a/k/a Karen W. Hawkins, hereafter WASHAM-HAWKINS, a resident of Carson, California, was a real estate agent working with a real estate company in California; she also obtained and sold false Social Security Numbers to enable individuals to create false credit histories in order to deceive lenders and obtain loans.

b. Defendant GERALD WILLIAM BARLETT, a/k/a Jerry Bartlett, a resident of Tampa, Florida, was doing business as South Florida Management Group, Inc., Southflorida [sic] Management Group, LLC, and Consumer Financial Group, all in Tampa, Florida. BARTLETT provided fraudulent account and payment information to a credit bureau to falsely enhance the creditworthiness of individuals, in order for those individuals to deceive lenders and obtain loans.

c. Shade Jerome Howard, a/k/a Jerome Shade Howard, hereafter Howard, a resident of Anaheim, California, was doing business as Infinite Link Communication, Inc., Dream Homes and Sales Management, Inc., and Alpha/Omega Properties, all in Anaheim Hills, California. Howard obtained false Social Security Numbers, and account and payment information, for himself and others to use in order to deceive lenders and obtain loans for the purchase of properties in the Kansas City, Missouri, metropolitan area.

d. Ronald E. Brown, Jr., hereafter Brown, a resident of Gladstone, Missouri, obtained and utilized two false Social Security Numbers, and account and payment information, in order to deceive lenders and obtain loans for the purchase of properties in the Kansas City, Missouri, metropolitan area.

e. Daryle A. Edwards, hereafter Edwards, a resident of Overland Park, Kansas, obtained and utilized a false Social Security Number in order to deceive lenders and obtain loans for the purchase of properties in the Kansas City, Missouri, metropolitan area.

f. Accredited Home Lenders, Inc., hereafter Accredited Home Lenders, was engaged in the business of making mortgage loans. It had offices in West Chester, Ohio, and San Diego, California.

g. Argent Mortgage Co., LLC, hereafter Argent Mortgage, was engaged in the business of making mortgage loans. It had an office in Rolling Meadows, Illinois.

h. The CIT Group/Consumer Finance, Inc., hereafter CIT Group, was engaged in the business of making mortgage loans. It had offices in Oklahoma City, Oklahoma, and St. Louis, Missouri.

i. Countrywide Home Loans, Inc., hereafter Countrywide Home Loans, was engaged in the business of making mortgage loans. It had offices in Ft. Worth, Texas, and Overland Park, Kansas.

j. Finance America, LLC, hereafter Finance America, was engaged in the business of making mortgage loans. It had offices in Irvine, California, and Denver, Colorado.

k. OwnIt Mortgage Solutions, Inc., hereafter OwnIt Mortgage, was engaged in the business of making mortgage loans. It had an office in Denver, Colorado.

l. ResMae Mortgage Corporation, hereafter ResMae Mortgage, was engaged in the business of making mortgage loans. It had an office in Irvine, California.

### **The Conspiracy and Its Object**

2. Beginning in or about late 2004 or early 2005, the exact date being unknown to the Grand Jury, and continuing through on or about August 15, 2006, at Lee's Summit, in the Western District of Missouri, and elsewhere, defendants KAREN WASHAM-HAWKINS, a/k/a Karen Washan-Hawkins, a/k/a Karen W. Hawkins, and GERALD WILLIAM BARTLETT, a/k/a Jerry Bartlett, and Shade Jerome Howard, Ronald E. Brown, Jr., and Daryle A. Edwards, and others known and unknown to the Grand Jury, combined, conspired and agreed with each other and others known and unknown to the Grand Jury to obtain money from mortgage lenders, title companies, and others, by means of materially false and fraudulent pretenses, representations and promises, and by the concealment of material facts, and in the execution of the said scheme to commit offenses against the United States, that is,

a. to knowingly and willfully cause to be transported and transferred, in interstate commerce, money of a value of \$5,000.00 or more, knowing the same to have been converted and taken by fraud, in violation of Title 18, United States Code, Sections 2314 and 2; and

b. to knowingly and willfully transmit and cause to be transmitted in interstate commerce, wire communications, that is, communications by facsimile communications, electronic mail, and wire transfers of funds, in furtherance of and for the purpose of executing a scheme to defraud, in violation of Title 18, United States Code, Sections 1343 and 2.

### **Purpose of the Conspiracy**

3. The purpose of the conspiracy was to obtain loans and other benefits by the sale and use of false Social Security Numbers, and false account and payment information, to fraudulently enhance the creditworthiness of the individuals, in order for them to obtain loans, made in reliance

on materially false and fraudulent representations and promises, and on the concealment of material facts.

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**Fraudulent Scheme**

4. It was part of the scheme that the defendants and coconspirators:
  - a. obtained and provided false Social Security Numbers for use in individuals' loan applications;
  - b. obtained and provided to a credit bureau false account and payment information to enhance the creditworthiness of individuals;
  - c. caused to be prepared materially false and fraudulent mortgage loan applications and supporting documentation, including false Social Security Numbers and credit reports, all for submission to mortgage lenders;
  - d. caused to be submitted to mortgage lenders the materially false and fraudulent loan applications and supporting documentation in order to receive loans;
  - e. caused to be prepared and submitted to title companies closing the loans, materially false and fraudulent documentation in order to receive funds from the loan proceeds;
  - f. caused mortgage lenders to approve the loan applications in reliance on the materially false and fraudulent representations and omissions of facts contained in the mortgage loan applications and other documentation; and
  - g. obtained personal financial and other benefits as a result of the scheme.

### Manner and Means

5. It was part of the conspiracy that, beginning in or about late 2004 or early 2005, the exact date being unknown to the Grand Jury, and continuing through on or about August 15, 2006, defendant WASHAM-HAWKINS agreed to supply Howard with false Social Security Numbers, referred to as “news,” for clients of Howard.

6. It was further part of the conspiracy that Howard gave defendant WASHAM-HAWKINS names, addresses, and dates of birth of individuals wanting new Social Security Numbers.

7. It was further part of the conspiracy that defendant WASHAM-HAWKINS obtained false Social Security Numbers, then gave the numbers to Howard associated with names, addresses, and dates of birth.

8. It was further part of the conspiracy that Howard gave defendant BARTLETT names, addresses, dates of birth, and false Social Security Numbers, and requested positive credit information for individuals who wanted to enhance their creditworthiness.

9. It was further part of the conspiracy that defendant BARTLETT, using the names South Florida Management Group and Consumer Financial Group, reported false and fraudulent account and payment information to a credit bureau to falsely enhance the creditworthiness of those individuals.

10. It was further part of the conspiracy that Howard, Brown, Edwards, and others, purchased false Social Security Numbers, obtained through defendant WASHAM-HAWKINS, and false and fraudulent account and payment information, obtained through defendant BARTLETT, to

enhance their creditworthiness in order to deceive lenders and obtain loans for the purchase of homes by materially false and fraudulent representations and promises, and omissions of fact.

11. It was further part of the conspiracy that the coconspirators caused to be prepared and submitted to mortgage lenders loan applications and supporting documentation containing materially false and fraudulent representations and omissions of fact, to induce the mortgage lenders to approve the applications and lend funds for the purchase of the homes.

12. It was further part of the conspiracy that the coconspirators caused to be prepared and submitted to title companies closing the loans, and to mortgage lenders, materially false and fraudulent documentation, and made materially false and fraudulent representations, and omissions of material facts, in order to receive loans.

13. It was further part of the conspiracy that the coconspirators caused mortgage lenders to approve the loan applications in reliance on the materially false, fraudulent and misleading representations and omissions of facts contained in the mortgage loan applications and supporting documentation.

14. It was further part of the conspiracy that the coconspirators obtained financial and other benefits as a result of the scheme.

#### **Overt Acts**

15. In furtherance of and to effect the objectives of the conspiracy, and to accomplish its purposes and objectives, the defendants committed and caused to be committed the following overt acts, among others, in Lee's Summit, in the Western District of Missouri, and elsewhere:

a. In or about late 2004 or early 2005, Brown requested that Howard obtain false Social Security Numbers and positive credit information for Brown to use in obtaining loans to purchase properties.

b. In or about late 2004 or early 2005, Edwards requested that Howard obtain a false Social Security Number and positive credit information for Edwards to use in obtaining loans to purchase properties.

c. In or about late 2004 or early 2005, Howard contacted defendant WASHAM-HAWKINS and requested “news,” that is, false Social Security Numbers, for himself, Brown, and Edwards, and gave her names, addresses, and dates of birth to be associated with those numbers.

d. Shortly thereafter, defendant WASHAM-HAWKINS provided Howard false Social Security Numbers for Howard, Brown, and Edwards, associated with names, addresses, and dates of birth. Howard paid her cash for the numbers.

e. In or about late 2004 or early 2005, Howard contacted defendant BARTLETT and requested that he enhance Howard’s, Brown’s and Edwards’ creditworthiness by adding false account and payment information for them with a credit bureau; Howard gave BARTLETT names, addresses, dates of birth, and false Social Security Numbers, and requested positive credit information to enhance their creditworthiness.

f. Shortly thereafter, defendant BARTLETT, using the South Florida Management Group and Consumer Financial Group, reported false and fraudulent account and payment information to a credit bureau to falsely enhance the creditworthiness of Howard, Brown, and Edwards.



4432 SW Admiral Byrd Drive, Lee's Summit, Missouri

g. On or about June 26, 2005, Brown signed a real estate sales contract for the purchase of 4432 SW Admiral Byrd Drive, Lee's Summit, Missouri, for \$421,400.00.

h. In or about early and mid July 2005, Brown caused to be submitted to Argent Mortgage, loan applications and supporting documents for loans totaling \$421,400.00 for the purchase of 4432 SW Admiral Byrd Drive, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number, a false address, false income and liability information, a false representation that he would occupy the property, false representations of the condition of the home, false representations regarding the use of the proceeds, and false information regarding his creditworthiness.

i. On or about July 20, 2005, as part of the loan closing, Brown signed documents containing false and fraudulent representations and omissions, including a false Social Security Number, address, income, liabilities, occupancy of the property, condition of the home, and use of the proceeds.

933 SW Raintree Drive, Lee's Summit, Missouri

j. On or about June 26, 2005, Brown signed a real estate sales contract for the purchase of 933 SW Raintree Drive, Lee's Summit, Missouri, for \$448,400.

k. In or about July or early August 2005, Brown caused to be submitted to Finance America loan applications and supporting documents for loans totaling \$448,400.00 for the purchase of 933 SW Raintree Drive, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number, a false address, false income and liability information, false representations of the condition of the

home, false representations regarding the use of the proceeds, and false information regarding his creditworthiness.

l. On or about August 4, 2005, as part of the loan closing, Brown signed documents containing false and fraudulent representations and omissions, including a false Social Security Number, address, income, liabilities, condition of the home, and use of the proceeds.

420 SE Hackamore Drive, Lee's Summit, Missouri

m. On or about June 26, 2005, Brown signed a real estate sales contract for the purchase of 420 SE Hackamore, Lee's Summit, Missouri, for \$469,900.00.

n. In or about July or August 2005, Brown caused to be submitted to ResMae Mortgage loan applications and supporting documents for loans totaling \$469,900.00 for the purchase of 420 SE Hackamore Drive, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number, a false address, false income and liability information, a false representation that Brown would occupy the property, false representations of the condition of the home, false representations regarding the use of proceeds, and false information regarding his creditworthiness.

o. On or about August 30, 2005, as part of the loan closing, Brown signed documents containing false and fraudulent representations and omissions, including a false Social Security Number, address, income, liabilities, occupancy of the property, condition of the home, and use of the proceeds.

4500 SW Admiral Byrd Drive, Lee's Summit, Missouri

p. On or about September 17, 2005, Edwards signed a real estate sales contract for the purchase of 4500 SW Admiral Byrd Drive, Lee's Summit, Missouri, for \$418,500.00.

q. In or about August or September 2005, Edwards caused to be submitted to Countrywide Home Loans loan applications and supporting documents for loans totaling \$410,000.00 for the purchase of 4500 SW Admiral Byrd Drive, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number, a false address, false employment, a false representation that he would occupy the property, false representations regarding the use of proceeds, and false information regarding his creditworthiness.

r. On or about October 7, 2005, as part of the loan closing, Edwards signed documents containing false and fraudulent representations and omissions, including a false Social Security Number, address, employment, occupancy of the property, and use of the proceeds.

700 SW Admiral Byrd Court, Lee's Summit, Missouri

s. On or about June 6, 2006, Howard signed a real estate sales contract for the purchase of 4500 SW Admiral Byrd Drive, Lee's Summit, Missouri, for \$598,000.00.

t. In or about June or July 2006, Howard caused to be submitted to OwnIt Mortgage Solutions loan applications and supporting documents for loans totaling \$598,000.00 for the purchase of 700 SW Admiral Byrd Court, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number, false age, false marital status, false assets and liability information, a false representation that he would occupy the property, false representations regarding the use of proceeds, and false information regarding his creditworthiness.

u. On or about July 11, 2006, as part of the loan closing, Howard signed documents containing false and fraudulent representations and omissions, including a false Social

Security Number, age, marital status, assets, liabilities, occupancy of the property, and use of the proceeds.

509 SE Snaffle Bit Court, Lee's Summit, Missouri

v. On or about July 18, 2006, Howard signed a real estate sales contract for the purchase of 509 SE Snaffle Bit Court, Lee's Summit, Missouri, for \$603,000.00.

w. In or about July 2006, Howard caused to be submitted to CIT Group loan applications and supporting documents for loans totaling \$603,000.00 for the purchase of 509 SE Snaffle Bit Court, Lee's Summit, Missouri, in which he made and caused to be made false and fraudulent representations and omissions, including a false Social Security Number; false age; false income, assets, and liability information; a false representation that he would occupy the property, false representations regarding the use of proceeds, and false information regarding his creditworthiness.

x. On or about July 31, 2006, as part of the loan closing, Howard signed documents containing false and fraudulent representations and omissions, including his Social Security Number, age, income, assets, liabilities, occupancy of the property, and use of loan proceeds.

Summary

y. In reliance on the materially false, fraudulent, and misleading representations and omissions of facts contained in the mortgage loan applications and supporting documents, mortgage lenders approved and made loans in the approximate total amount of \$2,717,420.00.

Wire Transfers and Transfers of Funds

z. The Grand Jury incorporates by reference as additional overt acts the wire transmissions and transfer of funds set forth in Counts Two through Six. The wire transmissions and transfers of funds were in interstate commerce, in furtherance of and as a result of the conspiracy and scheme to defraud, described above.

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

**COUNTS TWO through FOUR**

1. The Grand Jury incorporates by reference paragraphs one through fifteen of Count One of the Indictment as if fully set forth herein.

2. On or about the dates listed below, at Lee's Summit, in the Western District of Missouri, and elsewhere, in furtherance of the conspiracy and as a result of the scheme to defraud set forth in Count One of this Indictment, defendants KAREN WASHAM-HAWKINS, a/k/a Karen Washan-Hawkins, a/k/a Karen W. Hawkins, and GERALD WILLIAM BARTLETT, a/k/a Jerry Bartlett, caused to be transferred in interstate commerce between the locations listed below and Lee's Summit, Missouri, and elsewhere, money of a value of \$5,000.00 or more, knowing at the time that the same had been obtained and taken by fraud, that is, loans for the purchase of the listed properties, which loans were made in reliance on the materially false and fraudulent representations and omissions made by coconspirators in the scheme and caused to be made by defendants as described in Count One, the factual allegations of which are incorporated by reference as if fully set forth herein, and from which loan proceeds checks were disbursed, as listed below:

COUNT	PROPERTY PURCHASED WITH LOAN PROCEEDS	DATE	TRANSFER OF MONEY
2	933 SW Raintree Drive, Lee's Summit, Missouri	08/05/05	Check in the amount of \$52,507.41 drawn on the account of Kansas City Title at US Bank, Overland Park, Kansas, deposited into the account of Ty Construction & Residential Contracting, L.L.C., at BC National Bank, Lee's Summit, Missouri. These funds were part of the proceeds of loans in the amounts of \$362,399.12 and \$89,052.80 from Finance America, wired from Deutsche Bank Trust Co, New York, New York, to US Bank, Overland Park, Kansas, for credit to the account of Kansas City Title Company.
3	420 SE Hackamore Drive, Lee's Summit, Missouri	08/30/05	Check in the amount of \$151,149.58 drawn on the account of Kansas City Title at US Bank, Overland Park, Kansas, deposited into the account of Ty Construction & Residential Contracting, L.L.C., at BC National Bank, Lee's Summit, Missouri. These funds were part of the proceeds of loans in the amounts of \$382,478.84 and \$93,935.62 from ResMae Mortgage Corp., wired from Chase Bank of Texas, Houston, Texas, to US Bank, Overland Park, Kansas, for credit to the account of Kansas City Title Company.
4	4500 SW Admiral Byrd Drive, Lee's Summit, Missouri	10/07/05	Check in the amount of \$117,297.02 drawn on the account of Kansas City Title at US Bank, Overland Park, Kansas, deposited into the account of Ty Construction & Residential Contracting, L.L.C., at BC National Bank, Lee's Summit, Missouri. These funds were part of the proceeds of loans in the amounts of \$328,694.25 and \$83,025.00 from Countrywide Home Loans, wired from Bank of New York, New York, New York, to US Bank, Overland Park, Kansas, for credit to the account of Kansas City Title Company.

All in violation of Title 18, United States Code, Sections 2314 and 2.

**COUNTS FIVE and SIX**

1. The Grand Jury incorporates by reference paragraphs one through fifteen of Count One of the Indictment as if fully set forth herein.

2. On or about the dates listed below, at Kansas City, in the Western District of Missouri, and elsewhere, in furtherance of the conspiracy and scheme to defraud set forth in Count One and for the purpose of executing the aforesaid scheme, defendant KAREN WASHAM-HAWKINS , a/k/a Karen Washan-Hawkins, a/k/a Karen W. Hawkins, knowingly and willfully caused to be transmitted by means of wire communication in interstate commerce, between the Western District of Missouri and locations outside the State of Missouri, writings, signs, and signals, as described below, to obtain and fund loans to purchase the listed properties, which loans were made in reliance on the false and fraudulent material representations and omissions made by a coconspirator in the scheme and caused to be made by defendant:

COUNT	PROPERTY PURCHASED WITH LOAN PROCEEDS	DATE	TRANSMISSION
5	700 SW Admiral Byrd Drive, Lee's Summit, Missouri	07/11/06	Wire transfers of \$480,359.14 and \$118,699.61 from JP Morgan Chase Bank (OwnIt Mortgage Solution's bank), New York, New York, to UMB Bank, Kansas City, Missouri, for credit to the account of Trusted Title and Escrow.
6	509 SE Snaffle Bit Court, Lee's Summit, Missouri	08/02/06	Wire transfers of \$488,413.80 and \$120,538.00 from JP Morgan Chase Bank (CIT Group/ Consumer Finance's bank), New York, New York, to UMB Bank, Kansas City, Missouri, for credit to the account of Trusted Title and Escrow.

All in violation of Title 18, United States Code, Sections 1343 and 2.

A TRUE BILL.

8/3/2010  
DATE

/s/Billy D. Tudor  
FOREPERSON OF THE SPECIAL GRAND JURY

/s/ Linda Parker Marshall  
Linda Parker Marshall  
Senior Litigation Counsel  
United States Attorney's Office