



# Department of Justice

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## **ATLANTA BUILDER PLEADS GUILTY TO SALE OF INCOMPLETE OR NON-EXISTENT HOUSES IN FORSYTH COUNTY**

*Builder/Seller Jeffery Alan Teague, arranged over \$5 million in fraudulent mortgage loans for Forsyth County houses in 2006*

Atlanta, GA - JEFFERY ALAN TEAGUE, a/k/a Jeffrey Allen Bryant, 49, of Atlanta, Georgia, formerly of Montgomery and Prince Georges County, Maryland, pleaded guilty late yesterday in federal district court to two counts of wire fraud charging a scheme to defraud mortgage lenders by arranging loans for the purchase of incomplete homes in the names of California, New York, and Florida "investors." TEAGUE provided the lenders with false Certificates of Occupancy, stating the houses securing the loans were "completed to code" and "suitable for occupancy." TEAGUE was arrested by the FBI on August 3, 2006, in connection with the execution of a series of search warrants on his offices and the incomplete Forsyth County houses.

"This case highlights the problems created by mortgage fraud where the builder is involved in the fraud and out-of-state 'investors' sign loans without inspecting the properties," said United States Attorney David E. Nahmias. "Even the partially built houses in this case may be subject to condemnation as the portions completed were not built to code, thereby leaving mortgage lenders with little security for their loans and 'investors' with nothing to resell."

According to United States Attorney Nahmias and the information presented in court: In 1999 to 2001, TEAGUE, using the name "Jeffrey Allen Bryant" and operating as the builder/seller "Quantum Builders" and "Premium Property Management," defrauded mortgage lenders by obtaining over \$10 million in loans for the purchase of non-existent and incomplete houses in Rockdale County from BRYANT/Quantum Builders. These loans were obtained in the names of unqualified "straw borrowers," using fraudulent appraisals with photographs of completed houses and false Certificates of Occupancy provided by TEAGUE. Following detection of this scheme, TEAGUE moved to Maryland but returned to Atlanta in 2006, under the name JEFFERY ALAN TEAGUE and "The Pacific Group, Inc., d/b/a Value Homes Ltd." TEAGUE again began to arrange mortgage loans for the purchase of incomplete houses in Forsyth County from

TEAGUE/Value Homes in the names of California, New York and Florida "investors." In 2006, TEAGUE, a/k/a Bryant, also collected "investor" money for property in subdivisions in Fayette and Fulton Counties which he did not own.

TEAGUE, a/k/a Bryant, was indicted in August 2006 on two counts of wire fraud. He pleaded guilty to both counts of the indictment. He could receive a maximum sentence of 40 years in prison and a fine of up to \$500,000.

Sentencing is scheduled for February 9, 2007, at 2:00 PM , before United States District Judge Thomas W. Thrash.

This case is being investigated by of the Federal Bureau of Investigation.

Assistant United States Attorney Gale McKenzie is prosecuting the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).