

News Release

U.S. Department of Justice

United States Attorney
Northern District of Ohio
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An indictment has been filed against David R. Sharrock, Richard W. Balliett, Rhonda J. McElroy, and Ronald L. Kightlinger charging them with multiple counts of bank and wire fraud in connection with a mortgage fraud scheme which caused approximately \$1.3 million in losses to Geauga Savings Bank, J.P. Morgan Chase Bank, Washington Mutual Bank, and Suntrust Mortgage, Inc, said Steven M. Dettelbach, United States Attorney for the Northern District of Ohio.

Sharrock is also charged with making false statements to the FBI relative to the scheme.

David R. Sharrock, age 69, currently resides in Mansfield, Ohio. Richard W. Balliet, age 44, currently resides in Bucyrus, Ohio. Rhonda J. McElroy, age 49, currently resides in Bellville, Ohio. Ronald L Kightlinger, age 51, currently resides in Crestline, Ohio.

The indictment alleges that Sharrock, Balliett, and McElroy (“the sellers”) sold homes in the cities of Mansfield, Marion, Galion, Plymouth, Shelby, and Bucyrus, Ohio. The sellers made fraudulent misrepresentations to the mortgage lenders by providing undisclosed down payment assistance to the buyers and by submitting fictitious purchase agreements and verifications of deposits. As a result, the sellers signed false settlement statements at closing.

The indictment also alleges that Ronald L. Kightlinger acted as a straw buyer in purchasing a commercial building from David R. Sharrock in Mansfield, Ohio. Sharrock subsequently lied to FBI agents relative to whether he provided down payment assistance in the scheme.

If convicted, the defendants’ sentences will be determined by the Court after review of factors unique to this case, including the defendants’ prior criminal

records, if any, the defendants' roles in the offense and the characteristics of the violation. In all cases the sentence will not exceed the statutory maximum and in most cases it will be less than the maximum.

This case is being prosecuted by Assistant United States Attorney Vasile C. Katsaros, following an investigation by the Federal Bureau of Investigation.

An indictment is only a charge and is not evidence of guilt. The defendants are entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

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