



NEWS RELEASE

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FOR IMMEDIATE RELEASE

BLUE SPRINGS, LEE'S SUMMIT MEN SENTENCED FOR \$18 MILLION MORTGAGE FRAUD

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Blue Springs, Mo., man and a Lee's Summit, Mo., man were sentenced in federal court today for wire fraud and money laundering.

Anthony Edward Long, 35, of Blue Springs, and **Mitchell David Medlin**, 43, of Lee's Summit, were sentenced in separate hearings this afternoon before U.S. District Judge Ortrie D. Smith.

Anthony Long, who pleaded guilty to charges contained in two separate indictments, was sentenced to three years and three months in federal prison without parole. The court also ordered **Anthony Long** to pay \$1,388,126 in restitution. **Medlin** was sentenced to five years of probation, including six months in a halfway house and six months of home detention. The court also ordered **Medlin** to pay \$1,388,126 in restitution.

On April 21 and 22, 2005, respectively, **Medlin** and **Anthony Long** pleaded guilty to wire fraud and money laundering related to an \$18 million mortgage fraud scheme. On June 23, 2005, **Anthony Long** also pleaded guilty in a separate and unrelated case to illegally possessing a firearm.

Anthony Long was engaged in the mortgage lending business with his father and co-defendant **Carl Long**, 56, of Oak Grove, Mo., through Community HomeBanc and First Equity Banc, two Independence, Mo., companies that are no longer in business. **Medlin** was engaged in residential and light commercial construction, doing business as M&R Construction, LLC, in Lee's Summit.

On April 21, 2005, **Carl Long** pleaded guilty to two counts of wire fraud and one count of money laundering. A sentencing hearing has been scheduled for Nov. 7, 2005.

“These defendants participated in a fraud scheme that involved 120 loans valued at nearly \$18 million,” Graves said. “They induced individuals to obtain loans in order to purchase duplexes, and they caused lending institutions to approve those loans, all based on false and fraudulent information. The defendants profited from the fees and commissions resulting from those loans.”

From Dec. 4, 2000, to Aug. 20, 2003, the scheme used investment properties as a means to generate excess loan funds by obtaining inflated appraisals. Those inflated appraisals, Graves explained, were based on false rental fees, phony lease agreements, fabricated comparable listings and sales, and false statements in loan applications.

“This mortgage fraud largely involved three projects in Lee’s Summit and Independence,” Graves said, “the Westwind duplexes, the Westvale duplexes and the Viking Place duplexes.”

The specific count of wire fraud to which **Anthony Long** and **Medlin** pleaded guilty, Graves explained, involves a \$111,754 wire transfer on May 18, 2005, from a Michigan bank to a Lee’s Summit bank for credit to the account of Metro One Title, in connection with the sale of property at the Westwind duplexes. M&R Construction purchased the property on that day for \$85,000 from JTL Properties and sold it on the same day for \$125,700 to family members of **Medlin**.

The money laundering charge, Graves explained, relates to financial transactions that occurred on the same day. **Medlin** received \$80,008 from Metro One Title – proceeds from the \$111,754 wire transfer – and deposited the funds to the account of M&R Construction. **Medlin** used those funds – derived from the wire fraud – to purchase a \$27,211 cashier’s check payable to cash, which he delivered to Metro One Title for the down payment on two properties being purchased by family members of **Medlin**.

Anthony Long also admitted, in a separate and unrelated case, that he was in possession of a High Standard .22-caliber revolver on Oct. 19, 2004. Under federal law, Graves explained, it is illegal for anyone who is subject to a court order of protection to be in possession of any firearm or ammunition. On April 28, 2004, **Anthony Long’s** wife was granted a full order of protection by the Jackson County Circuit Court that restrained him from harassing, stalking and threatening her.

The fraud case is being prosecuted by Assistant U.S. Attorney Linda Parker Marshall and was investigated by the Federal Bureau of Investigation. The firearm case was prosecuted by Daniel M. Nelson and was investigated by the Kansas City, Mo., Police Department and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow