

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

FILED - GR
December 30, 2008 2:36 PM
RONALD C. WESTON, SR., CLERK
U.S. DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
BY: EC / Mfr

UNITED STATES OF AMERICA,

Plaintiff,

vs.

PATRICIA L. VANDERZWAAG,
a/k/a "Patricia Leann Sprankle", and
DANIEL LEE VANDERZWAAG,

Defendants.
_____ /

No.

1:08-cr-324

Hon.

Paul L Maloney
Chief U.S. District Judge

INDICTMENT

The Grand Jury charges:

COUNT 1
(Mail Fraud)

On or about January 16, 2006, in Kalamazoo County in the Southern Division of
the Western District of Michigan and elsewhere,

PATRICIA L. VANDERZWAAG,
a/k/a "Patricia Leann Sprankle," and
DANIEL LEE VANDERZWAAG,

having devised a scheme and artifice to defraud, and for obtaining money by false and
fraudulent pretenses, representations and promises, did cause a disbursement check to
be sent via private or commercial interstate carrier for the purpose of executing the
scheme.

THE SCHEME TO DEFRAUD

The defendants' scheme to defraud related to a mortgage loan they negotiated with Accredited Home Lenders between December 27, 2005 and January 13, 2006. The mortgage loan related to real estate located at 2121 Oak Hollow Drive, in Jenison, Michigan. The transaction involved the purchase of this property by DANIEL LEE VANDERZWAAG from PATRICIA LEANN SPRANKLE for \$175,000, with VANDERZWAAG borrowing the purchase money from Accredited Home Lenders, a mortgage company.

When VANDERZWAAG applied for the loan, he was required to supply Accredited Home Lenders with information relating to his income. This information was provided by VANDERZWAAG and SPRANKLE. Supporting documents for this income information, which included documents purporting to be Internal Revenue Service Forms W-2, falsely reflected that VANDERZWAAG had been employed by D&L Services since 1987. These documents also falsely indicated that D&L Services paid VANDERZWAAG income during 2003, 2004 and 2005. Accredited Home Lenders relied upon this information when it decided to make the loan. This income information was false, and known to be so by VANDERZWAAG and SPRANKLE.

USE OF MAILES TO EXECUTE THE SCHEME

Use of interstate private or commercial carriers was essential to the success of the scheme. The defendants' goal in obtaining the loan was to use the proceeds to repay other loans owed by them. After Accredited Home Lenders approved

VANDERZWAAG's loan, a closing was conducted by Nations Title Company. During this closing it was explained that the loan proceeds would be sent directly to the defendants' creditors. Following the closing, Nations Title Company sent these disbursement checks, via Federal Express, to the defendants' creditors.

18 U.S.C. § 1341

18 U.S.C. § 2

COUNT 2
(Wire Fraud)

On or about January 25, 2006, in Ottawa County in the Southern Division of the Western District of Michigan and elsewhere,

**PATRICIA L. VANDERZWAAG,
a/k/a "Patricia Leann Sprankle," and
DANIEL LEE VANDERZWAAG,**

having devised a scheme and artifice to defraud, and for obtaining money by false and fraudulent pretenses, representations and promises, did cause signs, sounds and signals to be transmitted by wire in interstate commerce for the purpose of executing the scheme.

THE SCHEME TO DEFRAUD

The defendants' scheme to defraud related to a mortgage loan they negotiated with Option One Mortgage, a mortgage company, between December 10, 2005 and January 20, 2006. The mortgage loan related to real estate located at 2121 Oak Hollow Drive, in Jenison, Michigan. The transaction involved the purchase of this property by DANIEL LEE VANDERZWAAG from PATRICIA LEANN SPRANKLE for \$137,250, with VANDERZWAAG borrowing the purchase money from Option One Mortgage.

As part of the loan process, VANDERZWAAG and SPRANKLE were required to provide proof that the property being mortgaged was not already mortgaged to another lender. Option One Mortgage was provided with a fraudulent document, purportedly from Ohio Savings Bank, falsely stating that the lender did not have a

security interest in the real estate. Furthermore, VANDERZWAAG and SPRANKLE did not disclose that, as of on or about January 13, 2006, this same real estate had been mortgaged to Accredited Home Lenders in exchange for a loan of \$175,000.

Finally, VANDERZWAAG was required to provide income information in connection with this loan application. He falsely stated that he earned income from D&D Company, and had been employed there for the past nine years. Option One Mortgage was provided false income information for wages paid to VANDERZWAAG by "D&D Company" during 2004 and 2005.

Option One Mortgage relied upon this false and misleading information and made a loan of \$137,250 to VANDERZWAAG.

USE OF INTERSTATE WIRES TO EXECUTE THE SCHEME

After Option One Mortgage approved the loan, a closing was held. The defendants were advised that the loan proceeds would be transferred via wire to VANDERZWAAG's bank account in Michigan. On or about January 25, 2006, the sum of \$129,312.06 was wired from Indianapolis, Indiana to VANDERZWAAG's Chemical Bank account, located in Grand Haven, Michigan.

18 U.S.C. § 1343

18 U.S.C. § 2

COUNT 3
(Bank Fraud)

Between on or about June 21 and June 29, 2007, in the Southern Division of the Western District of Michigan, and elsewhere,

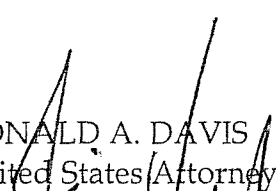
PATRICIA L. VANDERZWAAG ,
a/k/a "Patricia Leann Sprankle"

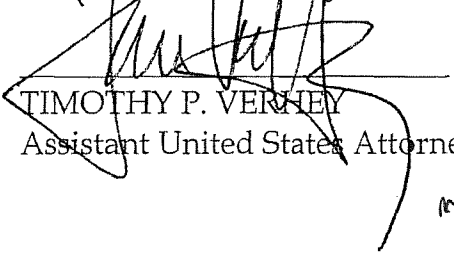
did knowingly execute a scheme and artifice to defraud a federally-insured financial institution, specifically National City Bank.

The defendant accomplished this scheme by applying for a mortgage loan from National City Bank in connection with property located at 4233 Creekview Drive, Hudsonville, Michigan. As part of the loan application process, the defendant provided the bank with a false date of birth, and a copy of a Michigan Operators License bearing a false date of birth. The defendant also provided National City Bank with a Social Security account number, which she falsely indicated was the number assigned to her. In addition, the defendant provided National City Bank with a false document purporting to be an Internal Revenue Service Form W-2, which indicated that she earned wages of \$66,300 from D&L Services in 2006.

National City Bank relied upon the false information provided by the defendant and made her a loan \$237,000.

18 U.S.C. § 1344(1)


DONALD A. DAVIS
United States Attorney


TIMOTHY P. VERHEY
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A TRUE BILL


GRAND JURY FOREPERSON