

MESSAGE FROM PROSECUTOR SHERRI BEVAN WALSH

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Judge Sentences David Willan to Sixteen Years for Mortgage Fraud

(Akron, June 29, 2009) ... Summit County Prosecutor Sherri Bevan Walsh announced today that David Willan, 38, of Akron, was sentenced to 16 years in prison by Judge James E. Murphy this morning after being found guilty on 68 counts of mortgage and securities fraud conducted as owner and President of Evergreen Investment Corporation and Evergreen Homes.

Willan and 16 co-defendants originally were charged in December of 2007 in a 147-count indictment alleging widespread mortgage and securities fraud. The schemes were discovered through a collaborative effort that made up the Ohio Organized Crime Investigations Commission Task Force, which included the Summit County Prosecutors Office, Sheriff's Office, the Executive's Office, Fiscal Office, the Attorney General's Office, the Akron Police Department, and the Cuyahoga Falls Police Department. In two separate trials, Willan was found guilty of a total of 70 counts, including Engaging in a Pattern of Corrupt Activity, multiple Securities violations, Aggravated Theft, Theft from the Elderly, Violations of the Ohio Small Loans Act, Tampering with Governmental Records and Money Laundering.

Summit County Prosecutor Sherri Bevan Walsh stated "this sentence is not only a punishment to David Willan, but it serves as notice to all others who commit financial crimes against investors and the elderly, that their crimes will be taken seriously. Willan's charges were the result of years of investigation by the Ohio Attorney General's Organized Crime Investigations Commission task force which was comprised of multiple cooperating law enforcement agencies. Actions of people like David Willan have led to many of the problems our housing industry is currently facing." Prosecutor Walsh complimented the hard work and partnership of her office, Sheriff Drew Alexander's Office, Executive Russ Pry's Office, Fiscal Officer John Donofrio's Fiscal Office, Attorney General Richard Cordray's Office, the Akron Police Department, and the Cuyahoga Falls Police Department. Captain Steve Barry of the Summit County Sheriff's Department commanded the task force. David Willan's trials were handled by Assistant Attorney General Brad L. Tammaro of the Ohio Organized Crime Investigations Commission, and Summit County Assistant Prosecutors Colleen Sims, Richard Hoenigman and Mike Todd.

Between 2002 and 2006, Evergreen Investment sold high yield securities that were supposed to fund building operations of Evergreen Homes, which built moderately priced homes and sold them to people who had trouble qualifying for standard mortgages. Many of the home buyers were first time home buyers, unaware of the mortgage industry and they found that once they were in a home they could not afford to pay adjustable rate mortgages Willan had sold them. Many buyers said they were never explained what an

adjustable rate mortgage was and were unprepared for the costs associated with them. Willan trained his associates to make small loans to buyers to temporarily increase their credit scores. In addition, Willan violated Ohio securities laws by making false statements in Evergreen's offering circular. Investors generally rely on these circulars. The circulars provide material facts that aid in the investment decision-making process. The circular stated that no commissions will be paid in the connection with the sale of certificates. In reality, Daniel Mohler was paid commissions in excess of \$187,000.00 a year for selling certificates when he was not properly licensed.

Willan violated the Ohio Mortgage Loan Act by filing 2nd Mortgages without receiving a license by the state. Willan also repeatedly violated the small loan act and engaged in the business of making small loans, under \$5,000.00, and above the usury rate of 8%.