



Department of Justice

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ATLANTA MAN PLEADS GUILTY TO MAKING FALSE STATEMENTS TO THE FDIC AND AGGRAVATED IDENTITY THEFT

Merriell Made False Statements in an Attempt to “Short Sell” Properties Mortgaged by the Failed Omni National Bank

ATLANTA, GA - BRENT MERRIELL, 37, of Atlanta, Georgia, pleaded guilty today in federal district court to charges of making false statements to the Federal Deposit Insurance Corporation (FDIC) and aggravated identity theft.

United States Attorney Sally Quillian Yates said, “This case demonstrates our resolve to prosecute those who attempt to cheat the FDIC as that agency works to secure the assets of hard-working Americans deposited in this country’s banks. The FDIC has limited resources to guarantee deposits across this country, and we will not ignore attempts by criminals like Merriell to steal money intended to protect honest citizens.”

According to United States Attorney Yates, the charges and other information presented in court: MERRIELL obtained millions of dollars in loans from Omni National Bank before Omni’s failure and takeover by the FDIC on March 27, 2009. Beginning in October 2009, when he was facing foreclosure on 14 different properties, MERRIELL asked the FDIC to forgive \$2.2 million in Omni loan payoffs and allow him to “short sale” two properties each to seven new purchasers at greatly reduced amounts.

A “short sale” occurs when a lender agrees to the sale of property — on which the current owner has defaulted — to a third party for less than the full amount due on the loan. Lenders are willing to accept “short sales” as a means of reducing their losses on bad loans and assisting the distressed property owner. In this case, MERRIELL attempted to arrange short sales in the names of people whose identities had been stolen, and he submitted forged and counterfeited sales contracts and loan commitment letters to the FDIC in support of the sales. MERRIELL was arrested before he could complete these sales and ruin the credit of the persons whose identities he stole.

MERRIELL was indicted on the charges in December 2009. He could receive a maximum sentence of up to 30 years in prison and a fine of up to \$1,000,000 for the false

statements crime, as well as a mandatory consecutive sentence of 2 years in prison and a fine up to \$250,000 for the aggravated identity theft. In determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders.

Sentencing is scheduled for May 25, 2010, at 2 p.m. before United States District Judge Jack T. Camp.

Additional Omni-related prosecutions to date include:

1. MARK ANTHONY MCBRIDE, 43, of East Point, Georgia, who pleaded guilty on April 4, 2009, to fraudulently obtaining millions of dollars in mortgage loans from Omni and other lenders, is scheduled to be sentenced on April 1, 2010, at 2:00 p.m., before United States District Judge Jack T. Camp. MCBRIDE remains in jail while awaiting sentencing.
2. JEFFREY L. LEVINE, 68, of Atlanta, Georgia, who pleaded guilty on January 14, 2010, to causing materially false entries that overvalued bank assets to be made in the books, reports and statements of Omni, is scheduled to be sentenced on May 25, 2010, at 10:00 a.m., before United States District Judge Jack T. Camp.

DELROY OLIVER DAVY, 37, of Lithonia, Georgia, was charged in a Criminal Information on December 18, 2009, with bank fraud and conspiracy to commit bank, mail, and wire fraud in connection with a scheme to fraudulently obtain millions of dollars of mortgage loans from Omni and other lenders. At his initial appearance, DAVY waived indictment and is now scheduled to plead guilty on May 11, 2010, at 2 p.m. before United States District Judge Jack T. Camp.

These cases are being investigated by Special Agents of a Mortgage Fraud Task Force formed for Omni-related cases, made up of the Housing and Urban Development (HUD) - Office of Inspector General, the United States Postal Inspection Service, the FDIC -Office of Inspector General, the Office of the Special Inspector General for the Troubled Asset Relief Program, and the Federal Bureau of Investigation. The Task Force is continuing to investigate a number of Omni-related matters.

Assistant United States Attorneys Gale McKenzie and Christopher Bly are prosecuting the case.

For further information please contact Sally Q. Yates, United States Attorney, or 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.justice.gov/usao/gan.