

yy. On or about October 3, 2008, Defendants Lubert-Adler, Ginn-LA CS Borrower and Ginn-LA Conduit Lender received from Credit Suisse Cayman Islands (with a Madison Avenue address in New York, New York) via the Postal Service or private or commercial carrier, wire or other interstate media a letter containing notice of “outstanding Defaults and Events of Default with respect to certain obligations” of Defendants Ginn-LA CS Borrower and Ginn-LA Conduit Lender under the CSCF. Defendants Lubert-Adler, ERG Enterprises and Ginn-LA West End LLLP concealed from GSM lot owners, including Plaintiffs, the fact of this 2008 default under the CSCF.

zz. On December 19, 2008, Defendants CSCF Borrowers, Ginn-LA West End LLLP, Ginn-LA OBB, Ginn West End, ERG Enterprises, Lubert-Adler and Lubert-Adler Funds III, IV and V entered into the 2008 Master Restructure following the CSCF Final Default with knowledge that those agreements would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts. In connection with the 2008 Master Restructure, Defendants Ginn West End, ERG Enterprises and Lubert-Adler (collectively “West End Pledgors”) agreed that the CSCF was in final default, that the CSCF lenders would foreclose on the Pledge of GSM Interests and the Pledge of GSM Land and that the West End Pledgors had no defense to the foreclosure.

aaa. As a result of the Final CSCF Default, on May 22, 2009, Credit Suisse filed an action in the Supreme Court of the State of New York to foreclose on the CSCF Pledge of GSM (“GSM Foreclosure”), which was transmitted via the Postal

Service or private or commercial carrier, wire or other interstate media to Defendants Lubert-Adler, Lubert-Adler Fund III, Lubert-Adler Fund IV, Ginn West End, Ginn-LA West End, Ginn-LA CS Holding, Ginn-LA Conduit Lender, Ginn-LA CS Borrower and ERG Enterprises.

bbb. On December 23, 2009, an Order and Judgment of Foreclosure and Sale was entered in the GSM Foreclosure (“GSM Foreclosure Judgment”) setting forth an agreed Aggregate Indebtedness in the amount of \$ 495,095,611.77, which was transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to Defendants Lubert-Adler, Lubert-Adler Fund III, Lubert-Adler Fund IV, Ginn West End, Ginn-LA CS Holding, Ginn-LA West End LLLP, Ginn-LA Conduit Lender, Ginn-LA CS Borrower and ERG Enterprises.

343. Other matters and things sent through or received from the Postal Service and private or commercial carrier or interstate wire transmission by CSCF Defendants included information or communication in furtherance of or necessary to effectuate the schemes outlined above. Details concerning the exact dates of and persons involved in sending the following matters or things is in the exclusive control of one or more of the CSCF Defendants, and/or other persons and are presently unknown to Plaintiffs:

a. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to March 20, 2006 concerning whether to respond to communications from Credit Suisse offering its new synthetic term loan product.

- b. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to March 30, 2006 concerning whether to engage Credit Suisse in order to secure “senior secured credit facilities in an aggregate principal amount of up to \$800 million.”
- c. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to March 30, 2006 concerning why it would be beneficial to engage Credit Suisse in order to secure “senior secured credit facilities in an aggregate principal amount of up to \$800 million.”
- d. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning the amount of the amount of money they intended to borrow and/or would attempt to borrow under the “senior secured credit facilities in an aggregate principal amount of up to \$800 million.”
- e. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning how they would structure the “senior secured credit

facilities in an aggregate principal amount of up to \$800 million,” including what entities would serve as the “borrowers” under the credit facilities.

- f. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning how they would structure the “senior secured credit facilities in an aggregate principal amount of up to \$800 million,” including how much money Defendants Lubert-Adler and ERG Enterprises would receive as a “distribution” under the credit facilities.
- g. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning how they would structure the “senior secured credit facilities in an aggregate principal amount of up to \$800 million,” including how the credit facilities would be collateralized.
- h. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning how they would structure the “senior secured credit facilities in an aggregate principal amount of up to \$800 million,” including how the proceeds of the credit facilities would be utilized.
- i. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of

communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning how they would structure the “senior secured credit facilities in an aggregate principal amount of up to \$800 million,” including what Ginn-LA developments would be part of the credit facilities transaction.

- j. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning the exact terms of the \$675 million CSCF, including how much money Defendants Lubert-Adler and ERG Enterprises would receive as a “distribution” from the CSCF proceeds.
- k. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning the exact terms of the \$675 million CSCF, including how the CSCF would be collateralized.
- l. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning the exact terms of the \$675 million CSCF, including how the proceeds of the CSCF would be utilized.
- m. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to

May 12, 2006 concerning the exact terms of the \$675 million CSCF, including what Ginn-LA developments would be part of the CSCF transaction.

- n. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others prior to May 12, 2006 concerning the exact terms of the \$675 million CSCF, including other topics presently unknown to Plaintiffs but in the exclusive knowledge and control of Defendants.
- o. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others from January 2006 to the present concerning whether and how to keep the existence and terms of the \$675 million CSCF a secret from prospective GSM purchasers, including Plaintiffs.
- p. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others from January 2006 to the present concerning what persons would be informed about the existence and terms of the \$675 million CSCF.
- q. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others from

January 2006 to August 2008 concerning how to make sufficient sales at the CSCF Developments in order to avoid default under the \$675 million CSCF.

- r. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others concerning the Total Net Value appraisal conducted by GSM.
- s. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others concerning the Project Projections for the CSCF Developments that were provided to GSM.
- t. Defendants Lubert-Adler (through Dean Adler and other persons) and ERG Enterprises (through Bobby Ginn and other persons) engaged in a series of communications via mail and/or wire among themselves and with others concerning the number of GSM residential lots to be included in the GSM Project Projections.

344. CSCF Defendants' misrepresentations, acts of concealment and failures to disclose were knowing and intentional and made for the purpose of deceiving Plaintiffs and obtaining their money and property for CSCF Defendants' gain.

345. CSCF Defendants either knew or recklessly disregarded the fact that the misrepresentations and omissions described above were material, and Plaintiffs relied on the misrepresentations and omissions set forth above.

346. CSCF Defendants either knew or recklessly disregarded the fact that the misrepresentations and omissions described above were material, and Plaintiffs relied on the misrepresentations and omissions set forth above.

347. As a result of CSCF Defendants' fraudulent schemes, CSCF Defendants have obtained money and property belonging to Plaintiffs, and Plaintiffs have been injured in their business or property by the CSCF Defendants' overt acts of mail and wire fraud.

Pattern of Racketeering Activity – CSCF Enterprise

348. CSCF Defendants did knowingly, willfully and unlawfully conduct or participate in the affairs of the CSCF Enterprise through a "pattern of racketeering activity," within the meaning of 18 U.S.C. §§ 1961(1), 1961(5) and 1962(c). The racketeering activity was made possible by CSCF Defendants' regular and repeated use of the facilities and services of the CSCF Enterprise.

349. CSCF Defendants committed or aided and abetted in the commission of at least two acts of racketeering activity, i.e., indictable violations of 18 U.S.C. §§1341, 1343 and 1344 as described above, within the past five years ("Racketeering Acts"). CSCF Defendants' Racketeering Acts were not isolated, but rather had the same or similar purpose, participants, method of commission, and victims, including Plaintiffs.

350. Each of the Racketeering Acts were committed pursuant to and in furtherance of the CSCF Enterprise, and such acts include false and misleading statements, as well as other uses of the mails and wire transmissions, to further and execute Defendants' scheme and artifice to defraud.

351. The multiple Racketeering Acts that CSCF Defendants committed and/or conspired to commit and/or aided and abetted the commission of, were related to each other and amount to and pose a threat of continued racketeering activity, and therefore constitute a "pattern of racketeering activity" as defined in 18 U.S.C. § 1961(5).

RICO Allegations

The Enterprise: Ginn Financial Enterprise

352. Plaintiffs and Defendants Ginn Financial, Bahama Sales, McCracken and Bobby Ginn are all "persons" within the meaning of 18 U.S.C. § 1961(3).

353. Based upon Plaintiffs' current knowledge, the following persons constitute a group of individuals associated in fact that Plaintiffs refer to as the "Ginn Financial Enterprise": (1) Defendant Ginn Financial; (2) Defendant Bahamas Sales; (3) Defendant William McCracken; (4) Defendant Bobby Ginn; and (5) other persons presently unknown to Plaintiffs (collectively "Mortgage Fraud Defendants").

354. The Ginn Financial Enterprise is an ongoing organization that engages in, and which activities affect, interstate and foreign commerce. At all time relevant to the allegations herein, Mortgage Fraud Defendants did knowingly and willfully make use of the means and instruments of transportation and communications of interstate and foreign commerce to communicate with one another, with prospective purchasers of lots in GSM and with applicants for GSM lot financing.

355. Although Mortgage Fraud Defendants participate in and are members and part of the Ginn Financial Enterprise, each Mortgage Fraud Defendant also has an existence separate and apart from the Ginn Financial Enterprise.

356. At all relevant times, the Ginn Financial Enterprise has had an ascertainable structure separate and apart from the pattern of racketeering activity in which Mortgage Fraud

Defendants have engaged and their conspiracy to engage in such activity. The primary decision-maker for the Ginn Financial Enterprise was and is Defendant Bobby Ginn, who directed and continues to direct the activities of the Ginn Financial Enterprise.

357. Mortgage Fraud Defendants control and operate the Ginn Financial Enterprise through a variety of means including, but not limited to, the following:

- a. by offering GSM purchasers lot loans through Defendant Ginn Financial;
- b. by suborning inflated and unsupported appraisals intended to support the Mortgagor Plaintiffs' GSM mortgage loans;
- c. by utilizing inflated and unsupported appraisals to inflate the lot prices for all GSM lots;
- d. by agreeing to facilitate and facilitating the approval and closing of the Mortgagor Plaintiffs' GSM mortgage loans at amounts that were based upon the inflated and unsupported appraisals;
- e. by agreeing to conceal and concealing their fraudulent scheme to set inflated and unsupported sales prices for GSM lots;
- f. by agreeing to conceal and concealing their fraudulent scheme to facilitate the approval and closing of the Mortgagor Plaintiffs' GSM mortgage loans at amounts that were based upon the inflated and unsupported appraisals; and
- g. by agreeing to conceal and concealing their fraudulent scheme to suborn inflated and unsupported appraisals intended to support the Mortgagor Plaintiffs' GSM mortgage loans; and
- h. by agreeing to conceal and concealing their fraudulent scheme to suborn inflated and unsupported appraisals to inflate the lot prices for all GSM lots.

358. The Ginn Financial Enterprise has pursued a course of deceit, misrepresentation, concealment and conspiracy to defraud GSM lot purchasers and to collect profits from the fraudulent, misleading and unlawful actions of the Ginn Financial Enterprise. Those actions began before Plaintiffs contracted to buy GSM lots, continue to the present and threaten to continue into the future.

359. The formation, existence and actions of the Ginn Financial Enterprise were and are essential to the success of its fraudulent, misleading and unlawful actions.

Predicate Acts- Mail, Wire and Bank Fraud: Ginn Financial Enterprise

360. Section 1961(1) of RICO provides that "racketeering activity" includes any act indictable under 18 U.S.C. § 1341 (relating to mail fraud) and 18 U.S.C. § 1343 (relating to wire fraud), and 18 U.S.C. § 1344 (relating to bank fraud). Mortgage Fraud Defendants have engaged and continue to engage in conduct violating each of these laws in an effort to effectuate the mortgage fraud scheme.

361. For the purpose of executing and/or attempting to execute the above-described scheme to defraud or obtain money by means of false or fraudulent pretenses, representations or promises, Mortgage Fraud Defendants in violation of 18 U.S.C. § 1341 did cause matter and things to be delivered by the Postal Service or by private or commercial interstate carriers. These acts were done intentionally and knowingly with the specific intent to advance Mortgage Fraud Defendants' schemes, or with knowledge that the use of mails would follow in the ordinary course of business, or that such use could have been foreseen, even if not actually intended.

362. Mortgage Fraud Defendants carried out their scheme in different states within the United States and in other countries and could not have done so unless they used the Postal Service or private or commercial interstate carriers.

363. For the purpose of executing and/or attempting to execute the above-described scheme to defraud or obtain money by means of false or fraudulent pretenses, representations or promises, Mortgage Fraud Defendants in violation of 18 U.S.C. § 1343 did transmit, cause to be transmitted and/or received by means of wire communication in interstate and foreign commerce, various writings, signs, and signals. These acts were done intentionally and knowingly with the specific intent to advance Mortgage Fraud Defendants' scheme, or with knowledge that the use of wire communications would follow in the ordinary course of business, or that such use could have been foreseen, even if not actually intended.

364. The matter and things sent by Mortgage Fraud Defendants via the Postal Service or private or commercial carrier, wire or other interstate media include, but are not limited to, the following:

- a. On or about June 10, 2005, Defendant Bobby Ginn authorized and caused information to be sent to the Georgia Secretary of State, Corporations Division via the Postal Service or private or commercial carrier, wire or other interstate media for the formation of Defendant Ginn Financial as a Georgia Limited Liability Company.
- b. On or about June 14, 2005, Defendant Bobby Ginn authorized and caused information to be sent to the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media in support of an

Application for Authorization to Transact Business in the State of Florida on behalf of Defendant Ginn Financial.

- c. On or about January 12, 2006, Defendant Bobby Ginn authorized and caused a 2006 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.
- d. From around August 2006 through 2007, Defendant Bobby Ginn authorized and caused Defendants Ginn Financial and William McCracken to recommend to Mortgagor Plaintiffs via the Postal Service or private or commercial carrier, wire or other interstate media that they could obtain 80% loan-to-value financing for GSM lot purchases through Defendant Ginn Financial.
- e. On or about August 7, 2006, Defendant Bobby Ginn authorized and caused information to be sent to the Delaware Department of State, Division of Corporations via the Postal Service or private or commercial carrier, wire or other interstate media for the formation of Defendant Bahamas Sales Associate, LLC. Defendant Bahamas Sales was formed for the sole purpose of closing on those GSM mortgage loans provided to the Mortgagor Plaintiffs who had gone through the loan application and disclosure process with Defendant Ginn Financial, even though Defendant Bahamas Sales was not a licensed mortgage lender, correspondent mortgage lender or mortgage broker in any state.
- f. Beginning in Fall 2006, Defendant McCracken engaged in a series of telephone conversations with Robert Allen at Pomeroy Appraisal:

- i. In Fall 2006, Defendant McCracken telephoned Robert Allen to introduce himself and inform Mr. Allen that Defendant Ginn Financial was looking for a firm to provide appraisals for lots in GSM.
- ii. In Fall 2006, after Defendant Ginn Financial flew the Pomeroy Appraisal partners to the Bahamas, Defendant McCracken and others from Ginn Financial spoke with Robert Allen about the scope of the engagement and agreed upon Pomeroy Appraisal's charges for conducting appraisals. At that time, Defendant Bobby Ginn authorized and caused Defendant McCracken to engage Pomeroy Appraisal to provide appraisals for lots in GSM.
- iii. In Fall 2006, Defendant McCracken and others from Ginn Financial spoke with Robert Allen by telephone. Defendant Bobby Ginn authorized and caused Defendant McCracken to inform Pomeroy Appraisal that the lot sales price was the target value for the appraisals to be issued by Pomeroy Appraisal. During this call, Pomeroy Appraisal informed the Ginn Financial Representatives that Pomeroy Appraisal's analysis would not be based on any predetermined target value, estimate or contract price. Pomeroy Appraisal further informed Ginn Financial that the market value as determined by Pomeroy Appraisal's appraisals would be based only upon Pomeroy Appraisal's investigation and analysis.

- iv. In Fall 2006, Defendant McCracken and others from Defendant Ginn Financial spoke with Robert Allen by telephone after Pomeroy Appraisal began putting together a rough analysis for the GSM lot appraisals. During this call, Pomeroy Appraisal discussed with Defendant Ginn Financial how lot prices in GSM measured up against comparable sales on Grand Bahama Island but outside of GSM (“Grand Bahama Comparables”). Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that the GSM lot prices were significantly higher than the sales prices for the Grand Bahama Comparables. Those on the call agreed that the Grand Bahama Comparables did not offer the amenities that Ginn was marketing for GSM. Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that Pomeroy Appraisal would need to establish the difference between lots with and without the amenities that were being marketed for GSM in order to understand how to measure the Grand Bahama Comparables. Pomeroy Appraisal also informed Defendants Ginn Financial and McCracken that this would be a difficult task and that it would take some time to do this analysis.
- v. In Fall 2006, Defendant McCracken and others from Defendant Ginn Financial spoke with Robert Allen by telephone after Pomeroy Appraisal began putting together a rough analysis for the GSM lot appraisals. During this call, Defendants McCracken and

Ginn Financial pressured Pomeroy Appraisal to provide them with the appraisals very quickly. Pomeroy Appraisal told Defendants Ginn Financial and McCracken that Pomeroy Appraisal couldn't produce the appraisals without first undertaking a complete investigation and analysis of the market. Pomeroy Appraisal explained that without a complete investigation and analysis, Mr. Allen and his partner would not consider themselves competent in the area and would not be able to provide appraisals.

- vi. In Fall 2006, Defendant McCracken and others from Defendant Ginn Financial spoke with Robert Allen by telephone after Pomeroy Appraisal began putting together a rough analysis for the GSM lot appraisals. During this call, Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that, as part of Pomeroy Appraisal's complete investigation and analysis, Pomeroy Appraisal would need to consider comparable lot sales on Grand Bahama Island but outside of GSM. In response, with the authorization of Defendant Bobby Ginn, Defendants McCracken and Cook pressured Pomeroy Appraisal to consider the closed sales from within GSM as the only comparables and asked why Pomeroy Appraisal needed to go outside the project when Defendant Ginn Financial had the closed sales in GSM for Pomeroy Appraisal to use as comparables. Pomeroy Appraisal agreed to look at the closed sales within GSM in addition to the

comparables Pomeroy Appraisal had obtained from outside of GSM. Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that the problem with using only closed sales within GSM as comparables was that many of the buyers for those sales had been flown into the private airstrip on GSM by Ginn and had not had an opportunity to price lots offered outside the subdivision before making their purchase decisions. Pomeroy Appraisal explained that it was not comfortable only using closed sales within GSM as comparables because Pomeroy Appraisal had not yet completed its investigation and analysis and thus did not yet understand how the Bahamian real estate market worked. Pomeroy Appraisal further informed Defendants Ginn Financial and McCracken that any U.S. lender would want to see an appraisal that took into account comparables from outside of GSM. In response, Defendant McCracken strongly disagreed. In a heated conversation and with the authorization of Defendant Bobby Ginn, Defendant McCracken informed Pomeroy Appraisal that Defendant Ginn Financial only wanted Pomeroy Appraisal to use closed sales within GSM as comparables and that Defendant Ginn Financial did not want Pomeroy Appraisal to use any comparable sales from outside of GSM. Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that if Pomeroy Appraisal agreed to consider closed sales from within GSM as

comparables, Pomeroy Appraisal's appraisals would have to indicate that they were "subject to" the completion of the infrastructure and amenities that Ginn was marketing for GSM. Pomeroy Appraisal informed Defendants Ginn Financial and McCracken that Pomeroy Appraisal had to protect itself, and thus Pomeroy Appraisal would only agree to provide "subject to" appraisals. Pomeroy Appraisal made it clear that if Defendants Ginn Financial and McCracken would not accept "subject to" appraisals, Pomeroy Appraisal would not provide the appraisals at all. In response, with the authorization of Defendant Bobby Ginn, Defendants Ginn Financial and McCracken asked Pomeroy Appraisal to provide a rough draft of what Pomeroy Appraisal's appraisal would look like for several of the lots.

- vii. In Fall 2006, Defendant McCracken and others from Defendant Ginn Financial spoke with Robert Allen by telephone after they received Pomeroy Appraisal's rough drafts of the GSM lot appraisals. During this call, with the authorization of Defendant Bobby Ginn, Defendants Ginn Financial and McCracken asked Pomeroy Appraisal to remove the "subject to" comments from the draft appraisals. Pomeroy Appraisal refused. In response, Defendants McCracken said they would get back to Pomeroy Appraisal.

- viii. In Fall 2006, less than an hour after the call concerning Pomeroy Appraisal's rough drafts of the GSM lot appraisals, with the authorization of Defendant Bobby Ginn, Defendants Ginn Financial and McCracken telephoned Pomeroy Appraisal to say that Defendant Ginn Financial was "going to go in another direction."
- g. In Fall 2006, with the authorization of Defendant Bobby Ginn, Defendant Ginn Financial made arrangements via the Postal Service or private or commercial carrier, wire or other interstate media to fly the Pomeroy Appraisal partners to the Bahamas on a Ginn corporate jet for a 1-day trip to meet with various Ginn sales and development people.
- h. On or about September 25, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 98. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.
- i. On or about September 25, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 146. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.
- j. On or about September 25, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other

interstate media a Request for Appraisal for GSM Lot 109. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.

- k. On or about September 27, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 103. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- l. On or about September 27, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 104. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.
- m. On or about September 27, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 45. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- n. On or about September 29, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 38. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- o. On or about October 3, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate

- media a Request for Appraisal for GSM Lot 194. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- p. On or about October 3, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 37. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- q. On or about October 3, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 46. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.
- r. On or about October 3, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 136. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- s. On or about October 3, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 89. The Request for Appraisal improperly included a sales price and an "Estimated Value" figure for the lot to be appraised.
- t. On or about October 4, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 80. The Request for Appraisal

improperly included a sales price and an “Estimated Value” figure for the lot to be appraised.

- u. On or about October 5, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 56. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- v. On or about October 27, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 88. The Request for Appraisal improperly included a sales price and an “Estimated Value” figure for the lot to be appraised.
- w. On or about October 30, 2006, Defendant Ginn Financial sent Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a Request for Appraisal for GSM Lot 432. The Request for Appraisal improperly included a sales price for the lot to be appraised.
- x. On a date presently unknown to Plaintiffs but known to Defendants, Defendant McCracken authorized and caused Defendant Ginn Financial to send Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media the Final Completion Statement and other closing documents for the sale of Lot 18. Defendant McCracken intended the Completion Statement to serve as the only basis for Pomeroy Appraisal’s valuation of other GSM lots.
- y. On a date presently unknown to Plaintiffs but known to Defendants, Defendant McCracken authorized and caused Defendant Ginn Financial to send Pomeroy

Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media the Final Completion Statement and other closing documents for the sale of Lot 90. Defendant McCracken intended the Completion Statement to serve as the only basis for Pomeroy Appraisal's valuation of other GSM lots.

- z. On a date presently unknown to Plaintiffs but known to Defendants, Defendant McCracken authorized and caused Defendant Ginn Financial to send Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media the Final Completion Statement for the sale of Lot 97. Defendant McCracken intended the Completion Statement to serve as the only basis for Pomeroy Appraisal's valuation of other GSM lots.
- aa. On a date presently unknown to Plaintiffs but known to Defendants, Defendant McCracken authorized and caused Defendant Ginn Financial to send Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media the Final Completion Statement and other closing documents for the sale of Lot 133. Defendant McCracken intended the Completion Statement to serve as the only basis for Pomeroy Appraisal's valuation of other GSM lots.
- bb. On a date presently unknown to Plaintiffs but known to Defendants, Defendant McCracken authorized and caused Defendant Ginn Financial to send Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media the Final Completion Statement and other closing documents for the sale of Lot 190. Defendant McCracken intended the Completion Statement to serve as the only basis for Pomeroy Appraisal's valuation of other GSM lots.

- cc. On or about October 27, 2006, Defendant Ginn Financial received from Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a DRAFT Land Appraisal Report for GSM Lot 74. The draft stated in three separate places that it was subject to the completion of infrastructure and certain amenities as described in a detailed "Project Amenity Description." Defendants McCracken and Ginn Financial pressured Pomeroy Appraisal to remove the "subject to" language. When Pomeroy refused, Defendant Bobby Ginn authorized and caused Defendants McCracken and Ginn Financial to reject the DRAFT Land Appraisal Report and to terminate the services of Pomeroy Appraisal.
- dd. On or about October 27, 2006, Defendant Ginn Financial received from Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a DRAFT Land Appraisal Report for GSM Lot 80. The draft stated in three separate places that it was subject to the completion of infrastructure and certain amenities as described in a detailed "Project Amenity Description." Defendants McCracken and Ginn Financial pressured Pomeroy Appraisal to remove the "subject to" language. When Pomeroy refused, Defendant Bobby Ginn authorized and caused Defendants McCracken and Ginn Financial to reject the DRAFT Land Appraisal Report and to terminate the services of Pomeroy Appraisal.
- ee. On or about October 27, 2006, Defendant Ginn Financial received from Pomeroy Appraisal via the Postal Service or private or commercial carrier, wire or other interstate media a DRAFT Land Appraisal Report for GSM Lot 103. The draft

stated in three separate places that it was subject to the completion of infrastructure and certain amenities as described in a detailed "Project Amenity Description." Defendants McCracken and Ginn Financial pressured Pomeroy Appraisal to remove the "subject to" language. When Pomeroy refused, Defendant Bobby Ginn authorized and caused Defendants McCracken and Ginn Financial to reject the DRAFT Land Appraisal Report and to terminate the services of Pomeroy Appraisal.

- ff. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bailey via the Postal Service or private or commercial carrier, wire or other interstate media a mortgage loan application, which Plaintiffs Bailey executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Bailey's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.
- gg. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 67, which was being purchased by Plaintiffs Bailey.
- hh. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 67, which was being purchased by Plaintiffs Bailey. The W. Carver Grant

appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

- ii. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bailey via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiff Bailey's mortgage loan. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Bailey's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.
- jj. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bailey via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Bailey's GSM mortgage loan. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Bailey's mortgage loan.
- kk. On or about February 16, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Bailey's mortgage loan for GSM Lot 67, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.
- ll. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bredahl via the Postal Service or private or

commercial carrier, wire or other interstate media a mortgage loan application, which Plaintiffs Bredahl executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Bredahl's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

mm. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 39, which was being purchased by Plaintiffs Bredahl.

nn. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 33, which was being purchased by Plaintiffs Bredahl.

oo. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 39, which was being purchased by Plaintiffs Bredahl. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

pp. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal

Service or private or commercial carrier, wire or other interstate media for GSM Lot 33, which was being purchased by Plaintiffs Bredahl. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

- qq. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bredahl via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiff Bredahl's mortgage loan on GSM Lot 39. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Bredahl's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.
- rr. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bredahl via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiff Bredahl's mortgage loan on GSM Lot 33. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Bredahl's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.
- ss. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bredahl via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Bredahl's mortgage loan on GSM Lot 39. This

packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Bredahl's mortgage loan.

tt. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Bredahl via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Bredahl's mortgage loan on GSM Lot 33. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Bredahl's mortgage loan.

uu. On or about December 22, 2006, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Bredahl's mortgage loan for GSM Lot 39, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

vv. On or about March 9, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Bredahl's mortgage loan for GSM Lot 33, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

ww. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Domnick via the Postal Service or private or commercial carrier, wire or other interstate media a mortgage loan application,

which Plaintiffs Domnick executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Domnick's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

- xx. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 487, which was being purchased by Plaintiffs Domnick.
- yy. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 487, which was being purchased by Plaintiffs Domnick. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.
- zz. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Domnick via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiff Domnick's mortgage loan. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Domnick's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

aaa. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Domnick via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Domnick's GSM mortgage loan. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Domnick's mortgage loan.

bbb. On or about June 22, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Domnick's mortgage loan for GSM Lot 487, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

ccc. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Crawford Group via the Postal Service or private or commercial carrier, wire or other interstate media a mortgage loan application, which Plaintiffs Crawford Group executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Crawford Group's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

ddd. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a

Bahamian engineer, provide an appraisal for GSM Lot 209, which was being purchased by Plaintiffs Crawford Group.

eee. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 209, which was being purchased by Plaintiffs Crawford Group. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

fff. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Crawford Group via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiffs Crawford Group's mortgage loan. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Crawford Group's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

ggg. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Crawford Group via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Crawford Group's GSM mortgage loan. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Crawford Group's mortgage loan.

hhh. On or about February 22, 2008, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Crawford Group's mortgage loan for GSM Lot 209, with

Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

- iii. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Jackson Group a mortgage loan application via the Postal Service or private or commercial carrier, wire or other interstate media, which Plaintiffs Jackson Group executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Jackson Group's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.
- jjj. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 488, which was being purchased by Plaintiffs Jackson Group.
- kkk. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 488, which was being purchased by Plaintiffs Jackson Group. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

lll. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Jackson Group via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiffs Jackson Group's mortgage loan. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Jackson Group's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

mmm. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Jackson Group via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Jackson Group's GSM mortgage loan. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Jackson Group's mortgage loan.

nnn. On or about March 13, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Jackson Group's mortgage loan for GSM Lot 488, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

ooo. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Clear Reef a mortgage loan application via the Postal Service or private or commercial carrier, wire or other interstate

media, which Plaintiffs Clear Reef executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Clear Reef's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

ppp. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 42, which was being purchased by Plaintiffs Clear Reef.

qqq. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 42, which was being purchased by Plaintiffs Clear Reef. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

rrr. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Clear Reef via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiffs Clear Reef's mortgage loan. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Clear Reef's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

sss. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Clear Reef via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Clear Reef's GSM mortgage loan. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Clear Reef's mortgage loan.

ttt. On or about March 13, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Clear Reef's mortgage loan for GSM Lot 42, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

uuu. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Beachfront a mortgage loan application via the Postal Service or private or commercial carrier, wire or other interstate media, which Plaintiffs Beachfront executed. This mortgage loan application listed Defendant Ginn Financial as the lender for Plaintiffs Beachfront's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

vvv. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a

Bahamian engineer, provide an appraisal for GSM Lot 43, which was being purchased by Plaintiffs Beachfront.

www. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial requested via the Postal Service or private or commercial carrier, wire or other interstate media that W. Carver Grant & Co., a Bahamian engineer, provide an appraisal for GSM Lot 44, which was being purchased by Plaintiffs Beachfront.

xxx. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 43, which was being purchased by Plaintiffs Beachfront. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

yyy. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial received an appraisal from W. Carver Grant & Co. via the Postal Service or private or commercial carrier, wire or other interstate media for GSM Lot 44, which was being purchased by Plaintiffs Beachfront. The W. Carver Grant appraisal was inflated, unsupported and did not comply with the Uniform Standards of Professional Appraisal Practice.

zzz. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Beachfront via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiffs Beachfront's mortgage loan for GSM Lot 43. This

Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Beachfront's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

aaaa. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Beachfront via the Postal Service or private or commercial carrier, wire or other interstate media a Good Faith Estimate of closing costs for Plaintiffs Beachfront's mortgage loan for GSM Lot 44. This Good Faith listed Defendant Ginn Financial as the lender for Plaintiffs Beachfront's mortgage loan, when in fact that loan was closed with Defendant Bahamas Sales Associate, which is not licensed as a mortgage lender, as the lender.

bbbb. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Beachfront via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Beachfront's GSM mortgage loan for GSM Lot 43. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Beachfront's mortgage loan.

cccc. On a date presently unknown to Plaintiffs but known to Defendants, Defendant Ginn Financial sent Plaintiffs Beachfront via the Postal Service or private or commercial carrier, wire or other interstate media a packet of mortgage loan closing documents for Plaintiffs Beachfront's GSM mortgage loan for GSM

Lot 44. This packet of closing listed Defendant Bahamas Sales as the lender for Plaintiff Beachfront's mortgage loan.

dddd. On or about March 13, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Beachfront's mortgage loan for GSM Lot 43, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

eeee. On or about March 13, 2007, Defendants Bahamas Sales and Ginn Title closed Plaintiffs Beachfront's mortgage loan for GSM Lot 44, with Defendant Bahamas Sales acting as the mortgage lender, with knowledge that the closing documents would be transmitted via the Postal Service or private or commercial carrier, wire or other interstate media to other signatories of the agreement for execution in counterparts, and/or to an agent for filing in the Bahamas.

ffff. On or about March 7, 2007, Defendant Bobby Ginn authorized and caused a 2007 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.

gggg. On or about April 23, 2007, Defendant Bobby Ginn authorized and caused a 2007 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Bahamas Sales.

- hhhh. On or about September 4, 2007, Defendant Bobby Ginn authorized and caused a 2007 Amended Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.
- iiii. On or about January 16, 2008, Defendant Bobby Ginn authorized and caused a 2008 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.
- jjjj. On or about April 22, 2008, Defendant Bobby Ginn authorized and caused a 2008 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Bahamas Sales.
- kkkk. On or about April 30, 2009, Defendant Bobby Ginn authorized and caused a 2009 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.
- llll. On or about April 30, 2009, Defendant Bobby Ginn authorized and caused a 2009 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Bahamas Sales.
- mmmm. On or about March 17, 2010, Defendant Bobby Ginn authorized and caused a 2010 Limited Liability Corporation Annual Report to be filed with the

Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Ginn Financial.

nnnn. On or about March 18, 2010, Defendant Bobby Ginn authorized and caused a 2010 Limited Liability Corporation Annual Report to be filed with the Florida Secretary of State via the Postal Service or private or commercial carrier, wire or other interstate media for Defendant Bahamas Sales.

365. Other matters and things sent through or received from the Postal Service and private or commercial carrier or interstate wire transmission by Mortgage Fraud Defendants included information or communication in furtherance of or necessary to effectuate the schemes outlined above. Details concerning the exact dates of and persons involved in sending the following matters or things is in the exclusive control of one or more of Mortgage Fraud Defendants, and/or other persons and are presently unknown to Plaintiffs:

- a. Defendants Bobby Ginn, Ginn Financial, Bahamas Sales and McCracken engaged in a series of communications via mail and/or wire among themselves and with others prior to October 2006 concerning the use of inflated and unsupported appraisals that did not comply with the Uniform Standards of Professional Appraisal Practice to justify the sale and financing of Plaintiffs' GSM lot purchases at inflated prices based upon marketed amenities that did not exist at the time of the appraisals.
- b. Defendants Bobby Ginn, Ginn Financial, Bahamas Sales and McCracken engaged in a series of communications via mail and/or wire

among themselves and with others prior to October 2006 concerning the use of Pomeroy Appraisal.

- c. Defendants Bobby Ginn, Ginn Financial, Bahamas Sales and McCracken engaged in a series of communications via mail and/or wire among themselves and with others prior to October 2006 concerning the communications that Defendants Ginn Financial, McCracken had with Pomeroy Appraisal.
- d. Defendants Bobby Ginn, Ginn Financial, Bahamas Sales and McCracken engaged in a series of communications via mail and/or wire among themselves and with others prior to October 2006 concerning the decision to terminate the relationship with Pomeroy Appraisal.
- e. Defendants Bobby Ginn, Ginn Financial, Bahamas Sales and McCracken engaged in a series of communications via mail and/or wire among themselves and with others prior to October 2006 concerning the retention of another appraiser following the decision to terminate the relationship with Pomeroy Appraisal.
- f. Defendants Ginn Financial and McCracken engaged in a series of communications via mail and/or wire among themselves and with W. Carver Grant prior to October 2006 concerning how Defendants Ginn Financial and McCracken wanted W. Carver Grant to write up the appraisals for GSM lots.

366. Other matters and things sent through or received from the Postal Service and private or commercial carrier or interstate wire transmission by Mortgage Fraud

Defendants included information or communication in furtherance of or necessary to effectuate the schemes outlined above.

367. Mortgage Fraud Defendants' misrepresentations, acts of concealment and failures to disclose were knowing and intentional and made for the purpose of deceiving Plaintiffs and obtaining their money and property for Mortgage Fraud Defendants' gain.

368. Mortgage Fraud Defendants either knew or recklessly disregarded the fact that the misrepresentations and omissions described above were material, and Plaintiffs relied on the misrepresentations and omissions set forth above.

369. As a result of Mortgage Fraud Defendants' fraudulent schemes, Mortgage Fraud Defendants have obtained money and property belonging to Plaintiffs, and Plaintiffs have been injured in their business or property by Mortgage Fraud Defendants' overt acts of mail, wire and bank fraud.

Pattern of Racketeering Activity – Ginn Financial Enterprise

370. Mortgage Fraud Defendants did knowingly, willfully and unlawfully conduct or participate in the affairs of the Ginn Financial Enterprise through a "pattern of racketeering activity," within the meaning of 18 U.S.C. §§ 1961(1), 1961(5) and 1962(c). The racketeering activity was made possible by the Mortgage Fraud Defendants' regular and repeated use of the facilities and services of the Ginn Financial Enterprise.

371. Mortgage Fraud Defendants committed or aided and abetted in the commission of at least two acts of racketeering activity, i.e., indictable violations of 18 U.S.C. §§1341, 1343 and 1344 as described above, within the past five years ("Racketeering Acts"). Mortgage Fraud Defendants' Racketeering Acts were not

isolated, but rather had the same or similar purpose, participants, method of commission, and victims, including Plaintiffs.

372. Each of the Racketeering Acts were committed pursuant to and in furtherance of the Ginn Financial Enterprise, and such acts include false and misleading statements, as well as other uses of the mails and wire transmissions, to further and execute Defendants' scheme and artifice to defraud.

373. The multiple Racketeering Acts that Mortgage Fraud Defendants committed and/or conspired to commit and/or aided and abetted the commission of, were related to each other and amount to and pose a threat of continued racketeering activity, and therefore constitute a "pattern of racketeering activity" as defined in 18 U.S.C. § 1961(5).

COUNT I

Violation of 18 U.S.C. § 1962(c): RICO – The Credit Suisse Credit Facility Fraud

(All Plaintiffs Against Defendants Lubert-Adler, Lubert-Adler Fund III, Lubert-Adler Fund IV, Lubert-Adler Fund V, ERG Enterprises, Ginn West End, Ginn-LA West End LLLP, Ginn-LA CS Borrower, Ginn-LA Conduit Lender and Ginn-LA OBB)

374. Plaintiffs re-allege the allegations set forth in Paragraphs 1-26, 34-273 and 331-351 as though fully set forth below.

375. CSCF Defendants violated 18 U.S.C. §§ 1962(c) by conducting, or participating directly or indirectly in the conduct of the affairs of the CSCF Enterprise through a pattern of racketeering activity, including acts indictable under 18 U.S.C. §§1341 and 1343.

376. As a direct and proximate result, Plaintiffs and members of the Class have been injured in their business or property by the predicate acts that make up CSCF Defendants' pattern of racketeering activity through the CSCF Enterprise.

COUNT II

Violation of 18 U.S.C. § 1962(d): RICO – The Credit Suisse Credit Facility Fraud

(All Plaintiffs Against Defendants Lubert-Adler, Lubert-Adler Fund III, Lubert-Adler Fund IV, Lubert-Adler Fund V, ERG Enterprises, Ginn West End, Ginn-LA West End LLLP, Ginn-LA CS Borrower, Ginn-LA Conduit Lender and Ginn-LA OBB)

377. Plaintiffs re-allege the allegations set forth in Paragraphs 1-26, 34-273 and 331-351 as though fully set forth below.

378. In violation of 18 U.S.C. § 1962(d) CSCF Defendants have, as set forth above, conspired to violate 18 U.S.C. § 1962(c). The conspiracy commenced at least as early as 2004 and continues. The object of the conspiracy was to secure the \$675 million CSCF, obtain a \$333 million distribution from the CSCF for Defendants Lubert-Adler and ERG Enterprises and conceal the existence, terms, defaults, and effects of the CSCF on the development of GSM.

379. As set forth above, each CSCF Defendant knowingly, willfully and unlawfully agreed and combined to conduct or participate in, directly or indirectly, the conduct of the affairs and activities of the CSCF Enterprise through a pattern of racketeering activity, including acts indictable under 18 U.S.C. §§1341 and 1343, in violation of 18 U.S.C. § 1962(c).

380. CSCF Defendants committed numerous overt acts of racketeering activity or other wrongful activity in furtherance of said conspiracy.

381. The purpose of the acts that caused injury to Plaintiffs was to advance the overall objective of the conspiracy, and the harm to Plaintiffs was a reasonably foreseeable consequence of CSCF Defendants' schemes.

382. As a direct and proximate result, Plaintiffs have been injured in their business or property by CSCF Defendants' conspiracy and by the predicate acts that make up CSCF Defendants' pattern of racketeering activity through the CSCF Enterprise.

COUNT III

Violation of 18 U.S.C. § 1962(c): RICO – The Ginn Financial Fraud

(Plaintiffs Bailey, Bredahl, Domnick, Jackson Group, Crawford Group, Clear Reef and Beachfront against Defendants Ginn Financial, Bahamas Sales Associate, Ginn Title, William McCracken and Bobby Ginn)

383. Plaintiffs re-allege the allegations set forth in Paragraphs 1-11, 27-31, 274-330 and 352-373 as though fully set forth below.

384. Mortgage Fraud Defendants violated 18 U.S.C. §§ 1962(c) by conducting, or participating directly or indirectly in the conduct of the affairs of the Ginn Financial Enterprise through a pattern of racketeering activity, including acts indictable under 18 U.S.C. §§1341 and 1343.

385. As a direct and proximate result, Plaintiffs and members of the Class have been injured in their business or property by the predicate acts that make up Mortgage Fraud Defendants' pattern of racketeering activity through the Ginn Financial Enterprise.

COUNT IV

Violation of 18 U.S.C. § 1962(d): RICO – The Ginn Financial Fraud

(Plaintiffs Bailey, Bredahl, Domnick, Jackson Group, Crawford Group, Clear Reef and Beachfront against Defendants Ginn Financial, Bahamas Sales Associate, Ginn Title, William McCracken and Bobby Ginn)

386. Plaintiffs re-allege the allegations set forth in Paragraphs 1-11, 27-31, 274-330 and 352-373 as though fully set forth below.

387. In violation of 18 U.S.C. § 1962(d) Mortgage Fraud Defendants have, as set forth above, conspired to violate 18 U.S.C. § 1962(c). The conspiracy commenced at least as early as 2004 and continues. The object of the conspiracy was to sell and finance GSM lots at unjustified and inflated prices resulting in increased profits for Mortgage Fraud Defendants.

388. As set forth above, each Mortgage Fraud Defendant knowingly, willfully and unlawfully agreed and combined to conduct or participate in, directly or indirectly, the conduct of the affairs and activities of the Ginn Financial Enterprise through a pattern of racketeering activity, including acts indictable under 18 U.S.C. §§1341 and 1343, in violation of 18 U.S.C. § 1962(c).

389. Mortgage Fraud Defendants committed numerous overt acts of racketeering activity or other wrongful activity in furtherance of said conspiracy.

390. The purpose of the acts that caused injury to Plaintiffs was to advance the overall objective of the conspiracy, and the harm to Plaintiffs was a reasonably foreseeable consequence of Mortgage Fraud Defendants' scheme.

391. As a direct and proximate result, Plaintiffs have been injured in their business or property by Mortgage Fraud Defendant' conspiracy and by the predicate

acts that make up Mortgage Fraud Defendants' pattern of racketeering activity through the Ginn Financial Enterprise.

PRAYER FOR RELIEF

Plaintiffs hereby pray for the following relief:

- A. A determination that Defendants have violated 18 U.S.C. §§ 1962(c) and (d);
- B. An injunction prohibiting Defendants from further violations of 18 U.S.C. §§ 1962(c) and (d);
- C. A determination that the mortgages entered into by the Mortgagor Plaintiffs should be declared null and void as a consequence of the Appraisal Fraud Scheme;
- D. A determination that the Contract for Lot Purchase entered into by each Plaintiff should be declared null and void as a consequence of the Credit Suisse Fraud;
- E. As to all Counts, an order that Defendants pay damages in an amount to be determined at trial;
- F. As to all Counts, an order that Defendants pay treble the amount of damages suffered by Plaintiffs;
- H. An order of restitution of all payments and charges that Defendants improperly collected from Plaintiffs;
- I. A determination that Defendants are jointly and severally liable as to all Counts herein;
- J. An award to Plaintiffs of the costs and disbursements incurred in connection with this action, including reasonable attorneys' fees and the reimbursement of expenses in amounts to be determined by the Court;

- K. An award to Plaintiffs of prejudgment interest;
- L. Trial by Jury of all issues triable as of right by a jury; and
- M. Such other and, further relief as the Court may deem just and proper.

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