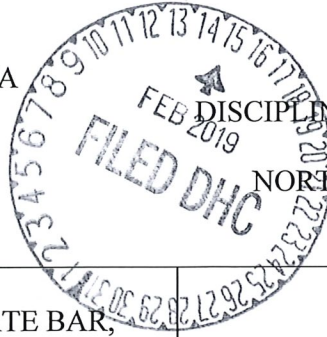


STATE OF NORTH CAROLINA

WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
19 DHC 7

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

ROBIN DALE FUSSELL, Attorney,

Defendant

COMPLAINT

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar ("State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina, and the Rules and Regulations of the North Carolina State Bar (Chapter 1 of Title 27 of the North Carolina Administrative Code).

2. Defendant, Robin Dale Fussell, who is also known as R. Dale Fussell and Dale Fussell ("Fussell"), was admitted to the North Carolina State Bar in 1981, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

Upon information and belief:

3. During all or part of the relevant periods referred to herein, Fussell was engaged in the practice of law in the State of North Carolina and maintained a law office in Charlotte, Mecklenburg County, North Carolina.

4. From about 2004 – 2014, Fussell provided legal and/or fiduciary services in over 200 transactions to John D. Heidinger, also known as Doug Heidinger ("Heidinger"), and various business entities associated with Heidinger, including Equivest, LLC and Carolina Home Buyers, LLC.

5. From about 2009 – 2013, Fussell provided legal and/or fiduciary services in over 200 transactions to Sky Mikesell ("Mikesell") and various business entities associated with Mikesell, including Bluestone Investments, Inc.

FIRST CLAIM FOR RELIEF
(Wallace / Equivest, LLC)

6. Paragraphs 1 – 5 are incorporated as if set out herein.

7. Fussell served as closing attorney and settlement agent for a transaction in which Equivest, LLC was to purchase real property located at 4332 Water Oak Road, Charlotte, NC 28211 (“the 4332 Water Oak Road property”) from Mary Wallace (“Wallace”) for \$53,000.00, pursuant to a February 23, 2009 Offer to Purchase and Contract (“purchase contract”) signed by the parties.

8. Pursuant to the purchase contract, Equivest, LLC was required to pay \$100.00 in earnest money and then \$52,900.00 at closing to Wallace for her real property.

9. Heidinger, who was the manager of Equivest, LLC, retained Fussell to perform a title search on the 4332 Water Oak Road property and serve as closing attorney and settlement agent for this closing.

10. At Heidinger’s request, Fussell performed a title search of the 4332 Water Oak Road property and reported the results to Heidinger by e-mail dated February 25, 2009.

11. In his title search, Fussell found the following encumbrances on the 4332 Water Oak Road property: (1) delinquent property taxes for the years 2005-2008; (2) a judgment by Discover Bank against Wallace; and (3) a recorded deed of trust on the property in the amount of \$50,000.00 that was in foreclosure with a hearing scheduled for April 2009.

12. Fussell prepared a HUD-1 Settlement Statement for the closing of this transaction, with a settlement date of February 26, 2009.

13. The HUD-1 Settlement Statement stated that the buyer, Equivest, LLC, provided \$53,123.00 at closing.

14. The HUD-1 Settlement Statement stated that \$53,000.00 was the gross amount due to the seller, Wallace.

15. The HUD-1 Settlement Statement stated that the \$53,000.00 due to Wallace was being disbursed as follows: (1) \$3,379.14 to pay the 2005-2008 delinquent property taxes; (2) \$4,583.50 to Discover Bank to pay off Wallace’s judgment; and (3) \$45,037.36 to Wachovia Bank to pay off the prior mortgage secured by the deed of trust.

16. Fussell signed the HUD-1 Settlement Statement described above.

17. Wallace signed the HUD-1 Settlement Statement described above.

18. Heidinger signed the HUD-1 Settlement Statement described above for Equivest, LLC.

19. Fussell prepared a general warranty deed for the 4332 Water Oak Drive property with Wallace as grantor and Equivest, LLC as grantee, dated February 26, 2009.

20. Wallace signed the general warranty deed Fussell prepared for the 4332 Water Oak Drive property on February 26, 2009.

21. Fussell's assistant notarized Wallace's signature on the deed.

22. Fussell received the deed signed by Wallace in his fiduciary capacity as settlement agent for the transaction.

23. Fussell was obligated to hold the deed executed by Wallace in his fiduciary capacity unless and until he received appropriate closing funds for the purchase of the property.

24. Equivest, LLC did not provide Fussell with \$53,123.00 at closing in February 2009 as stated on the HUD-1 Settlement Statement.

25. Fussell did not disburse (1) \$3,379.14 to pay the 2005-2008 delinquent property taxes; (2) \$4,583.50 to Discover Bank to pay off Wallace's judgment; and (3) \$45,037.36 to Wachovia Bank to pay off the prior mortgage secured by the deed of trust on Wallace's behalf in February 2009.

26. The HUD-1 Settlement Statement prepared by Fussell and that Fussell signed and had the parties sign was false.

27. On March 26, 2009, Fussell recorded the deed signed by Wallace transferring the 4332 Water Oak Drive property to Equivest, LLC with the Mecklenburg County Register of Deeds.

28. Fussell had not received any funds from or on behalf of Equivest, LLC to purchase the property from Wallace as of March 26, 2009.

29. Fussell did not disburse any funds to or for the benefit of Wallace for the purchase of this property from Wallace in February or March 2009.

30. Fussell did not disclose to Wallace that he was recording the deed from Wallace to Equivest, LLC without having received the purchase funds from Equivest, LLC for the property.

31. Fussell was not authorized to record the deed from Wallace to Equivest, LLC without having received the purchase funds from Equivest, LLC for the property with which to pay the consideration recited in the deed and the purchase contract.

32. By recording the deed transferring the 4332 Water Oak Drive property from Wallace to Equivest, LLC without having received any funds from Equivest, LLC to purchase the property and without having disbursed any funds to Wallace or for the benefit of Wallace for the purchase of the property, Fussell knowingly and willfully misapplied property received in his fiduciary role as settlement agent.

33. The deed signed by Wallace was a general warranty deed that contained the statement that the title to the property being conveyed by the deed was free and clear of all encumbrances.

34. At the time Fussell recorded the deed signed by Wallace, he had received no funds from Equivest, LLC for this transaction and was not taking any contemporaneous action to make the disbursements listed on the HUD-1 Settlement Statement signed by the parties by which the prior encumbrances would have been satisfied.

35. The general warranty deed Fussell recorded misrepresented that the title was free and clear of all encumbrances when in fact at the time the deed was recorded the property remained encumbered by the delinquent property taxes for 2005-2008, Discover Bank's judgment, and the deed of trust held by Wachovia with no contemporaneous action taken that would clear the property of the encumbrances.

36. Subsequent to improperly recording the deed from Wallace to Equivest, LLC with no consideration paid to or for the benefit of Wallace, Fussell assisted Heidinger in utilizing the 4332 Water Oak Drive Property for the benefit of Heidinger and/or his company, Equivest, LLC.

37. On or about September 9, 2009, Fussell served as closing attorney and settlement agent in a transaction in which the 4332 Water Oak Drive property was used by Equivest, LLC as collateral to secure a loan from Gray Dog Investments, Inc.

38. Fussell issued a preliminary opinion of title to the title insurance company with respect to the 4332 Water Oak Drive property, with a search period through July 29, 2009.

39. Fussell reported in his preliminary opinion of title that the property was encumbered by (1) delinquent property taxes for the years 2005-2008; (2) the judgment by Discover Bank; and (3) the deed of trust on the property in the loan amount of \$50,000.00.

40. The title insurance company issued a Commitment for Title Insurance noting in the Exceptions section in Schedule B – Section II that the deed of trust and the Discover Bank judgment would be excepted from coverage in the title policy to be issued unless disposed of to the satisfaction of the title insurance company.

41. Fussell issued a final opinion of title to the title insurance company in which he stated that the deed of trust in favor of Gray Dog Investments, Inc. was in first lien position and that all exceptions in Schedule B – Section II of the Commitment "have been met."

42. Fussell disclosed on the final title opinion that the property taxes had not been paid.

43. Fussell did not disclose on the final title opinion that the other encumbrances, consisting of the deed of trust held by Wachovia and the Discover Bank judgment, had not been satisfied.

44. Gray Dog Investments, Inc. was not in first lien position at the time Fussell submitted his final opinion of title to the title insurance company.

45. Fussell's statement in the final opinion of title that the deed of trust in favor of Gray Dog Investments, Inc. was in first lien position was false.

46. Fussell allowed, participated in, and assisted Heidinger and Equivest, LLC in fraudulently obtaining the 4332 Water Oak Drive property from Wallace and subsequently utilizing the 4332 Water Oak Drive property for the benefit of Heidinger and Equivest, LLC.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

(a) By recording the general warranty deed signed by Wallace transferring the 4332 Water Oak Drive property from Wallace to Equivest, LLC without having received the purchase funds from Equivest, LLC for the property and without the consideration recited in the deed and the purchase contract having been paid, Fussell failed to properly hold and maintain entrusted property received as a fiduciary in violation of Rule 1.15-2(a) and (d), participated in and assisted Equivest, LLC and Heidinger with fraudulently obtaining Wallace's property in violation of Rule 1.2(d), and engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c);

(b) By assisting Heidinger with utilizing the 4332 Water Oak Drive property that had been improperly obtained from Wallace for the benefit of Heidinger and/or a company affiliated with Heidinger, including by serving as settlement agent for the closing of the September 2009 loan for which the 4332 Water Oak Drive property was used as collateral, Fussell engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c);

(c) By preparing, signing, and having the parties sign a HUD-1 Settlement Statement dated February 26, 2009 that falsely represented that \$53,123.00 had been received from the buyer Equivest, LLC at closing and that a total of \$53,000.00 was being disbursed for Wallace's benefit at closing, Fussell made a false accounting of fiduciary funds to Wallace in violation of Rule 1.15-3(f), knowingly made a false statement of material fact to a third person in violation of Rule 4.1, and engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c);

(d) By recording the general warranty deed executed by Wallace that stated the title was free and clear of all encumbrances when in fact at the time Fussell recorded the deed the property remained encumbered by the delinquent property taxes for 2005-2008, Discover Bank's judgment, and the deed of trust held by Wachovia with no contemporaneous action taken that would clear the property of the encumbrances, Fussell engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c); and

(e) By stating in his final opinion of title for the September 2009 transaction that the deed of trust in favor of Gray Dog Investments, Inc. was in first lien position on the 4332 Water Oak Drive property when it was not, Fussell failed to act with reasonable diligence

to ensure the production of an accurate final title opinion in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

SECOND CLAIM FOR RELIEF
(Deeds / Equivest, LLC)

47. Paragraphs 1 – 46 are incorporated as if set out herein.

48. In certain closings in addition to the instance alleged in the prior claim for relief, Fussell prepared, had executed, and recorded with the Mecklenburg County Register of Deeds general warranty deeds that misrepresented that the title was free and clear of all encumbrances when in fact the property remained encumbered with no contemporaneous action taken that would clear the property of the encumbrance, including as listed below:

- a. 3008 Clemson Avenue, Charlotte, NC 28210, deed recorded July 21, 2009 from David and Janet Gibson to Equivest, LLC. At the time this deed was recorded, this property was subject to encumbrances including a deed of trust recorded March 31, 1999, a deed of trust recorded July 2, 2004, a judgment by Global Acceptance Credit Company, LP, and a claim by the Charlotte-Mecklenburg Hospital Authority.
- b. 2222 Yadkin Avenue, Charlotte, NC 28206, deeds recorded March 2, 2007 from George J. Simmons to Equivest, LLC and from Equivest, LLC to Jonathan Rhoney. At the time these deeds were recorded, this property was subject to encumbrances including a deed of trust recorded October 8, 1998 and a deed of trust recorded February 16, 1999.
- c. 20119-F Henderson Road, Cornelius, NC 28031, deed recorded August 12, 2009 from Charlotte Property Investments, LLC to Equivest, LLC. At the time this deed was recorded, this property was subject to encumbrances including a deed of trust recorded February 3, 1987 and a deed of trust recorded October 26, 1990.
- d. 1609 Wilmore Drive, Charlotte, NC 28203, deed recorded September 24, 2009 from Delores Cherry to Equivest, LLC. At the time this deed was recorded, this property was subject to encumbrances including a deed of trust recorded June 24, 2003 and a deed of trust recorded November 18, 2005.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By preparing, having executed by the seller, and recording general warranty deeds that stated the title was free and clear of all encumbrances when in fact at the time Fussell recorded the deeds the properties at issue remained encumbered with no contemporaneous action taken that would clear the property of the encumbrance(s),

Fussell engaged in conduct involving dishonesty, fraud, deceit, and misrepresentation in violation of Rule 8.4(c).

THIRD CLAIM FOR RELIEF (Short Sales)

49. Paragraphs 1 – 48 are incorporated as if set out herein.

50. Between about 2010 to 2013, Fussell was the closing attorney and settlement agent for certain transactions in which the lender or other owner or servicer of a loan with a deed of trust encumbering the property at issue in the transaction (hereinafter “lienor”) had agreed to release its lien on the property for less than full payoff of the amount owed to the lienor by the owner of the property, upon certain conditions (such transactions hereinafter referred to as “short sales”).

51. The Offer to Purchase and Contract (“purchase contract”) in these transactions required the owner (“short sale seller”) to execute and deliver to the buyer (“short sale buyer”) a general warranty deed for the property conveying title free from all encumbrances.

52. In order for the terms of the purchase contract to be met and for the short sale seller to be able to deliver to the short sale buyer a general warranty deed conveying title free from all encumbrances, the conditions of the lienor had to be met so that the lienor would release its lien.

53. Fussell’s duty to his client, the short sale buyer, included ensuring the lienor’s requirements to release its lien were met, to ensure the client obtained the general warranty deed with no encumbrances contracted for in the purchase contract.

54. In certain of these short sales, including those listed in the attached Schedule A which is incorporated herein, the lienor required the parties, and sometimes Fussell as well, to sign a document (“certification document”) by which they made certain certifications and acknowledgements to the lienor, including that there were no agreements, understandings, or contracts relating to the sale of the property that had not been disclosed to the lienor.

55. Some of the certification documents also required the signatories to certify that they did not have knowledge of any offer to purchase the property for a higher purchase price than the purchase price contained in the purchase contract identified in the document, that had not been presented to the lienor.

56. In these certification documents, the signatories all acknowledged their understanding that the lienor was relying upon the statements made in the document as consideration for the reduction in the payoff amount owed to the lienor and for the lienor’s agreement to the sale of the property.

57. It was Fussell’s understanding at the time of the execution of the certification documents and at the time of the closings that the certification documents were being provided to the lienors.

58. At the time Fussell closed certain of these short sales, Fussell was aware of a purchase contract for a subsequent contemporaneous re-sale of the short sale property to a third party.

59. The purchase price offered in the purchase contracts for certain of these subsequent contemporaneous re-sales was higher than the price in the short-sale purchase contract.

60. Fussell served as closing attorney and settlement agent for the subsequent contemporaneous re-sale transactions in which a third party purchased the property sold in the short sale.

61. Fussell closed these short sale transactions knowing the parties were not complying with the conditions of the short sale required by the lienor to release its lien on the property at issue.

62. In these short sale transactions, the existence and terms of the agreement, understanding, and/or contract for the subsequent contemporaneous re-sale of the short sale property had not been disclosed or presented to the lienor.

63. Fussell did not disclose to the lienor the existence or terms of the agreement, understanding, and/or contract for the subsequent contemporaneous re-sale of the short sale property.

64. Fussell did not ensure or verify that the existence or terms of the agreement, understanding, and/or contract for the subsequent contemporaneous re-sale of the short sale property had been disclosed to the lienor.

65. It was Fussell's understanding at the time of the short sale transactions that the existence or terms of the agreement, understanding, and/or contract for the subsequent contemporaneous re-sale of the short sale property had not been disclosed to the lienor.

66. Upon becoming aware that prior information provided to the lienor was no longer accurate and/or that the lienor's conditions or requirements were no longer being met, Fussell was obligated to either make corrective disclosures and obtain authorization to proceed, or not proceed with closing and/or withdraw from the client representation.

67. Fussell closed these short sale transactions knowing that representations had been made to the lienor in the certification documents that were no longer accurate, with no subsequent corrective disclosure or authorization to proceed with closing.

68. By closing transactions that were conditioned upon the lienor's receipt of certain certifications or information and/or upon compliance with certain requirements, Fussell's act of proceeding with the closing represented to the lienor that the transactions were, to his knowledge, in compliance with the lienor's conditions and requirements.

69. Fussell prepared HUD-1 Settlement Statements for the short sale transactions.

70. The lienors required that they be provided with the HUD-1 Settlement Statement for the short sale transactions.

71. Fussell provided to the lienor the HUD-1 Settlement Statement he prepared for the short sale.

72. In the HUD-1 Settlement Statement that Fussell provided the lienor in certain of the short sales, he misrepresented that the short sale buyer was bringing cash to closing when in fact the funds were being provided by the third party to whom the property was being contemporaneously re-sold.

73. Transactions in which the above-described conduct occurred are listed in the attached Schedule A.

74. The lienors in the short sales listed in the attached Schedule A were financial institutions the accounts of which were insured by the Federal Deposit Insurance Corporation (FDIC).

75. The short sale transactions listed in the attached Schedule A typically involved Mikesell and individuals or entities associated with Mikesell, and/or Heidinger and individuals or entities associated with Heidinger.

76. Additionally, in the 6024 Black Bear Court property transaction listed in Schedule A, Fussell made certifications that he knew were false at the time the certifications were made.

77. On June 28, 2012, Fussell and the buyer and seller signed a Short Sale Affidavit for the lienor in that transaction, Wells Fargo Bank, N.A.

78. Wells Fargo Bank had sent Fussell's assistant an e-mail on June 26, 2012 with the approved HUD-1 Settlement Statement and itemized requirements for the closing, which included the execution and return of the Short Sale Affidavit.

79. When Fussell signed the Short Sale Affidavit on June 28, 2012, it was his understanding that it would be provided to the lienor.

80. The lienor, Wells Fargo Bank, N.A. was a financial institution the accounts of which were insured by the FDIC.

81. In the Short Sale Affidavit Fussell signed on June 28, 2012, he and the parties certified the following: that there were no agreements, understandings, or contracts relating to the sale of the property that had not been disclosed to the lienor, and that none of the signatories had knowledge of any offer to purchase the property for a higher purchase price than the purchase price contained in the real estate purchase contract referenced in the affidavit, that had not been presented to the lienor.

82. The purchase contract referenced in the Short Sale Affidavit was the May 2012 Offer to Purchase and Contract by which MCRPH 85 LLC offered \$34,300.00 to purchase the property.

83. In the Short Sale Affidavit Fussell signed on June 28, 2012, Fussell and the parties acknowledged their understanding that the lienor was relying upon the statements made in the affidavit as consideration for the reduction in the payoff amount owed to the lienor and for the lienor's agreement to the sale of the property.

84. On June 28, 2012, Fussell was aware of the agreement and understanding for MCRPH 85 LLC to transfer the 6024 Black Bear Court property to Bluestone Investments, Inc. contemporaneously with its purchase.

85. On June 28, 2012, Fussell was aware of the Offer to Purchase and Contract dated June 27, 2012 by which Charlotte Residential Asset Fund, LLC offered \$55,000.00 for the 6024 Black Bear Court property with the settlement date of June 28, 2012.

86. Fussell served as closing attorney and settlement agent for the contemporaneous transactions in which MCRPH 85 LLC purchased the property in the short sale for \$34,300.00, MCRPH 85 LLC transferred the property to Bluestone Investments, Inc., and Charlotte Residential Asset Fund, LLC (CRAF) purchased the 6024 Black Bear Court property from Bluestone Investments, Inc. for \$55,000.00.

87. This higher purchase price offer had not been presented to the lienor.

88. Fussell did not present the higher purchase price offer to the lienor or ensure or verify that this higher purchase price offer had been presented to the lienor.

89. It was Fussell's understanding at the time of the transactions that the higher purchase price offer had not been presented to the lienor.

90. The agreement and understanding that MCRPH 85 LLC would transfer the 6024 Black Bear Court property to Bluestone Investments, Inc. and the agreement, understanding, and contract for Bluestone Investments, Inc. to sell the 6024 Black Bear Court property for a higher price on the same day as MCRPH 85 LLC's purchase had not been disclosed to the lienor.

91. Fussell did not disclose to the lienor the agreement and understanding that MCRPH 85 LLC would transfer the 6024 Black Bear Court property to Bluestone Investments, Inc. and the agreement, understanding, and contract for Bluestone Investments, Inc. to sell the 6024 Black Bear Court property for a higher price on the same day as MCRPH 85 LLC's purchase.

92. Fussell did not ensure or verify that the agreement and understanding that MCRPH 85 LLC would transfer the 6024 Black Bear Court property to Bluestone Investments, Inc. and the agreement, understanding, and contract for Bluestone Investments, Inc. to sell the 6024 Black Bear Court property for a higher price on the same day as MCRPH 85 LLC's purchase had been disclosed to the lienor.

93. It was Fussell's understanding at the time of the transactions that the agreement and understanding that MCRPH 85 LLC would transfer the 6024 Black Bear Court property to Bluestone Investments, Inc. and the agreement, understanding, and contract for Bluestone Investments, Inc. to sell the 6024 Black Bear Court property for a higher price on the same day as MCRPH 85 LLC's purchase had not been disclosed to the lienor.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By failing to ensure compliance with the lienors' requirements for the closings to ensure his client, the buyer, would receive the general warranty deed for which his client had contracted, Fussell failed to act with reasonable diligence in representing a client in violation of Rule 1.3;
- (b) By closing short sale transactions knowing representations made to the lienor in the certification documents upon which the lienor was relying in consideration for the lienor's reduction in the payoff amount owed to the lienor and for the lienor's agreement to the sale of the property were not accurate or were no longer accurate, with no subsequent corrective disclosure or authorization to proceed with closing, Fussell engaged in conduct involving dishonesty, fraud, deceit, and misrepresentation in violation of Rule 8.4(c), and assisted parties in and participated in misrepresentations to the lienors violating 18 U.S.C. § 1014 in violation of Rules 1.2(d), 4.1, and 8.4 (a), (b), and (c);
- (c) By misrepresenting in the Wells Fargo Short Sale Affidavit that Fussell signed on June 28, 2012 for the short sale of the 6024 Black Bear Court property that there were no agreements, understandings, or contracts relating to the sale of the property that had not been disclosed to the lienor and that he had no knowledge of any offer to purchase the property for a higher price than that in the purchase contract referenced in the Affidavit that had not been presented to the lienor, Fussell engaged in conduct involving dishonesty, fraud, deceit, and misrepresentation in violation of Rule 8.4(c), and assisted parties in and participated in misrepresentations to the lienors violating 18 U.S.C. § 1014 in violation of Rules 1.2(d), 4.1, and 8.4 (a), (b), and (c);
- (d) By continuing in his representation as closing attorney and proceeding with closing the short sale transactions when he knew that certifications made to the lienor upon which the lienor was relying as consideration for the transaction were not accurate or were no longer accurate, with no corrective disclosure or authorization to proceed with closing, Fussell engaged in and failed to withdraw from client representations which resulted in violation of law or the Rules of Professional Conduct in violation of Rule 1.16(a)(1); and
- (e) By preparing, signing, and having the parties sign HUD-1 Settlement Statements that Fussell provided to the lienors as required for the short sale transactions that

falsely represented that the short sale buyer was bringing cash to closing when in fact the funds were being provided by a third party to whom the property was being contemporaneously re-sold, Fussell prepared false HUD-1 Settlement Statements and made misrepresentations to the lienors violating 18 U.S.C. § 1014 in violation of Rule 4.1 and Rule 8.4 (a), (b), and (c).

FOURTH CLAIM FOR RELIEF
(Additional Short Sales – HUD-1 Settlement Statements)

94. Paragraphs 1 – 93 are incorporated as if set out herein.

95. In the following short sale closings, Fussell provided to the lienors HUD-1 Settlement Statements that misrepresented that the purchase was funded by cash from the buyer Carolina Home Buyers, LLC, when in fact the funding was provided by a loan from Robert Barnett:

- a. 14517 Arbor Ridge Drive, Charlotte, NC 28273, deed recorded January 7, 2013
- b. 2906 Crawford Brook Lane, Charlotte, NC 28269, deed recorded February 20, 2013
- c. 5623 Wyalong Drive, Charlotte, NC 28227, deed recorded February 26, 2013

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By preparing, signing, and having the parties sign a HUD-1 Settlement Statement that falsely represented that the buyer was funding the purchase with cash brought by the buyer to closing when in fact the funding was provided by a loan from Robert Barnett, Fussell failed to act with reasonable diligence to ensure the production of accurate documentation for these transactions in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

FIFTH CLAIM FOR RELIEF
(Additional Short Sales – Deeds)

96. Paragraphs 1 – 95 are incorporated as if set out herein.

97. In the short sale transactions for the following properties, the lienor required that certain language stating restrictions to run with the land concerning resale of the property be included in the deed Fussell prepared for the short sale:

a. 4232 Firethorne Road, Charlotte, NC 28205

b. 3016 Dalecrest Drive, Charlotte, NC 28269

98. Fussell's duty to his client, the buyer, included ensuring the lienor's requirements were met, to ensure the lienor released its lien and the client obtained the general warranty deed with no encumbrances contracted for in the purchase contract.

99. Fussell failed to include the required language on the deed he prepared, had executed, and recorded for these two short sale transactions.

100. Fussell delegated to a non-attorney assistant the task of drafting the deeds.

101. Fussell failed to sufficiently review the assistant's work to ensure this requirement was met.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By failing to ensure compliance with the lienors' requirement and failing to sufficiently supervise the work of his assistant to ensure compliance with this requirement for the closings, Fussell failed to act with reasonable diligence in representing a client in violation of Rule 1.3 and failed to make reasonable efforts to ensure a nonlawyer's conduct was compatible with his professional obligations in violation of Rule 5.3(b).

SIXTH CLAIM FOR RELIEF ("Double-closings")

102. Paragraphs 1 – 101 are incorporated as if set out herein.

103. From about 2004 to 2013, Fussell was the closing attorney and settlement agent for multiple sets of "double-closings" in which property was transferred more than once on or about the same day, including those listed on the attached Schedule B which is incorporated herein.

104. These double-closings typically involved Mikesell and individuals or entities associated with Mikesell, and/or Heidinger and individuals or entities associated with Heidinger.

105. These closings typically involved the owner ("A") selling to a second party ("B") which then sold the property to a third party ("C"), with the funds from or on behalf of the third party ("C") funding the second party ("B")'s purchase from the original owner ("A").

106. In certain of these closings, there was a deed transferring the property from the “B” entity that was the buyer from A to another entity that then was the seller to C, but with no independent funding for that interim transfer. The funds for the series of transactions were solely provided by or on behalf of C.

107. Fussell prepared HUD-1 Settlement Statements for the A-B transaction in the double-closings listed on Schedule B.

108. The HUD-1 Settlement Statements for the A-B transactions that Fussell prepared stated that B had brought to closing the funds listed in line 303 of the HUD-1 Settlement Statement.

109. The HUD-1 Settlement Statements for the A-B transactions listed disbursements purportedly paid from the funds brought by B at settlement.

110. Instead, those disbursements were made from the funds paid by or on behalf of C.

111. Fussell prepared, had executed, and recorded with the Register of Deeds the deeds for B’s purchase from A and the deeds by which the property was transferred and ultimately purchased by C.

112. Fussell recorded with the Register of Deeds the deed from A-B first, and then the other deeds.

113. At the time the A-B deed was recorded, Fussell did not have in his possession funds to which B was then entitled to use for the purchase.

114. B had not provided Fussell with funds for the purchase.

115. B was not entitled to the disbursement of seller’s proceeds from C’s purchase of the property until the deed to C was recorded.

116. In at least one of the above-referenced double-closings, Fussell misrepresented facts to C; those circumstances are as follows:

- a. Fussell served as closing attorney for double-closings for property located at 8627 Sunflower Road, Charlotte, NC, further identified in row 16 of Schedule B.
- b. On July 31, 2009, Fussell recorded with the Mecklenburg County Register of Deeds a deed transferring 8627 Sunflower Road from Ahmad and Cathy Akbari to Equivest, LLC and a deed transferring 8627 Sunflower Road from Equivest, LLC to GA Duey Properties LLC.
- c. On July 27, 2009, Mr. Duey on behalf of GA Duey Properties LLC e-mailed Fussell and stated that he was financing 80% of the purchase of the 8627 Sunflower Road property with a commercial loan.

- d. On July 27, 2009, Fussell responded to Mr. Duey's e-mail with an e-mail in which he stated, "Does your bank know Doug just recently bought this property. Are they going to require title insurance? Is there going to be a problem with 'seasoning' of title, since he just recently took title?"
- e. Although the Akbaris signed the deed drafted by Fussell in June 2009 in preparation for the double closing, as of July 27, 2009 the consideration recited in the deed had not been paid to or for the benefit of the Akbaris, the deed had not been recorded, and the property was the subject of a foreclosure sale by BB&T.
- f. As of July 27, 2009, the 8627 Sunflower Road property was still owned by Ahmad and Cathy Akbari.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By recording deeds for the A-B transactions when he did not have funds from B or to which B was then entitled, and instead relying upon and utilizing the funds provided for or on behalf of C, Fussell failed to properly hold and maintain entrusted property in violation of Rule 1.15-2(a), used or pledged entrusted property to obtain a personal benefit for a person other than the legal or beneficial owner of the property in violation of Rule 1.15-2(j) (now codified as 1.15-2(k)), and misused entrusted funds in violation of Rule 1.15-2(m) (now codified as 1.15-2(n));
- (b) By preparing, signing, and having the parties sign HUD-1 Settlement Statements that falsely represented that B had provided funds for the A-B transaction when in fact the disbursements for the A-B transaction were made from funds provided by or on behalf of C, Fussell engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c); and
- (c) By falsely representing to Mr. Duey that Equivest, LLC or its member/manager Heidinger owned the 8627 Sunflower Road property in his e-mail dated July 27, 2009, Fussell engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

SEVENTH CLAIM FOR RELIEF (CRAF/CMS)

117. Paragraphs 1 – 116 are incorporated as if set out herein.

118. Between about 2011 to 2013, Fussell was the closing attorney for multiple transactions in which the buyer was identified as Charlotte Residential Asset Funds, LLC ("CRAF") and a lender for the buyer was identified as Charlotte Mortgage Servicing, LLC ("CMS"), including those listed on the attached Schedule C which is incorporated herein.

119. In these closings, the funds purportedly provided by CMS were actually provided by wire from an account in the name of CRAF.

120. The client ledgers Fussell produced for these transactions falsely indicated that the funds actually provided by CRAF were provided by CMS.

121. The HUD-1 Settlement Statements Fussell produced for these transactions did not show the funds that he received from CRAF as having been provided for the closing by CRAF.

122. The HUD-1 Settlement Statements Fussell produced for these transactions misrepresented that funds he had received from CRAF were loan funds from CMS.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By preparing client ledgers and HUD-1 Settlement Statements that misrepresented that CMS was providing loan funds when in fact such funds purportedly provided by CMS were actually provided by CRAF, Fussell failed to act with reasonable diligence to ensure the production of accurate documentation for these transactions in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

EIGHTH CLAIM FOR RELIEF

(Earnest Money – Fail to Deposit/Maintain in Trust Account)

(Earnest Money – Lack of Client Ledgers)

123. Paragraphs 1 – 122 are incorporated as if set out herein.

124. For a period of several years, including from 2010 to 2013, Fussell failed to deposit and maintain in a trust account earnest money deposits provided to him for potential real estate transactions.

125. During that time period, Fussell deposited earnest money funds into personal bank accounts.

126. Fussell subsequently issued checks from his personal accounts for payment of the earnest money, either to deposit into his trust account for the closing or to refund the money to the appropriate recipient.

127. Fussell utilized three personal bank accounts for the deposit and disbursement of earnest money during this time period, beginning with a personal SunTrust account with account number ending in digits 8912 (“personal account x8912”) and a personal First Citizens Bank account with account number ending in digits 4925 (“personal account x4925”), and then

primarily a personal First Citizens Bank account with account number ending in digits 1171 (“personal account x1171”).

128. In December 2013, Fussell ceased using a personal bank account for earnest money deposits and began depositing earnest money into his trust account.

129. Fussell delegated to a non-attorney assistant the task of accounting in his trust account records for the earnest money.

130. The non-attorney assistant created and utilized one ledger on which to record the deposits and disbursements of earnest money.

131. The non-attorney assistant failed to create an individual client ledger for the client for whom each earnest money deposit had been received and failed to track the deposit and disbursement of those client funds on such a client ledger.

132. Fussell failed to ensure that the requisite individual client ledgers were created at the time of the deposit of earnest money for the client and the funds for the client tracked on the individual client ledger.

133. Fussell’s failure to properly record earnest money deposits on individual client ledgers continued until about January 2015.

THEREFORE, Plaintiff alleges that Defendant’s foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By depositing earnest money into personal bank accounts, Fussell failed to properly hold and maintain entrusted property separate from the property of the lawyer in violation of Rule 1.15-2(a) and failed to promptly deposit trust funds in a general or dedicated trust account in violation of Rule 1.15-2(b); and
- (b) By delegating trust account recordkeeping to a non-attorney assistant and failing to ensure the non-attorney assistant properly created client ledgers and recorded each earnest money deposit on each respective client ledger, Fussell failed to maintain a ledger containing a records of all receipts and disbursements for each person or entity from whom and for whom funds were received in violation of Rule 1.15-3(b)(5) and failed to make reasonable efforts to ensure the nonlawyer’s conduct was compatible with Fussell’s professional obligations in violation of Rule 5.3(b).

NINTH CLAIM FOR RELIEF
(Earnest Money – Misrepresentation)

134. Paragraphs 1 – 133 are incorporated as if set out herein.

135. In certain transactions for which Fussell served as closing attorney, it appears the parties were providing the same check for earnest money or to show documentation of earnest money in association with an Offer to Purchase and Contract in multiple transactions, including as follows:

- a. Check from Bluestone Investments, Inc. with the same numbers at the bottom of the check for the following closings:
 - i. 908 Balvenie Court, buyer Bluestone Investments, Inc. – check bearing number 2439 in the top right corner made payable to Service Link, dated July 29, 2011, in the amount of \$1,000.00, designated for “Earnest Money for: 908 Balvenie Ct”
 - ii. 5114 Possum Trot Lane, buyer Bluestone Investments, Inc. – check bearing number 2439 in the top right corner made payable to R. Dale Fussell, dated October 4, 2011, in the amount of \$1,000.00, designated for “Earnest Money for: Possum Trot Ln”
 - iii. 6504 Fallen Spruce Court, buyer Bluestone Investments, Inc. – check number in the top right corner not shown in copy, made payable to R. Dale Fussell, dated February 3, 2012, in the amount of \$1,000.00, designated for “Earnest Money for: Fallen Spruce Ct”
- b. Check from Charlotte Residential Asset Fund, LLC (“CRAF”) with the same numbers at the bottom of the check for the following closings:
 - i. On October 24, 2011, check bearing number 1101 in the top right corner, made payable to R. Dale Fussell, dated October 24, 2011, in the amount of \$1,000.00, with no designation. This check was deposited into personal account x1171 and subsequently “recirculated” as “perpetual earnest money” in various transactions, including the following:
 1. 8015 Count Fleet Lane, buyer CRAF
 2. 2024 Sloan Drive, buyer CRAF
 3. 5136 Magnasco Lane, buyer CRAF
 - ii. 9301 Amy Drive, buyer CRAF – check bearing number 1101 in the top right corner, made payable to R. Dale Fussell, dated April 26, 2012, in the amount of \$6,300.00, designated for “9301 Amy Dr”

- c. Check from Silver Bay Property Corp. bearing only the numbers 001031 at the bottom of the check for the following closings:
 - i. 3011 Hunters Creek Court, buyer 2012-C Property Holdings, LLC – check bearing number 001031 in the top right corner, made payable to Dale Fussell, dated January 8, 2013, in the amount of \$2,000.00, designated for “EMD”
 - ii. 7615 Eben Drive, buyer 2012-C Property Holdings, LLC – check bearing number 001031 in the top right corner, made payable to Dale Fussell, dated January 8, 2013, in the amount of \$2,000.00, designated for “EMD”

136. In certain of the above listed transactions, the above listed checks were not negotiated or used to provide earnest money for the closing, including as follows:

- a. In 5114 Possum Trot Lane – this was the A-B side of a double-closing and the \$1,000.00 earnest money used in the closing was provided by C
- b. In 6504 Fallen Spruce Court – this was the A-B side of a double-closing and the \$1,000.00 earnest money used in the closing was provided by C
- c. In 9301 Amy Drive – the HUD-1 Settlement Statement and client ledger Fussell prepared showed no receipt or disbursement of earnest money
- d. In 3011 Hunters Creek Court – the \$2,000.00 earnest money was provided by a cashiers check
- e. In 7615 Eben Drive – the HUD-1 Settlement Statement and client ledger Fussell prepared showed no receipt or disbursement of earnest money

137. In certain of the above listed transactions, documentation that falsely represented the above described checks as the earnest money for the transaction was provided to the seller or a third party, including as follows:

- a. 5114 Possum Trot Lane
 - i. Check 2439 (as identified in paragraph 135.a.ii. above) was provided with the purchase contract to Wells Fargo as lienor in the short sale transaction, which was the A-B side of the double-closing.
 - ii. Fussell prepared a HUD-1 Settlement Statement that showed a credit for \$1,000.00 in earnest money and showed the remaining amount of \$48,500.15 due from the buyer at closing. Fussell provided this HUD-1 Settlement Statement to Wells Fargo for its review and approval before closing.
 - iii. The \$1,000.00 earnest money had not been collected by Fussell prior to closing and at closing Fussell used \$49,500.15 from C’s funds for this closing.

- iv. Wells Fargo was a financial institution the accounts of which were insured by the FDIC, and the check was provided with the purchase contract for the purpose of influencing the action of the institution in the transaction.
- b. 6504 Fallen Spruce Court
 - i. Check 2439 (as identified in paragraph 135.a.iii. above) provided with purchase contract to CitiMortgage, Inc. as seller
 - ii. Fussell prepared a HUD-1 Settlement Statement that showed a credit for \$1,000.00 in earnest money and showed a remaining amount of \$42,221.02 due from the buyer at closing. Fussell provided this HUD-1 Settlement Statement to the seller (through counsel) for review and approval before closing
 - iii. The \$1,000.00 earnest money had not been collected by Fussell prior to closing and at closing Fussell used \$43,221.02 from C's funds for this closing
- c. 9301 Amy Drive – check 1101 (as identified in paragraph 135.b.ii. above) provided with purchase contract to Federal National Mortgage Association as seller
- d. 3011 Hunters Creek Court – check 1031 (as identified in paragraph 135.c.i. above) provided with purchase contract to Carolina Home Buyers, LLC as seller
- e. 7615 Eben Drive – check 1031 (as identified in paragraph 135.c.ii. above) provided with purchase contract to Carolina Home Buyers, LLC as seller

138. Fussell knew or should have known that the actual funding for the transactions identified in paragraphs 135 – 137 above was different than the documentation indicating that the above-described checks provided the earnest money for the transaction.

139. Fussell failed to ensure that the documentation he prepared for the transactions identified in paragraphs 135 – 137 above, the funding for those transactions, and the documentation that had been provided to the seller or a third party in those transactions was consistent and accurate.

140. Fussell closed the transactions identified in paragraphs 135 – 137 above in which documentation misrepresenting the funding of the earnest money had been provided to sellers or third parties without ensuring that the documentation he prepared for the transactions, the funding for those transactions, and the documentation that had been provided to the seller or a third party in those transactions was consistent and accurate.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By closing transactions in which documentation misrepresenting the funding of the earnest money had been provided to sellers or third parties, without ensuring that the documentation he prepared for the transactions, the funding for those

transactions, and the documentation that had been provided to the seller or a third party in those transactions was consistent and accurate, Fussell failed to act with reasonable diligence to ensure the production of accurate documentation for these transactions in violation of Rule 1.3;

- (b) By preparing and providing a HUD-1 Settlement Statement that misrepresented payment of earnest money by the buyer to Wells Fargo as lienor in the 5114 Possum Trot Lane transaction described above, Fussell engaged in conduct involving dishonesty, fraud, deceit, and misrepresentation in violation of Rule 8.4(c), and assisted parties in and participated in misrepresentations to the lienor violating 18 U.S.C. § 1014 in violation of Rules 1.2(d), 4.1, and 8.4 (a), (b), and (c); and
- (c) By preparing and providing a HUD-1 Settlement Statement that misrepresented payment of earnest money by the buyer to CitiMortgage Inc. as seller in the 6504 Fallen Spruce Court transaction described above, Fussell engaged in conduct involving dishonesty, fraud, deceit, and misrepresentation in violation of Rule 8.4(c).

TENTH CLAIM FOR RELIEF
(Variance in Disbursements)

141. Paragraphs 1 – 140 are incorporated as if set out herein.

142. In certain closings including those listed below, Fussell's disbursement of funds varied from the disbursements set out on the HUD-1 Settlement Statement he prepared and had the parties sign, as follows:

- a. 8127 Sheringham Way, Charlotte, NC 28227, deed recorded November 2, 2011
 - i. The HUD-1 Settlement Statement showed a disbursement of \$18,932.35 to Bluestone Investments, Inc. for "construction fund" but instead \$17,932.35 was wired to Bluestone Investments and \$1,000.00 was disbursed to Fussell designated as perpetual EMD by check 21139 which cleared the trust account on November 21, 2011 and was deposited into personal account x1171.
- b. 8015 Count Fleet Lane, Charlotte, NC 28215, deed recorded December 1, 2011
 - i. The HUD-1 Settlement Statement showed a disbursement of \$9,600.95 to Bluestone Investments, Inc. for "construction fund" but instead \$8,600.95 was wired to Bluestone Investments and \$1,000.00 was disbursed to Fussell designated as perpetual EMD by check 21377 which cleared the trust account on December 9, 2011 and was deposited into personal account x1171.

- c. 2024 Sloan Drive, Charlotte, NC 28208, deed recorded December 6, 2011
 - i. The HUD-1 Settlement Statement showed a disbursement of \$14,382.54 to Bluestone Investments, Inc. for “construction fund” but instead \$13,382.54 was wired to Bluestone Investments and \$1,000.00 was disbursed to Fussell designated as perpetual EMD by check 21435 which cleared the trust account on December 21, 2011 and was deposited into personal account x1171.
- d. 5114 Possum Trot Lane, Charlotte, NC 28215 – this was a double closing involving A-B and B-C transactions with deeds recorded December 13, 2011
 - i. The HUD-1 Settlement Statement for the A-B transaction showed receipt and disbursement of \$49,500.15 for the closing.
 - ii. Fussell’s client ledger showed receipt and disbursement of \$50,500.00 for the A-B transaction.
 - iii. Extraneous to the funding and disbursements required by the HUD-1 Settlement Statement for the A-B transaction, Fussell issued check 2105 from personal account x1171 designated in the memo line as for this transaction and disbursed the extra \$1,000.00 to himself by trust account check 21483 which he deposited back into personal account x1171.
- e. 5136 Magnasco Lane, Charlotte, NC 28208, deed recorded December 30, 2011
 - i. The HUD-1 Settlement Statement showed \$804.68 paid to the buyer at closing and \$4,000.00 paid to Performance Holdings, LLC at closing. Fussell disbursed no money to the buyer. Fussell disbursed \$3,804.68 to Performance Holdings, LLC. These variances left a remainder of \$1,000.00, which Fussell disbursed to himself by trust account check 22216 noted as for “Perpetual Earnest Money check.” Check 22216 cleared Fussell’s trust account on January 12, 2012 and was deposited into personal account x1171.
- f. 610 Cricketwood Lane, Charlotte, NC 28215, deed recorded February 6, 2012
 - i. The HUD-1 Settlement Statement showed a disbursement of \$12,687.49 to Bluestone Investments, Inc. for “construction fund” but instead \$11,687.49 was wired to Bluestone Investments and \$1,000.00 was disbursed to Fussell designated as perpetual EMD by check 22418 which cleared the trust account on February 14, 2012 and was deposited into personal account x1171.
- g. 2321 Lola Avenue, Charlotte NC 28205 – this was a double closing involving A-B and B-C transactions with deeds recorded August 9, 2007
 - i. The HUD-1 Settlement Statement for the A-B transaction shows collection of \$500.00 earnest money and \$111,265.81 from the buyer B at closing. The file

contains a check for \$500.00 from Heidinger. The \$111,265.81 was provided from funds received by or on behalf of C in the B-C closing.

- ii. The client ledger for the A-B transaction says \$111,596.81 was received instead of \$111,265.81, indicating receipt of an extra \$331.00 not documented on the HUD-1 Settlement Statement for that closing.
 - iii. The HUD-1 Settlement Statement for the A-B transaction shows payment of a total of \$247.00 to the Register of Deeds, but only \$241.00 was disbursed to the Register of Deeds.
 - iv. The HUD-1 Settlement Statement for the A-B transaction shows disbursement of a total of \$440.00 to Fussell for his fees, but he disbursed \$446.00 to himself.
 - v. Fussell issued a check for \$331.00 to NC Farm Bureau attributed to the A-B transaction.
 - vi. This disbursement of \$331.00 to NC Farm Bureau was not on the HUD-1 Settlement Statement for the A-B closing and was actually for the benefit of C.
 - vii. The HUD-1 Settlement Statement for the B-C transaction does not show collection or disbursement of funds for the NC Farm Bureau expense.
 - viii. The HUD-1 Settlement Statement for the B-C transaction shows disbursement of a total of \$650.00 to Fussell for his fees, but Fussell disbursed \$676.19 to himself.
- h. 2405 Sloan Drive, Charlotte, NC 28208, deed recorded June 1, 2012
- i. Fussell provided the seller bank Bank of America, NA, by and through its agents, a version of the HUD-1 Settlement Statement that showed receipt of \$1,000.00 earnest money from the buyer and disbursement of \$1,498.54 to the buyer CRAF (version CRAF-24457.PFD/12-SL-24457/9) (hereinafter “version 9”) for the seller bank’s review, approval prior to closing, and signature.
 - ii. The seller bank signed version 9 of the HUD-1 Settlement Statement for this closing.
 - iii. Fussell did not collect and disburse the funds for the closing in accordance with the version 9 HUD-1 Settlement Statement.
 - iv. Fussell prepared a different version of the HUD-1 Settlement statement that showed receipt of \$1,000.00 earnest money from the buyer, disbursement of \$498.54 to CRAF, and disbursement of \$1,000.00 to Fussell for “perpetual earnest money.”

- v. Fussell did not submit this different version of the HUD-1 Settlement Statement to the seller bank for review, approval, and signature.
- vi. Fussell took the version 9 HUD-1 Settlement Statement signature page signed by the seller bank and maintained it in his file as the seller's signature page with this different version of the HUD-1 Settlement Statement.
- vii. When Fussell disbursed the funds for this transaction, he disbursed \$498.54 to CRAF.
- viii. Fussell did not affirmatively collect \$1,000.00 from CRAF for this closing or disburse \$1,000.00 as perpetual earnest money from this closing but appears to have informally maintained \$1,000.00 for CRAF in his trust account at the time of this closing.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By preparing, signing, and having the parties sign HUD-1 Settlement Statements representing certain receipts and disbursements of funds but receiving and disbursing funds differently than as stated on the HUD-1 Settlement Statements, Fussell failed to act with reasonable diligence to ensure the production of accurate documentation for these transactions in violation of Rule 1.3;
- (b) By changing the HUD-1 Settlement Statement for the 2405 Sloan Drive closing identified above after it had been reviewed and signed by the seller bank and using the seller bank's signature page from the version it had approved and maintaining it in his file as the seller bank's signature page for the modified version of the HUD-1 Settlement Statement that the seller bank had not reviewed or approved, Fussell engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

ELEVENTH CLAIM FOR RELIEF (Preliminary Opinions of Title)

143. Paragraphs 1 – 142 are incorporated as if set out herein.

144. In certain B-C transactions in certain double-closings, including those listed below, Fussell prepared and provided to a title insurance company a preliminary opinion of title purporting to report the results of his examination of the record title for the property that stated that B owned the property when in fact A still owned the property, including as follows:

- a. 6931 Valley Haven Drive, Charlotte, NC 28211

- i. Fussell prepared a preliminary opinion of title with a search date through June 3, 2013 that indicated the owner of the property was Carolina Home Buyers, LLC.
 - ii. The deed to Carolina Home Buyers, LLC was not recorded until June 13, 2013.
- b. 7615 Eben Drive, Charlotte, NC 28269
 - i. Fussell prepared a preliminary opinion of title with a search date through December 31, 2012 that indicated the owner of the property was Carolina Home Buyers, LLC.
 - ii. The deed to Carolina Home Buyers, LLC was not recorded until February 8, 2013.
- c. 6801 Glenmoor Drive, Charlotte, NC 28214
 - i. Fussell prepared a preliminary opinion of title with a search date through March 20, 2013 that indicated the owner of the property was Carolina Home Buyers, LLC.
 - ii. The deed to Carolina Home Buyers, LLC was not recorded until April 19, 2013.

145. The commitments for title insurance issued by the title insurance companies in the above-listed closings correspondingly inaccurately identified B as the owner when in fact A was still the owner.

146. In a December 2010 closing for 3008 Clemson Avenue, Charlotte, NC 28210, Fussell failed to identify in his preliminary opinion of title a deed of trust from grantor Equivest, LLC in favor of beneficiary Value Properties, LLC (“the Value Properties deed of trust”) that he had recorded in July 2009.

147. Fussell provided this preliminary opinion of title with this omission to the title insurance company.

148. The commitment for title insurance issued by the title insurance company correspondingly failed to include the Value Properties deed of trust in the Requirements provisions in Schedule B – Section I, in which it set out the requirement for “cancellation, release, termination, discharge, or satisfaction of record” of the items set out therein.

149. The buyer’s lender required that it be provided with the commitment for title insurance and that Fussell comply with the requirements in Schedule B – Section I.

150. Fussell provided this title insurance commitment that omitted the Value Properties deed of trust to the buyer’s lender in the December 1, 2010 transaction.

151. Fussell prepared and provided to the parties and the buyer's lender a HUD-1 Settlement Statement that included in line 1117 a disbursement to Brandon Brown for a "Judgment payoff" in lieu of disclosing the disbursement as the payoff of the Value Properties deed of trust.

THEREFORE, Plaintiff alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

- (a) By preparing and submitting preliminary opinions of title that did not accurately state the record owner of the property at issue, Fussell failed to act with reasonable diligence to ensure the production of accurate title opinions for these transactions in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c);
- (b) By preparing and submitting a preliminary opinion of title that did not identify or disclose all deeds of trust on the property at issue for the 3008 Clemson Avenue property, Fussell failed to act with reasonable diligence to ensure the production of an accurate title opinion in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c);
- (c) By providing to the lender the commitment for title insurance for the 3008 Clemson Avenue property that failed to include the Value Properties deed of trust, Fussell failed to act with reasonable diligence to ensure he provided the lender with accurate documentation in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c); and
- (d) By failing to accurately characterize the payoff of the Value Properties deed of trust on the HUD-1 Settlement Statement for the 3008 Clemson Avenue property that he prepared, submitted to the lender, and had executed by the parties, Fussell failed to act with reasonable diligence to ensure the production of accurate documentation in the closing in violation of Rule 1.3 and/or engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of Rule 8.4(c).

TWELFTH CLAIM FOR RELIEF
(Conflict of Interest)

152. Paragraphs 1 – 151 are incorporated as if set out herein.

153. In February 2012, Fussell closed transactions whereby Regent Bank sold 9 parcels of land to Wace Property Holdings LLC, and on the same day Wace Property Holdings LLC sold 6 of those parcels to entities related to Mikesell. These deeds were recorded February 14, 2012. The properties that were sold by Wace Property Holdings LLC on February 14, 2012 were as follows:

- a. 2540 Barringer Drive, Charlotte, NC 28209, sold to Bluestone Investments, Inc. for \$32,000.00
- b. 9510 Grayleaf Place, Charlotte, NC 28210, sold to Bluestone Investments, Inc. for \$900.00
- c. 7311 Meadowland Drive, Charlotte, NC 28215, sold to Charlotte Residential Asset Fund, LLC for \$49,200.00
- d. 1420 Rollingwood Drive, Charlotte, NC 28217, sold to Bluestone Investments, Inc. for \$33,500.00
- e. 6200 and 6204 Spanish Oak Road, Charlotte, NC 28227, sold to Bluestone Investments, Inc. for \$39,400.00

154. Fussell represented Wace Property Holdings LLC in the purchases of the 9 parcels from Regent Bank.

155. Fussell represented the Mikesell-related entities in the purchases of the 6 parcels from Wace Property Holdings LLC.

156. Fussell closed transactions, provided representation, and/or was otherwise aware of arrangements whereby Mikesell (via the applicable related entity) sold or negotiated sales of property purchased from Wace Property Holdings LLC for higher purchase prices close in time to the above transactions, including as follows:

- a. 6200 and 6204 Spanish Oak Road, Charlotte, NC 28227, sold by Bluestone Investments, Inc. to HTC Enterprises LLC Solo 401K Trust fbo Harpeet K. Chadha on February 14, 2012 (same day) for \$94,000.00
- b. 9510 Grayleaf Place, Charlotte, NC 28210, sold by Bluestone Investments, Inc. to Randal and Marcella Hetrick on May 24, 2012 for \$39,000.00
- c. 1420 Rollingwood Drive, Charlotte, NC 28217, under contract by Bluestone Investments, Inc. in June 2012 to sell for \$73,920.00; this contract was later terminated

157. On February 8, 2012, Mikesell e-mailed Fussell regarding the properties being purchased from Wace Property Holdings LLC and stated the following: "Regarding our back end transactions we would prefer the seller (being aaron and or phil)[sic] not be aware of our back end transactions we prefer our other side remain confidential . . . anytime there is profit on the other end the first part sometimes feels it is unfair and I just don't want to have to go there since I do so much business with aaron [sic]."

158. The person "aaron" referenced in Mikesell's e-mail was Aaron Guido, who was acting on behalf of Wace Property Holdings LLC.

159. The person “phil” referenced in Mikesell’s e-mail was Phil Shannon, Special Asset Manager for Regent Bank.

160. Mikesell’s request created circumstances in which Fussell could not communicate all information reasonably necessary to permit his client Wace Property Holdings LLC to make informed decisions regarding the representation and to provide competent and diligent representation to Wace Property Holdings LLC.

161. Mikesell’s request that Fussell not share material information with concurrent client Wace Property Holdings LLC through its agent Aaron Guido created a conflict of interest for Fussell.

THEREFORE, Plaintiff alleges that Defendant’s foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Defendant violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

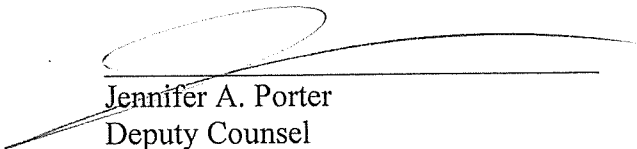
- (a) By continuing in concurrent representation of Wace Property Holdings LLC and Mikesell and/or Mikesell-related entities when a concurrent conflict of interest was created by Mikesell’s request to not share information with Wace Property Holdings LLC, thereby creating circumstances in which Fussell could not communicate all information reasonably necessary to permit his client Wace Property Holdings LLC to make informed decisions regarding the representation and to provide competent and diligent representation to Wace Property Holdings LLC and in which the representation of one client may be materially limited by the lawyer’s responsibilities to another client, Fussell engaged in representation involving a concurrent conflict of interest in violation of Rule 1.7(a).

WHEREFORE, Plaintiff prays that:

- (1) Disciplinary action be taken against Defendant in accordance with N.C. Gen. Stat. § 84-28 as the evidence on hearing may warrant;
- (2) Defendant be taxed with the administrative fees and costs permitted by law in connection with this proceeding; and

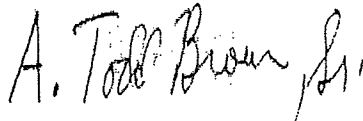
(3) For such other and further relief as is appropriate.

This the 15th day of February 2019.



Jennifer A. Porter
Deputy Counsel
State Bar No. 30016
The North Carolina State Bar
P.O. Box 25908
Raleigh, NC 27611
919-828-4620
Attorney for Plaintiff

Signed pursuant to 27 N.C. Admin. Code
1B.0113(n) and 1B.0105(a)(10).



A. Todd Brown, Sr., Chair
Grievance Committee

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule A

ADDRESS	DATE OF HUD-1 SETTLEMENT, SHORT SALE SELLER- SHORT SALE BUYER	DATE DEED RECORDED	LIENOR	SHORT SALE SELLER	SHORT SALE BUYER	THIRD PARTY BUYER	DATE OF SHORT SALE BUYER-THIRD PARTY BUYER PURCHASE CONTRACT
1. 5114 Possum Trot Lane Charlotte, NC 28215	12/13/11	12/13/11	Wells Fargo Bank, N.A.	Jonathan and Janelle Howard	Bluestone Investments, Inc.	Charlotte Residential Asset Fund, LLC (CRAF)	12/07/11
2. 6342 Richfield Lane Charlotte, NC 28269	03/30/12	04/02/12 and 04/03/12	One West Bank, FSB	William and Jennifer Wiktorek	MCRPH 35 LLC	CRAF	03/28/12
3. 6719 Raeburn Lane Charlotte, NC 28227	04/18/12	04/18/12 and 04/19/12	JP Morgan Chase Bank, N.A.	Michael and April Pace	CRAF	Bluestone Investments, Inc.	04/10/12
4. 5139 Timbertop Lane Charlotte, NC 28215	06/28/12	06/29/12	Wells Fargo Bank, N.A.	Derrek and Dana Stallings	MCRPH 85 LLC ----- Bluestone Investments, Inc. ¹	John Vail, Trustee of the John Vail Solo 401K Trust	06/27/12 and 06/28/12

¹ In closings with two entities listed in the short sale buyer column, there was a transfer without value from the entity that bought the property in the short sale to the entity that sold the property to the third party buyer in the subsequent contemporaneous sale.

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule A

ADDRESS	DATE OF HUD-1 SETTLEMENT, SHORT SALE SELLER- SHORT SALE BUYER	DATE DEED RECORDED	LIENOR	SHORT SALE SELLER	SHORT SALE BUYER	THIRD PARTY BUYER	DATE OF SHORT SALE BUYER- THIRD PARTY BUYER PURCHASE CONTRACT
5. 6024 Black Bear Court Charlotte, NC 28214	06/28/12	06/29/12	Wells Fargo Bank, N.A.	Michael Jewett	MCRPH 85 LLC ----- Bluestone Investments, Inc.	CRAF	06/27/12
6. 10527 Hugue Way Charlotte, NC 28214	10/11/12	10/11/12 and 10/15/12	Wells Fargo Bank, N.A.	Sabrina Rushing	Tuche Properties 7 LLC ----- IORT LLC	Castlegate Properties, LLC	10/11/12
7. 1929 Slater Ridge Drive Charlotte, NC 28216	12/06/12	12/06/12 and 12/07/12	Wells Fargo Bank, N.A.	Tracy and Angela Williams	Starlight Home Group II LLC	BLTREJV3 Charlotte LLC	12/03/12
8. 7116 Indian Ridge Lane Charlotte, NC 28213	12/13/12	12/17/12	Wells Fargo Bank, N.A.	Katherine Chatman	CRAF 1 LLC	BLTREJV3 Charlotte LLC	12/03/12
9. 4310 Springhaven Drive Charlotte, NC 28269	05/29/13	05/30/13	Wells Fargo Bank, N.A.	Sabin McLaughlin and Demetrius Wallace	Carolina Home Buyers, LLC	IH2 Property North Carolina, L.P.	05/16/13

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
1. 427 Leland Street Charlotte, NC 28214	04/16/04	Bank One, N.A.	John D. Heidinger ("Heidinger")	Hubert T. Champion
2. 1643 Masonic Drive Charlotte, NC 28205	05/20/04	Green Tree Servicing, LLC	Heidinger	Roger and Laurie Paul / Rehabilitation Financing, Inc.
3. 823 Matheson Avenue Charlotte, NC 28210	01/20/05	Margaret Harrelson	Heidinger	James and Lisa Wahler / American Security Mortgage
4. 417 W. Kingston Avenue Charlotte, NC 28203	04/28/05	Patricia Smith	Equivest, LLC	John D. Heidinger / Shelby Spearman
5. 1521 Landis Avenue Charlotte, NC 28205	08/30/05	Antonio Gibson	Heidinger	Anthony Petro and David Sadka
6. 1215 Louise Avenue Charlotte, NC 28205	11/21/06	Robert and Kathleen Sings	Equivest, LLC	Mike Ivie / 1Rock, LLC
7. 2222 Yadkin Avenue Charlotte, NC 28206	03/02/07	George Simmons and Jacqueline Barringer	Equivest, LLC	Jonathan Rhoney
8. 1027 Leigh Avenue Charlotte, NC 28205	07/12/07	Patricia King	Equivest, LLC	Mike Ivie / Anthony Petro
9. 2321 Lola Avenue Charlotte, NC 28205	08/09/07	John and Annie Belle Parks	Equivest, LLC	Wilson Davis / Gray Dog Investments, Inc.
10. 1500 Norris Avenue Charlotte, NC 28206	09/20/07	Kenneth and Diane Powell, and Patricia King	Equivest, LLC	Milburn Davant

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
11. 2522 Pitts Drive, Charlotte NC 28216	12/27/07	Deutsche Bank National Trust Company, Trustee	Pat Atkinson (dba Helms Properties)	John D. Heidinger and Amanda Heidinger / Gray Dog Investments, Inc.
12. 1508 Brook Road Charlotte, NC 28215	02/22/08	Robert Mason	Equivest, LLC ----- Wilson Davis ¹	Michael Ivie and Aaron Guido / The South Street Group, LLC
13. 423 Norris Avenue Charlotte, NC 28206	06/16/08	Nationstar Mortgage, LLC	Heidinger ²	Brandon Brown / Rebecca Barnett
14. 5414 Coburg Avenue Charlotte, NC 28215	07/08/08	ACT Properties, LLC	Heidinger	Frank and Arlene Caputo / Gray Dog Investments, Inc.
15. 1703 Parson Street Charlotte, NC 28205	05/06/09	Deutsche Bank National Trust Company, Trustee	Heidinger	Brandon Brown
16. 8627 Sunflower Road Charlotte, NC 28212	07/31/09	Ahmad and Cathy Akbari	Equivest, LLC	GA Duey Properties LLC / Piedmont Bank
17. 7109 Thatcher Court Charlotte, NC 28262	01/07/10	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
18. 2819 Attaberry Drive Charlotte, NC 28205	04/19/10	Federal Home Loan Mortgage Corporation	Heidinger	Equivest, LLC / Ken Browder

¹ In closings with two entities listed in the “B” column, there was a deed transferring the property from the “B” entity that was the buyer from A to another entity that then was the seller to C, but with no independent funding for that interim transfer; the funds for the series of transactions were solely provided by or on behalf of C

² In this transaction and subsequent transactions, Heidinger’s wife Amanda Heidinger also signed the deed to C.

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
19. 2621 Mulberry Pond Drive Charlotte, NC 28208	06/16/10	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
20. 3701 Teaberry Court Charlotte, NC 28227	07/09/10	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
21. 7535 Claymont Drive Charlotte, NC 28227	08/27/10	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
22. 909 Friendly Place Charlotte, NC 28213	05/11/11	Charles Dixon	MCRPH 29 LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
23. 13638 Stumptown Road Huntersville, NC 28078	05/25/11	Secretary of Housing and Urban Development	Bluestone Investments, Inc.	Carolina Blue Sky Property, LLC
24. 6217 Ropley Court Charlotte, NC 28211	05/26/11	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
25. 6006 Rialto Court Charlotte, NC 28214	08/08/11	Secretary of Housing and Urban Development	Networth Investments, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
26. 5921 Tynwald Lane Charlotte, NC 28227	10/12/11	Secretary of Housing and Urban Development	Bluestone Investments, Inc.	Charlotte Residential Asset Fund, LLC (CRAF)

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
27. 4912 Patricia Ann Lane Charlotte, NC 28269	10/28/11	Latarra and Pravis Jackson, and heirs of Eva Abraham	MCRPH 85 LLC	CRAF / Charlotte Mortgage Servicing, LLC (CMS)
28. 5114 Possum Trot Lane Charlotte, NC 28215	12/13/11	Jonathan and Janelle Howard	Bluestone Investments, Inc.	CRAF / CMS
29. 7801 Holly Hills Road Charlotte, NC 28227	12/23/11	James and Amy Lowe	NCF Properties 26 LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
30. 1420 Rollingwood Drive Charlotte, NC 28217	02/14/12	Regent Bank	Wace Property Holdings LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
31. 2540 Barringer Drive Charlotte, NC 28209	02/14/12	Regent Bank	Wace Property Holdings LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
32. 7311 Meadowland Drive Charlotte, NC 28215	02/14/12	Regent Bank	Wace Property Holdings LLC	CRAF / CMS
33. 9510 Grayleaf Place Charlotte, NC 28210	02/14/12	Regent Bank	Wace Property Holdings LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
34. 6200 and 6204 Spanish Oak Drive Charlotte, NC 28227	02/14/12	Regent Bank	Wace Property Holdings LLC ----- Bluestone Investments, Inc.	HTC Enterprises LLC Solo 401K fbo Harpeet K. Chadha

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
35. 6504 Fallen Spruce Court Charlotte, NC 28227	02/28/12	CitiMortgage, Inc.	Bluestone Investments, Inc.	CRAF / CMS
36. 4201 Tipperary Place Charlotte, NC 28215	03/21/12	Secretary of Housing and Urban Development	CRAF	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
37. 3113 James Road Charlotte, NC 28215	03/23/12	Carolina Real Estate Investment Group, Inc.	CRAF 2 LLC	CRAF / CMS
38. 8221 Meadowdale Lane Charlotte, NC 28227	03/23/12 and 03/26/12	Brian and Starr Haigler	CRAF	Bluestone Investments, Inc. / SNNS Holdings, LLC
39. 3941 Far West Drive Charlotte, NC 28269	03/27/12	Emogene and Lonnie Springs	Bluestone Investments, Inc.	CRAF / CMS
40. 6342 Richfield Lane Charlotte, NC 28269	04/02/12 and 04/03/12	William and Jennifer Wiktorek	MCRPH 35 LLC	CRAF / CMS
41. 6719 Raeburn Lane Charlotte, NC 28227	04/18/12 and 04/19/12	Michael and April Pace	CRAF	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
42. 6722 Rockwell Boulevard Charlotte, NC 28269	04/19/12	GMAC Mortgage, LLC	Bluestone Investments, Inc.	CRAF / CMS
43. 5139 Timbertop Lane Charlotte, NC 28215	06/29/12	Derrek and Dana Stallings	MCRPH 85 LLC ----- Bluestone Investments, Inc.	John Vail, Trustee of the John Vail Solo 401K Trust

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
44. 6024 Black Bear Court Charlotte, NC 28214	06/29/12	Michael Jewett	MCRPH 85 LLC ----- Bluestone Investments, Inc.	CRAF / CMS
45. 1201 E. 34th Street Charlotte, NC 28205	07/12/12	Moorad Derderian	Tucher Properties 26 LLC	Pearl Properties, LLC
46. 7401 Palmetto Court Charlotte, NC 28227	07/12/12	Grady I. Ingle, Substitute Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
47. 4842 Muskogee Drive Charlotte, NC 28212	07/27/12 and 07/30/12	Trustee Services of Carolina, LLC, Substitute Trustee	Carolina Liquidator RE, LLC	CRAF / CMS
48. 4401 Hancock Terrace Charlotte, NC 28205	08/13/12	Substitute Trustee Services, Inc., Substitute Trustee	Green City Development, Inc.	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
49. 1252 Polk Street, Charlotte, NC 28206	09/07/12	U.S. Bank N.A., Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
50. 1940 Winsted Court Charlotte, NC 28262	10/1/12	Beneficial Financial I, Inc.	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
51. 10527 Hugue Way Charlotte, NC 28214	10/11/12 and 10/15/12	Sabrina Rushing	Tuche Properties 7 LLC ----- IORT LLC	Castlegate Properties, LLC

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
52. 536 Mountain Quail Drive Charlotte, NC 28216	10/12/12	HSBC Bank USA, N.A., Trustee	Carolina Home Buyers, LLC	2012-B Property Holdings LLC
53. 8434 Viola Drive Charlotte, NC 28215	10/22/12	Rogers Townsend & Thomas, PC, Substitute Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
54. 1101 Roanoke Avenue Charlotte, NC 28205	12/06/12 and 12/07/12	Elizabeth B. Ells, Substitute Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
55. 1929 Slater Ridge Drive Charlotte, NC 28216	12/06/12 and 12/07/12	Tracy and Angela Williams	Starlight Home Group II LLC	BLTREJV3 Charlotte LLC
56. 7116 Indian Ridge Lane Charlotte, NC 28213	12/17/12	Katherine Chatman	CRAF 1 LLC	BLTREJV3 Charlotte LLC
57. 2801 Buckleigh Drive Charlotte, NC 28215	12/31/12	Deutsche Bank National Trust Company, Trustee	Carolina Home Buyers, LLC	2012-C Property Holdings LLC
58. 6709 Melody Lane Charlotte, NC 28215	01/16/13 and 01/17/13	Secretary of Housing and Urban Development	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
59. 3510 Spring Terrace Lane Charlotte, NC 28269	01/28/13	Grady I. Ingle, Substitute Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / SNNs Holdings, LLC
60. 3011 Hunters Creek Court Charlotte, NC 28269	01/29/13	Secretary of Housing and Urban Development	Carolina Home Buyers, LLC	2012-C Property Holdings LLC

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
61. 2831 Forest Grove Court Charlotte, NC 28269	01/31/13	Deutsche Bank National Trust Company, Trustee	Carolina Home Buyers, LLC	2012-C Property Holdings LLC
62. 4030 Winedale Lane Charlotte, NC 28205	02/07/13	Trustee Services of Carolina, LLC, Substitute Trustee	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
63. 7615 Eben Drive Charlotte, NC 28269	02/08/13	HSBC Bank USA, N. A., Trustee	Carolina Home Buyers, LLC	2012-C Property Holdings LLC
64. 7533 Hounsflow Lane Charlotte, NC 28213	02/21/13	Brock & Scott, PLLC, Substitute Trustee	Carolina Home Buyers, LLC	Distressed Housing, LLC
65. 3318 Cedarhurst Drive Charlotte, NC 28269	03/08/13	Substitute Trustee Services, Inc., Substitute Trustee	Carolina Home Buyers, LLC	SFRH Charlotte Rental, LP
66. 6801 Glenmoor Drive Charlotte, NC 28214	04/19/13	Secretary of Housing and Urban Development	Carolina Home Buyers, LLC	Bluestone Investments, Inc. / Performance Retire on Rentals, LLC
67. 8225 Desoto Alley Huntersville, NC 28078	04/19/13	Muenir Deletioğlu	Bluestone Investments, Inc.	IH2 Property North Carolina, L.P.
68. 4310 Springhaven Drive Charlotte, NC 28269	05/30/13	Sabin McLaughlin and Demetrius Wallace	Carolina Home Buyers, LLC	IH2 Property North Carolina, L.P.
69. 6931 Valley Haven Drive Charlotte, NC 28211	06/13/13	Larry and Mella Anne Matheson	Carolina Home Buyers, LLC	Opening Doors Properties, LLC / Michael Lukavsky

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule B

ADDRESS	DATE DEED RECORDED	SELLER (A)	BUYER/SELLER (B)	END BUYER (C) / LENDER TO C
70. 1323 Winding Branch Ct Charlotte, NC 28216	06/17/13	Mariam Bryant	MCRPH 33 LLC	RGB ASSETS LLC
71. 712 Pennwood Lane Charlotte, NC 28215	06/19/13	Substitute Trustee Services, Inc., Substitute Trustee	Carolina Home Buyers, LLC	Kevin Stringari
72. 638 Stillgreen Lane Charlotte, NC 28214	07/01/13	James and Gloria McKee	Murdoc Properties LLC	BLTREJV3 Charlotte LLC
73. 3031 Mallard Forest Drive Charlotte, NC 28269	08/23/13	Substitute Trustee Services, Inc., Substitute Trustee	Carolina Home Buyers, LLC	Foundation Housing LLC
74. 515 Orient Road, Lot 3 Charlotte, NC 28211	12/06/13	Rogers Townsend & Thomas, PC, Substitute Trustee	Carolina Home Buyers, LLC	Michael Stein
75. 515 Orient Road, Lot 4 Charlotte, NC 28211	12/06/13	Rogers Townsend & Thomas, PC, Substitute Trustee	Carolina Home Buyers, LLC	John and Shannon Durrant

The North Carolina State Bar v. Robin Dale Fussell
Complaint – Schedule C

STREET ADDRESS				DATE DEED RECORDED
1.	4701 Topsail Court	Charlotte, NC	28212	10/28/11
2.	4912 Patricia Ann Lane	Charlotte, NC	28269	10/28/11
3.	8015 Count Fleet Lane	Charlotte, NC	28215	12/01/11
4.	2024 Sloan Drive	Charlotte, NC	28208	12/06/11
5.	5114 Possum Trot Lane	Charlotte, NC	28215	12/13/11
6.	439 Cottonwood Park Drive	Charlotte, NC	28213	12/20/11
7.	5136 Magnasco Lane	Charlotte, NC	28215	12/30/11
8.	2644 Reid Park Drive	Charlotte, NC	28208	02/01/12
9.	2825 Sloan Drive	Charlotte, NC	28208	02/01/12
10.	610 Cricketwood Lane	Charlotte, NC	28215	02/06/12
11.	7311 Meadowland Drive	Charlotte, NC	28215	02/14/12
12.	6504 Fallen Spruce Court	Charlotte, NC	28227	02/28/12
13.	3217 Reid Brook Lane	Charlotte, NC	28208	03/02/12
14.	8700 Mission Hills Road	Charlotte, NC	28227	03/12/12
15.	908 Highland Mist Lane	Charlotte, NC	28215	03/13/12
16.	3113 James Road	Charlotte, NC	28215	03/23/12
17.	3941 Far West Drive	Charlotte, NC	28269	03/27/12
18.	6342 Richfield Lane	Charlotte, NC	28269	04/03/12
19.	6722 Rockwell Boulevard	Charlotte, NC	28269	04/19/12
20.	2525 Lanecrest Drive	Charlotte, NC	28215	05/14/12
21.	6218 Mayridge Drive	Charlotte, NC	28215	05/14/12
22.	826 Squirrel Hill Road	Charlotte, NC	28213	05/14/12
23.	2716 Fairstone Avenue	Charlotte, NC	28269	05/18/12
24.	9301 Amy Drive	Charlotte, NC	28213	05/18/12
25.	315 Neal Drive	Charlotte, NC	28213	05/22/12
26.	2405 Sloan Drive	Charlotte, NC	28208	06/01/12
27.	143 Sleepy Hollow Road	Charlotte, NC	28217	06/06/12
28.	1944 Bromwich Road	Charlotte, NC	28208	06/11/12
29.	921 Grass Hollow Court	Charlotte, NC	28216	06/12/12
30.	6024 Black Bear Court	Charlotte, NC	28214	06/29/12
31.	4842 Muskogee Drive	Charlotte, NC	28212	07/30/12
32.	3830 Bristol Drive	Charlotte, NC	28208	03/14/13