

**IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MISSOURI  
SOUTHERN DIVISION**

**UNITED STATES OF AMERICA,**

Plaintiff,

v.

Case No.

**REAL PROPERTY LOCATED AT 1268 S  
JONES SPRING LANE, SPRINGFIELD,  
MISSOURI ALONG WITH ALL ITS  
BUILDINGS, APPURTENANCES, AND  
IMPROVEMENTS,**

**REAL PROPERTY DESCRIBED AS LOT  
2, REPLAT OF LOTS 2, 8, 8A, 9, & 9A OF  
JONES SPRING, A SUBDIVISION IN  
GREENE COUNTY, MISSOURI ALONG  
WITH ALL ITS BUILDINGS,  
APPURTENANCES, AND  
IMPROVEMENTS,**

**REAL PROPERTY LOCATED AT 1224 S  
JONES SPRING LANE, SPRINGFIELD,  
MISSOURI ALONG WITH ALL ITS  
BUILDINGS, APPURTENANCES, AND  
IMPROVEMENTS, AND**

**REAL PROPERTY DESCRIBED AS LOT  
4, REPLAT OF LOTS 2, 8, 8A, 9, & 9A OF  
JONES SPRING, A SUBDIVISION IN  
GREENE COUNTY, MISSOURI ALONG  
WITH ALL ITS BUILDINGS,  
APPURTENANCES, AND  
IMPROVEMENTS,**

Defendants.

**COMPLAINT FOR FORFEITURE *IN REM***

The Plaintiff, United States of America, by its attorneys, Teresa A. Moore, United States Attorney for the Western District of Missouri, and Anthony Brown and Leigh Farmakidis, Assistant United States Attorneys, brings this complaint and alleges as follows in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure.

**NATURE OF THE ACTION**

1. This is an action to forfeit property to the United States for violations of 18 U.S.C. § 981(a)(1)(A) and 18 U.S.C. § 981(a)(1)(C).

**THE DEFENDANTS *IN REM***

2. The Defendant Properties consist of the following real properties:
- a. 1268 South Jones Spring Lane, Springfield, Missouri 65804 and more fully described as All of Lot One (1), Replat of Lots 2, 8, 8A, 9, & 9A of Jones Spring, a Subdivision in Greene County, Missouri, according to the recorded plat thereof in plat book AAA Page 400. The record owners are John Michael Felts and Jennifer Obert (a/k/a Jennifer Felts).
  - b. All of Lot Two (2), Replat of Lots 2, 8, 8A, 9, & 9A of Jones Spring, a Subdivision in Greene County, Missouri, according to the recorded plat thereof in plat book AAA Page 400. The record owners are John Michael Felts and Jennifer Obert (a/k/a Jennifer Felts).
  - c. 1224 South Jones Spring Lane, Springfield, Missouri 65804 and more fully described as All of Lot Three (3), Replat of Lots 2, 8, 8A, 9, & 9A of Jones Spring, a Subdivision in Greene County, Missouri, according to the recorded plat thereof in plat book AAA Page 400. The record owner is GusMavMur, LLC

d. All of Lot Four (4), Replat of Lots 2, 8, 8A, 9, & 9A of Jones Spring, a Subdivision in Greene County, Missouri, according to the recorded plat thereof in plat book AAA Page 400. The record owner is GusMavMur, LLC.

3. The Defendant Properties have not been seized, but are located within the jurisdiction of the Court as described below. The United States does not request authority from the Court to seize the Defendant Properties at this time. The United States will, as provided by 18 U.S.C. § 985(b)(1) and (c)(1):

a. Post notice of this action and a copy of the Complaint on the Defendant Properties, and

b. Serve notice of this action on the owner of the Defendant Properties, and any other person or entity who may claim an interest in the Defendant Properties, along with a copy of this Complaint, and

c. File a *Lis Pendens* against the Defendant Properties.

#### **JURISDICTION AND VENUE**

4. This Court has subject matter jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a). This Court also has jurisdiction over this particular action under 18 U.S.C. § 981(a)(1)(A) and 18 U.S.C. § 981(a)(1)(C).

5. This Court has *in rem* jurisdiction over the Defendant Properties, pursuant to 28 U.S.C. § 1355(b)(1)(A), because acts or omissions giving rise to the forfeiture occurred in this district.

6. Venue is proper in this district, pursuant to 28 U.S.C. § 1355(b)(1)(A), because acts or omissions giving rise to the forfeiture occurred in this district. Also, venue is proper in this

district, pursuant to 28 U.S.C. § 1355(b)(1)(B), incorporating 28 U.S.C. § 1395, because the action accrued in this district and the Defendant Properties are found in this district.

### **BASIS FOR FORFEITURE**

7. The Defendant Properties are subject to forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(A), because they constitute property involved in a transaction or an attempted transaction, in violation of Title 18 U.S.C. §§ 1956, 1957, and/or 1960, or are traceable to such property.

8. The Defendant Properties are subject to forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C), because they constitute or were derived from proceeds traceable to offenses constituting a “specified unlawful activity” as defined in 18 U.S.C. § 1956(c)(7), or a conspiracy to commit such offenses, that is, making a false statement for the purpose of influencing in any way the action of a financial institution, wire fraud, bank fraud, or conspiracy to commit wire or bank fraud.

### **BACKGROUND OF INVESTIGATION**

9. Internal Revenue Service – Criminal Investigation (“IRS-CI”) and the United States Small Business Administration, Office of Inspector General (“SBA-OIG”) have been investigating John Michael Felts (“Felts”) regarding a scheme or artifice to complete false and fraudulent applications for Paycheck Protection Program (“PPP”) loans with qualified lenders. Felts used companies under his ownership or control, including Taco Habitat GMP LLC, Taco Habitat Branson LLC, Habitat Restaurant Holdings LLC, Cluck 2 LLC, Super’s Entertainment LLC, Diagnostic Equipment Inc., Sonic Werx LLC, White River Brewco LLC, and Concept Pro LLC, to carry out the scheme.

10. To obtain a PPP loan, a qualifying business was required to submit a PPP loan application (SBA Form 2483), signed by an authorized representative of the business, to a lender that was participating in the PPP. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications to be eligible to obtain the PPP loan.

11. One affirmative certification required the business to certify that it was in operation on February 15, 2020 and had employees to whom it paid salaries. Further, in the PPP loan application, the applicant (through its authorized representative) was required to state, among other things: (a) average monthly payroll expenses; and (b) number of employees. The figures provided were then used to calculate the amount of money the small business was eligible to receive under the PPP. Finally, the applicant was required to provide documentation showing its payroll expenses.

12. Economic Injury Disaster Loans (“EIDL”) are direct loans from the SBA without the involvement of private lenders. Borrowers apply online and the loan is intended to provide small business with working capital for fixed debts (such as rent or utilities), payroll, accounts payable, and other bills resulting from the pandemic. The maximum loan amount was \$150,000, which was increased to \$500,000 on April 6, 2021. Borrowers have up to 30 years to repay the loan and can receive no more than \$2 million for all affiliated businesses. Applicants could also receive a Disaster Loan Emergency Advance (“Grant”) of \$1,000 per employee up to \$10,000.

13. Records from SBA and financial institutions show that Felts applied for approximately 12 PPP loans using several different companies under his ownership or control. Most of these companies did not have employees and were not in operation at the time of

application, despite Felts stating that the companies did have employees and were operating at the time.

14. In addition, records revealed that Felts also applied for approximately 13 PPP loans using synthesized or fabricated identities and companies under his control. Experian, the credit reporting agency, has written about synthetic identity fraud and describes it as follows:

“Synthetic identity fraud occurs when criminals create new identities by mixing real and fictitious information. Once created, fraudsters will use their synthetic identities to apply for credit. They employ a well-researched process to accumulate access to credit. These criminals often know which lenders have more liberal identity verification policies that will forgive data discrepancies and extend credit to people who appear to be new or emerging customers.”<sup>1</sup>

15. Felts used the loan proceeds to purchase and improve the Defendant Properties, which are not eligible or authorized expenses under the terms of the PPP, EIDL, or Grant programs.

### **DEFENDANT PROPERTIES**

#### **1268 South Jones Spring Lane (“Lot 1”)**

16. As detailed below, Felts has used at least \$185,000 in proceeds from PPP loans, EIDLs, and Grants to fund, in part, construction on and an addition to 1268 South Jones Spring Lane (“Lot 1”).

#### **May 2020 Sonic Werx LLC PPP, EIDL and Grant Loans**

17. In or about May 2020, a PPP application for Sonic Werx LLC was filed by “Peter Gollan” with Celtic Bank. In connection with the PPP application for Sonic Werx LLC, “Gollan”

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<sup>1</sup><https://www.experian.com/blogs/insights/2021/01/solving-fraud-problem-synthetic-identity-fraud/>.

falsely represented that the business had 22 employees and an average monthly payroll of \$159,530.

18. On or about May 19, 2020, loan proceeds of \$398,825 were deposited into an account number ending in 6709 in the name of Sonic Werx LLC at Central Bank of the Ozarks.

19. In addition to the loan proceeds mentioned above, a \$149,900 EIDL and a \$10,000 Grant, which were also obtained using false representations, were the only deposits made in 2020 to account number ending 6709.

20. On or about November 20, 2020, Felts wrote check number 1001 in the amount of \$75,000 drawn on account number ending 6709 to himself and deposited it into his personal account number ending 2401 at Central Bank of the Ozarks. On or about November 23, 2020, Felts wrote check number 1007 in the amount of \$70,000 and payable to Fidelity Title, using funds from his personal account number ending 2401 at Central Bank of the Ozarks. The funds remitted to Fidelity Title were then distributed to the general contractor and various subcontractors working on the addition to Lot 1.

*April 2021 Cluck 2 LLC PPP Loan*

21. On or about April 2021, Felts applied for a PPP loan for Cluck 2 LLC with Incredible Bank. In connection with the PPP application Cluck 2 LLC, Felts falsely represented that the business had 18 employees and an average monthly payroll of \$86,736.39.

22. Felts directed loan proceeds of \$303,577 to be deposited in account number ending in 6425 at Incredible Bank.

23. Felts, the sole signatory, opened the Cluck 2 LLC account ending 6425 on or about May 1, 2020 at Incredible Bank. PPP loan proceeds are the only deposits to this account between the opening of the account and November 30, 2021.

24. Felts wrote multiple checks between April and June 2021 from the Cluck 2 LLC account ending 6425, totaling approximately \$215,171, which were deposited to the account of Cluck 2 LLC, number ending in 2347, at Central Bank of the Ozarks. The balance in this account was approximately \$6,100 when Felts began depositing the PPP proceeds and there were no other deposits during this time frame.

25. Of the funds sent to Cluck 2 LLC account number ending in 2347, Felts withdrew \$25,000 in funds to purchase cashier's check number 375544 on or about July 1, 2021 to Fidelity Title, which distributed the construction-related payments for the addition to Lot 1. The funds remitted to Fidelity Title were then distributed to the general contractor and various subcontractors working on the addition to Lot 1.

*April 2021 Diagnostic Equipment Inc. PPP Loan*

26. In or about April 2021, a PPP application for Diagnostic Equipment Inc. was filed by "Peter Gollan" with Incredible Bank. In connection with the PPP application for Diagnostic Equipment Inc., "Peter Gollan" falsely represented that the business had 55 employees and an average monthly payroll of \$421,798.

27. Upon information and belief, "Peter Gollan" is a synthetic identity used by Felts.

28. Loan proceeds totaling \$1,054,494.80 were deposited into the Diagnostic Equipment Inc. account number ending in 5674 at Incredible Bank. The only other deposits in the account through July 2021 were wires from Bright Vanguard LLC, totaling \$13,000.

29. Between May and July 2021, multiple checks totaling \$906,937.42 from the Diagnostic Equipment Inc. account number ending in 5674 at Incredible Bank were written to Sonic Werx LLC. These checks were deposited into the Sonic Werx LLC, account number ending in 6709 at Central Bank of the Ozarks, which had a balance of less than \$7,500 before the proceeds

were deposited. Sonic Werx, LLC is a company under Felts' ownership or control, and Felts was the sole signatory on this account. There were no deposits from other sources during this time.

30. On or about July 13, 2021, Felts purchased cashier's check number 375743 in the amount of \$30,000 to Fidelity Title, using funds from the Sonic Werx LLC, account number ending in 6709 at Central Bank of the Ozarks. The funds remitted to Fidelity Title were then distributed to the general contractor and various subcontractors working on the addition to Lot 1.

May 2021 Habitat Restaurant Holdings LLC PPP Loan

31. On or about May 6, 2021, Felts applied for a PPP Loan for Habitat Restaurant Holdings LLC, with Incredible Bank. In connection with the PPP application for Habitat Restaurant Holdings LLC, Felts falsely represented that the business had 28 employees and an average monthly payroll of \$115,229.86.

32. Felts directed loan proceeds of \$403,304 to be deposited in account number ending in 6318 at Incredible Bank.

33. Habitat Restaurant Holdings LLC account number ending in 6318 at Incredible Bank was opened around the time of the first PPP application, May 1, 2020. PPP loan proceeds were the only funds deposited to this account between the opening of the account and November 30, 2021.

34. Between May and August 2021, Felts wrote multiple checks on Habitat Restaurant Holdings LLC account number ending in 6318, payable to Taco Habitat. These checks were deposited in the Taco Habitat GMP LLC account number ending in 6792 at Southern Bank. These checks include check number 100010 in the amount of \$67,500 on or about August 4, 2021.

35. On or about August 6, 2021, Felts transferred \$65,000 of these funds to his personal account number ending in 5125, which in turn funded check number 10252 on the same day in the

amount of \$60,000 and payable to Fidelity Title. The funds remitted to Fidelity Title were then distributed to the general contractor and various subcontractors working on the addition to Lot 1.

Lot 2

36. In addition to the details concerning Lot 1, Felts has used approximately \$157,000 in proceeds from PPP loans, EIDLs, and Grants to fund, in part, the payoff of the loan on Lot 2.

April 2020 Diagnostic Equipment Inc. PPP Loan

37. In or about April 2020, a PPP application for Diagnostic Equipment Inc. was filed by “Peter Gollan” with Incredible Bank. In connection with the PPP application for Diagnostic Equipment Inc., “Peter Gollan” falsely represented that the business had 55 employees and an average monthly payroll of \$330,148.

38. The loan proceeds of \$869,200 were deposited into an account number ending in 5674 in the name of Diagnostic Equipment Inc. at Incredible Bank.

39. “Gollan” also submitted an EIDL Application on behalf of Diagnostic Equipment Inc. on or about June 18, 2020. As with the PPP loan, “Gollan” falsely represented that the business had 55 employees on the EIDL application. Additionally, he falsely represented that the company had gross revenue of \$975,000 and cost of goods sold of \$340,000, when the business was not in operation.

40. EIDL loan proceeds of approximately \$149,900.00 were deposited into the account number ending in 5674 in the name of Diagnostic Equipment Inc. at Incredible Bank. The only other deposits in this account through October 2020 were a \$10,000 SBA Grant and a \$5 deposit.

41. Between May and August 2020, multiple checks drawn on the Diagnostic Equipment Inc. account at Incredible Bank totaling \$1,027,084 were made payable to Sonic Werx

LLC, a company under Felts' ownership or control. These funds were deposited in the Sonic Werx LLC account number ending 6709 at Central Bank of the Ozarks.

May 2020 Sonic Werx LLC PPP, EIDL and Grant Loans

42. In or about May 2020, a PPP application for Sonic Werx LLC was filed by "Peter Gollan" with Celtic Bank. In connection with the PPP application for Sonic Werx LLC, "Gollan" falsely represented that the business had 22 employees and an average monthly payroll of \$159,530.

43. On or about May 19, 2020, loan proceeds of \$398,825 were deposited into an account number ending in 6709 in the name of Sonic Werx LLC at Central Bank of the Ozarks.

44. On or about August 14, 2020, Felts purchased a cashier's check, number 369007, in the amount of \$137,500, using funds from the account ending in 6709 in the name of Sonic Werx LLC at Central Bank of the Ozarks in the amount, made out to Concept Pro LLC.

45. In addition to the loan proceeds mentioned above, a \$149,900 EIDL and a \$10,000 Grant, which were also obtained using false representations, were the only deposits made in 2020 to account number ending 6709.

46. On or about June 1, 2020, Felts purchased cashier's check number 367318 using funds from the Sonic Werx LLC account number ending 6709 at Central Bank of the Ozarks in the amount of \$157,000 payable to UMB. Records from UMB showed that Felts used this cashier's check to pay off Loan 12026639-00401. This loan was made in March 2019 to Felts for the purchase of and secured by a Deed of Trust on Lot Two (2) of the Replat of Lots 2, 8, 9, and 9A of Jones Spring, a subdivision in Greene County, Missouri, which is the legal description for Lot 2.

1224 South Jones Spring Lane

47. As set forth below, Felts used proceeds from PPP Loans, EIDLs, and Grants to fund several negotiable instruments payable to Concept Pro LLC, which Felts then used to fund the purchase of 1224 South Jones Spring Lane.<sup>2</sup>

April 2020 White River Brewco LLC PPP Loan

48. In or about May 2020, Felts applied for a PPP loan for White River Brewco LLC with Blue Ridge Bank. In connection with the PPP application for White River Brewco LLC, Felts falsely represented that the business had 19 employees and an average monthly payroll of \$360,500.

49. Felts directed the loan proceeds of \$901,000 to be deposited in the White River Brewco LLC, account number ending in 2320 at Central Bank of the Ozarks.

50. On or about April 30, 2020, Felts, as the sole signer, opened the White River Brewco LLC, account number ending in 2320 at Central Bank of the Ozarks. After a \$300 cash deposit to open the account, PPP loan proceeds were the only funds deposited to this account through June 30, 2021.

51. Felts wrote check number 1002 drawn on account 2320, dated July 25, 2020, in the amount of \$72,000 to Concept Pro.

April 2020 Habitat Restaurant Holdings LLC PPP Loan

52. In or about April 2020, Felts applied for a PPP loan for Habitat Restaurant Holdings LLC, with Incredible Bank. In connection with the PPP application for Habitat Restaurant

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<sup>2</sup> On or about July 17, 2020, Felts purchased cashier's check number 368437, using proceeds from the Sonic Werx LLC account number ending 6709 at Central Bank of the Ozarks, in the amount of \$5,000 to Hogan Land & Title for the down payment for the purchase of 1224 South Jones Spring Lane; this portion was not traceable through Concept Pro LLC.

Holdings, Felts falsely represented that the business had 19 employees and an average monthly payroll of \$130,810.90.

53. Felts directed the loan proceeds of \$327,027.25 to be deposited in account number ending in 6318 in the name of Habitat Restaurant Holdings LLC at Incredible Bank.

54. On or about May 1, 2020, Felts, as the sole signer, opened account number ending in 6318 in the name of Habitat Restaurants Holdings LLC, at Incredible Bank. PPP loan proceeds were the only deposits to this account between the opening of the account and November 30, 2021.

55. Felts sent multiple wires totaling approximately \$298,484.90 between May 2020 and August 2020 to the account of Taco Habitat GMP LLC, number ending in 6792, at Southern Bank.

June 2020 Taco Habitat GMP LLC EIDL Loan

56. Felts submitted an EIDL Application for Taco Habitat GMP LLC on or about June 27, 2020. As with the PPP loan for Taco Habitat GMP LLC, Felts falsely represented that the business had 27 employees on the EIDL application. Additionally, Felts falsely represented that the business had gross revenue of \$2,200,000 and cost of goods sold of \$700,000, when the business was not in operation.

57. Felts directed the proceeds of the EIDL loan of approximately \$149,900, to be deposited in the Taco Habitat GMP LLC, number ending in 6792, at Southern Bank.

58. On or about August 14, 2020, Felts used the proceeds in the Taco Habitat GMP LLC account number ending in 6792, to purchase a cashier's check number ending in 036182 in the amount of approximately \$118,025 and payable to Concept Pro LLC.

April 2020 Cluck 2 LLC PPP and Grant Loans

59. In or about April 2020, Felts applied for a PPP loan for Cluck 2 LLC with Incredible Bank. In connection with the PPP application for Cluck 2 LLC, Felts falsely represented that the business had 18 employees and an average monthly payroll of \$111,363.77.

60. Felts directed the loan proceeds of \$278,400 to be deposited in account number ending in 6425 in the name of Cluck 2 LLC at Incredible Bank.

61. On or about May 1, 2020, Felts, as the sole signer, opened the Cluck 2 LLC account number ending in 6425 at Incredible Bank. PPP loan proceeds were the only deposits to this account between the opening of the account and November 30, 2021.

62. Felts sent multiple wires totaling approximately \$275,290 between May 2020 and July 2020 to the account of Cluck 2 LLC, number ending in 2347, at Central Bank of the Ozarks. Felts opened this account on or about April 30, 2020, as the sole signer.

63. A \$10,000 SBA grant deposited on or about June 23, 2020, was the only other deposit in the account of Cluck 2 LLC, number ending in 2347, at Central Bank of the Ozarks during this time. Felts submitted the EIDL Application that led to this Grant on or about June 20, 2020. As with the PPP loan, Felts falsely represented that the business had 27 employees on the grant application. Additionally, he falsely represented the company had gross revenue of \$960,000 and cost of goods sold of \$4,785,000, when the business was not in operation.

64. Felts wrote check number 1005 from the account of Cluck 2 LLC, number ending in 2347, at Central Bank of the Ozarks, dated July 17, 2020, in the amount of \$14,700 to Concept Pro LLC.

May 2020 Super's Entertainment LLC PPP and Grant Loans

65. In or about May 2020, the PPP application for Super's Entertainment LLC was filed by "Tom Holland" with Fountainhead Small Business Funding ("Fountainhead"). The application

falsely represented that Super Entertainment LLC had 86 employees and average monthly payroll of \$464,449.

66. Upon information and belief, “Tom Holland” is a synthetic identity used by Felts.

67. Loan proceeds of \$1,161,100 were deposited into an account number ending in 6660 in the name of Super’s Entertainment LLC, at Central Bank of the Ozarks. Felts opened this account on or about May 11, 2020, as the sole signer.

68. The only other material deposits made in 2020 to this account were a \$149,900 EIDL, a \$10,000 Grant, and a \$50 transfer. “Holland” submitted the EIDL Application on or about June 18, 2020. As with the PPP loan, “Holland” falsely represented that the business had 11 employees on the EIDL application. Additionally, he falsely represented the company had gross revenue of \$880,000 and cost of goods sold of \$470,000, when the business was not in operation.

69. On or about August 7, 2020, Felts used a portion of the funds in the account number ending in 6660 in the name of Super’s Entertainment LLC, at Central Bank of the Ozarks, to purchase cashier’s check number 368832 in the amount of \$150,000 to Concept Pro LLC.

70. On or about August 14, 2020, Felts used a portion of the funds in the account number ending in 6660 in the name of Super’s Entertainment LLC, at Central Bank of the Ozarks, to purchase cashier’s check number 369008 in the amount of \$113,818 to Concept Pro LLC.

71. The negotiable instruments payable to Concept Pro LLC referenced above totaled approximately \$606,043 and were deposited in Concept Pro LLC’s account number ending in 7718 at Systematic Savings Bank.<sup>3</sup> On or about August 20, 2020, Felts used these proceeds, when combined with other deposits, to fund cashier’s check number 11377 in the amount of \$977,949.56. Closing records from Hogan Title show that Felts funded the purchase of 1224 South

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<sup>3</sup> The Plaintiff repeats and incorporates Paragraph 44 by reference.

Jones Spring Lane with cashier's check 11377 and titled the property in the name of GusMavMur LLC. Hogan Title records include the Operating Agreement for GusMavMur LLC, which identifies Felts and his wife as the members of GusMavMur LLC.

Lot 4, Replat of Lots 2, 8, 8A, 9, & 9A of Jones Spring

May 2020 Taco Habitat Branson LLC PPP and EIDL Loans

72. In or about May 2020, Felts applied for a PPP loan for Taco Habitat Branson LLC with The Loan Source Inc. In connection with the PPP application for Taco Habitat Branson LLC, Felts falsely represented that the business had 26 employees and an average monthly payroll of \$124,000.

73. Felts directed the loan proceeds of \$310,000 to be deposited in account number ending in 3838 in the name of Taco Habitat Branson LLC at Hawthorn Bank on or about July 8, 2020.

74. Felts also obtained an EIDL loan for Taco Habitat Branson LLC, and in connection with that loan falsely represented that the business had 26 employees and gross revenue of \$980,000 and cost of goods sold of \$425,000 when the business was not in operation.

75. Felts directed that EIDL loan proceeds of approximately \$150,000 to be deposited into the account ending in 3838 in the name of Taco Habitat Branson LLC at Hawthorn Bank. The PPP loan and the EIDL were the only deposits between their disbursement through approximately November 15, 2020.

76. Felts withdrew \$125,707 from the account ending in 3838 in the name of Taco Habitat Branson LLC at Hawthorn Bank on or about August 20, 2020 to fund cashier's check number 0159614 payable to Hogan Title. Hogan Title records showed that Felts used this check

to pay for the purchase of Lot Four (4) of the Replat of Lots 2, 8, 9, and 9A of Jones Spring, a subdivision in Greene County, Missouri.

### **CLAIMS FOR RELIEF**

#### **FIRST CLAIM FOR RELIEF**

77. The Plaintiff repeats and incorporates by reference the paragraphs above.

78. By the foregoing and other acts, the Defendant Properties were involved in transactions or attempted transactions, in violation of Title 18 U.S.C. §§ 1956, 1957 or are property traceable to such property, and therefore, are forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(A).

#### **SECOND CLAIM FOR RELIEF**

79. The Plaintiff repeats and incorporates by reference the paragraphs above.

80. By the foregoing and other acts, the Defendant Properties constitute, or was derived from, proceeds traceable to violations of Title 18, United States Code, Section 1014, that is, making a false statement for the purpose of influencing in any way the action of a financial institution, and therefore, is forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C).

#### **THIRD CLAIM FOR RELIEF**

81. The Plaintiff repeats and incorporates by reference the paragraphs above.

82. By the foregoing and other acts, the Defendant Properties constitute, or was derived from, proceeds traceable to violations of Title 18, United States Code, Section 1343, that is, wire fraud, and therefore, is forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C).

#### **FOURTH CLAIM FOR RELIEF**

83. The Plaintiff repeats and incorporates by reference the paragraphs above.

84. By the foregoing and other acts, the Defendant Properties constitute, or was derived from, proceeds traceable to violations of Title 18, United States Code, Section 1344, that is, bank fraud, and therefore, is forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C).

**FIFTH CLAIM FOR RELIEF**

85. The Plaintiff repeats and incorporates by reference the paragraphs above.

86. By the foregoing and other acts, the Defendant Properties constitutes, or was derived from, proceeds obtained from a conspiracy to commit wire fraud, in violation of Title 18, United States Code, Section 371, and therefore, is forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C).

**SIXTH CLAIM FOR RELIEF**

87. The Plaintiff repeats and incorporates by reference the paragraphs above.

88. By the foregoing and other acts, the Defendant Properties constitutes, or was derived from, proceeds obtained from a conspiracy to commit bank fraud, in violation of Title 18, United States Code, Section 371, and therefore, is forfeitable to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C).

WHEREFORE the United States prays that the Defendant Properties be forfeited to the United States, that the Plaintiff be awarded its costs and disbursements in this action, and for such other and further relief as the Court deems proper and just.

Respectfully submitted,

Teresa A. Moore  
United States Attorney

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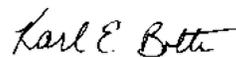
**VERIFICATION**

I, Special Agent Karl Bolte, hereby verify and declare under penalty of perjury that I am a Special Agent with IRS-Criminal Investigation, that I have read the foregoing Verified Complaint *in Rem* and know the contents thereof, and that the factual matters contained in paragraphs nine through 76 of the Verified Complaint are true to my own knowledge, except that those matters herein stated to be alleged on information and belief, and as to those matters, I believe them to be true.

The sources of my knowledge and information and the grounds of my belief are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others, as a Special Agent of the IRS-Criminal Investigation.

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Dated September 13, 2022



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Karl Bolte  
Special Agent  
IRS-Criminal Investigation