



U. S. Department of Justice

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**FORMER DESTIN MORTGAGE BROKER CONVICTED BY JURY ON
FEDERAL BANK FRAUD AND BRIBERY COUNTS**

PENSACOLA, FLORIDA – Pamela C. Marsh, United States Attorney for the Northern District of Florida, announced that Destin resident Randolph Branham (age 45) was convicted yesterday of conspiracy to commit bank fraud and bribery of a loan officer, following a four day jury trial. Prior to the trial, four others indicted in the scheme pled guilty, which included Crestview attorney Chris Cadenhead (age 56), two Destin residents, Jackie T. Fair (age 70), Jane M. McDonald (age 58), and former loan officer Larry J. Malone (age 56), of Bainbridge, Georgia.

During the trial, it was proven that in order for McDonald and Fair to obtain a penthouse condominium located in Destin, Florida, Cadenhead, Branham, and Fair conspired to defraud the financial institution, Southwest Georgia Farm Credit, ACA, located in Bainbridge, Georgia. As a part of the conspiracy, Branham contacted Southwest Georgia Farm Credit's then-Chief Lending Officer, Malone, to ask that he assist Cadenhead in obtaining a \$500,000 loan from the bank, which was going to be used to help purchase the penthouse condominium. With the understanding that Malone would receive a financial benefit in the form of a bribe, Malone agreed to assist and, thereafter, authorized the \$500,000 loan to Cadenhead. Three months later, Malone approved a second loan for \$700,000 to refinance the first loan and a \$150,000 check was sent to Cadenhead. The evidence showed that, from the proceeds of that second loan, Malone was given a \$50,000 check, which represented the payment of the bribe originally negotiated by Branham, Branham received a \$25,000 check, Cadenhead took \$25,000 for himself, and another individual also received some of the money.

Thereafter, McDonald obtained loans through fraud in her name for the penthouse condominium with the assistance of Fair and Cadenhead.

As a result of Branham's conviction, Branham faces a maximum sentence of thirty years in prison on both Counts One and Two. Branham is scheduled to be sentenced March 15, 2012, by Chief District Judge M. Casey Rodgers. Cadenhead, Fair, and McDonald are scheduled to be sentenced March 2, 2012. Cadenhead and Fair face thirty years in prison on Counts One and

Two, and also face twenty years in prison on Counts Three and Four with McDonald. The former loan officer, Malone, will be sentenced by a District Court Judge in the Middle District of Georgia for his conduct surrounding this scheme and faces thirty years in prison for conspiracy to commit bank fraud and receipt of gifts or commissions for procuring a loan.

This investigation was conducted by the recently formed Northwest Florida Mortgage Fraud Task Force, a partnership between the Federal Bureau of Investigation and the Okaloosa County Sheriff's Office. The case was prosecuted by Assistant United States Attorney Tiffany H. Eggers. U.S. Attorney Marsh noted, "This successful prosecution of five defendants, including an attorney and a bank loan officer, on mortgage fraud offenses demonstrates the commitment of the Department of Justice in combating mortgage fraud in the Northern District of Florida. We must protect the integrity of the real estate market and banking institutions in our communities, which are major contributors to the health of our economy in Florida. I commend the investigative activities of the Mortgage Fraud Task Force and the prosecutor's work on this case. Together, they did an excellent job in unraveling some very complicated real estate financial transactions in this case."