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3 San Francisco, CA, 94112
4 Attorney and Plaintiff in pro per

5 UNITED STATES DISTRICT COURT FOR THE
6 NORTHERN DISTRICT OF CALIFORNIA
7 UNLIMITED CIVIL JURISDICTION
8 CLASS ACTION
9

10
11 PATRICK A. MISSUD, Plaintiff on behalf of
12 himself and others similarly situated, VS.

Case No.:
Dept.

13 D. R. HORTON INC.; DHI MORTGAGE
14 COMPANY, LTD. LP; DONALD HORTON;
15 DONALD TOMNITZ; CURTIS
16 COLTRANE; SUSAN ECKHARDT; DUANE
17 WADDILL; RICHARD PERRY; GREG
18 ABBOTT; SAUNDRA B. ARMSTRONG;
19 ROGER BENITEZ; BERRY EDENFIELD;
20 MARTIN REIDINGER; YAHOO INC.;
21 WENDEL ROSEN BLACK & DEAN LLC.;
22 WOOD, SMITH, HENNING & BERMAN
23 LLC.; LUCE, FORWARD, HAMILTON &
24 SCRIPPS LLP; RYAN & DAWSON;
25 STRAND SYSTEMS ENGINEERING;
26 DOES 1-200. Defendants.

**DECLARATION IN SUPPORT OF
COMPLAINT**

Date:
Time:
Dept:
Judge:

1 I, Patrick Missud, declare as follows:

2 A. I am an attorney at law, duly licensed to practice before all courts of the state of
3 California and the Federal Courts. I have personal knowledge of the matters set forth herein. If
4 called upon as a witness to testify as to the truth of these matters, I could and would do so
5 competently.

6 B. Every attached exhibit is a true and correct copy of an original document. Each below
7 description of the attached documents represents a general overview of their content. Each
8 exhibit is separated by dividers with one inch block numbers in the lower right corners. Many of
9 the referenced exhibits have been borrowed from other submissions, and as such, have other
10 identifying and circled numbers on the documents which should be disregarded.

11 1. Exhibits group 1 are Federal Trade Commission Freedom Of Information Act search
12 request #2009-00355 which has found 205 pages of responsive records regarding DHIM
13 complaints. Among those complaints are 44 predatory loan originations written in 17 of DHI's
14 27 market states. No less than 48 DHI and DHIM agents have been implicated in, or found at
15 least civilly liable for fraud and predatory loan origination. The exhibits noted "Missud" are the
16 repeated requests that federal authorities put a stop to DHI's ongoing RICO. SEC FOIA request
17 #09-01043 has also returned a similar complaint to those from the FTC's archives.

18 2. Exhibits group 2 include two pages from a DHI Annual 10K Report showing the
19 hundreds of millions in profits that the Defendants are trying to maintain in their ongoing
20 enterprise. Other exhibits are of the waivers for federal service of process which notified all DHI
21 Board of Directors of their discovered RICO since 2005.

22 3. Exhibits group 3 are of Donald Tomnitz' Waiver of Service of Summons, and two of his
23 emails to his agents imploring them to maintain their sales quotas so that DHI stock valuation
24 will outperform peers.'

25 4. Exhibits group 4 are of two decisions by former Magistrate Coltrane who twice
26 eliminated speech and assembly rights citing only DHI's corporate interests.

27 5. Exhibits group 5 are a series of letters between Missud, Nevada's Deputy Commissioner
28 for Mortgage Lending Eckhardt, and Nevada's Attorney General regarding the investigation into

1 DHI and DHIM. Twenty six days after Eckhardt's admission that she has no jurisdiction over
2 the licensed DHIM, she is no longer employed by Nevada.

3 6. Exhibits group 6 are a series of communications between Texas home owner Corrente,
4 the Texas Residential Construction Commission's [TRCC] Wadill, DHI's defense attorney
5 Dawson, Corrente's advocate Missud, and a variety of others including Texas State agents
6 regarding repairs to Corrente's damages home. These are a fraction of the exhibits available as
7 group 6. DHI continues to misrepresent that it will repair Corrente's defects in collusion with
8 the TRCC.

9 7. Exhibits group 7 are of multiple corroborating sources, including admissions by
10 Governor Rick Perry, that his political career has been supported by millions of dollars in builder
11 contributions.

12 8. Exhibits group 8 are a series of communications between Missud and Abbott regarding
13 notification of the discovery of DHI's ongoing RICO and the lack of Abbott's regulation of DHI.
14 Within this exhibit group is Abbott's January 5, 2010 letter citing all of the same Constitutional
15 Rights violations by a third party, that he refuses to enforce against constituents of his own state.
16 The last document is of a publicly available record showing that his 2006 re-election campaign
17 received \$320,000 by one of Texas' most influential builders.

18 9. Exhibits group 9 are comprised of HUD and FBI/DOJ information and correspondence.
19 HUD's Director Jackson requests the Missud file, which is then in part reprinted in a syndicated
20 news article. The FBI announces Beazer's deferred prosecution on July 1, 2009 for the same
21 fraud and violations alleged in this complaint. HUD, through the DOJ, receives over one
22 hundred instances of DHI's predatory lending, occurring to victims across the Country, in an
23 amicus brief sent priority #EB527695415US and received on January 7, 2009. A few of the
24 registered court documents from 08-cv-01324-AJT-TCB are also included. Within DHI's
25 "Exhibit G" submitted on June 11, 2008, DHI misrepresents that it has "high customer
26 satisfaction scores." However, the actual J D Power study that DHI references has DHIM listed
27 as third worst after predatory lenders Ryland, KB Homes and Mozillo's former Countrywide.
28 The last of these exhibits shows HUD's incredible denial of information within its possession,
and the absolute acceptance of certified mail sent to HUD and the FTC which not only becomes

1 mis-delivered, but then disappears as if never “accepted” in the first place. (You can’t make this
2 stuff up!)

3 10. Exhibits group 10 are of the Missud Proposal for Action submitted under SEC 14-A-8
4 which is denied for the second year in a row. The actual Proposal cites over 20 grounds for
5 apprising shareholders that their interests in DHI are subject to total loss as was the case in
6 Enron.

7 11. Exhibits group 11 are of the Missud www.drhortonfraud.com web site which was
8 delisted from its 13th position after DHI learned of its success. Since Yahoo has control over
9 search-returned listings for its own search engine, it is suspected that Yahoo delisted the Missud
10 site in favor of their business partner and RICO operating DHI.

11 12. Exhibits group 12 are some of the records available from PACER, case #07-cv-02625-
12 SBA. They show the hearsay excepted exhibits which were to be considered to confer
13 jurisdiction over DHI in that case, but were conveniently omitted from Armstrong’s decision in
14 favor of DHI. Registered document #55 is Armstrong’s official judicial retaliatory action against
15 Missud for uncovering DHI’s RICO.

16 13. Exhibits group 13 are some of the records available from PACER, case #08-cv-00592-
17 BEN-RBB. They show some of the exhibits that were considered to compel arbitration in that
18 case. As stated in the Public Citizen treatise titled “Home Court Advantage; How the Building
19 Industry Uses Forced Arbitration to Evade Accountability,” it has long been known that
20 arbitrations only favor the deepest pockets. Those DHI consumer victims are now in arbitration.

21 14. Exhibit 14 is a record available from PACER, case #07-cv-00081-BAE-GRS. It regards
22 virtually the same claims that HUD was championing in National Association of Home Builders
23 v. HUD, 08-cv-01324. Both of these cases had the support of the overwhelming evidence of
24 DHI’s RICO attached hereto as Exhibits Group 1 and 9 and yet both cases were dismissed.

25 15. Exhibits group 15 are examples of DHI’s poor construction throughout the Country. The
26 reliable and official site www.jdpower.com more often than not lists DHI as a low quality
27 builder with poor warranty satisfaction. Despite this evidence, the judge refused to grant class
28 action status to DHI consumers who bought development properties on Daniel Island South
Carolina.

1 16. Exhibits group 16 are admissions by DHI defense counsel to having documents in their
2 possession which prove their knowledge of DHI's ongoing RICO. Defense counsel Hoy and the
3 rest of his team nevertheless use their best efforts in furthering the enterprise for billable hours
4 and monetary gain.

5 17. Exhibits group 17 are admissions by DHI defense counsel to having documents in their
6 possession which prove their knowledge of DHI's ongoing RICO. Defense counsels Ross,
7 Marquez and the rest of their team nevertheless use their best efforts in furthering the enterprise
8 for billable hours and monetary gain.

9 18. Exhibits group 18 are documents regarding the California Bar's non feasant in
10 regulating the attorneys who have perjured themselves, and allowed for the defrauding of
11 hundreds/thousands of additional DHI RICO victims.

12 19. Exhibits group 19 are admissions by DHI defense counsel to having documents in their
13 possession which prove their knowledge of DHI's ongoing RICO. Defense counsel Odou and
14 the rest of his team nevertheless use their best efforts in furthering the enterprise for billable
15 hours and monetary gain.

16 20. Exhibits group 20 are documents regarding the Nevada Bar's non feasant in regulating
17 the attorneys who have perjured themselves, and allowed for the defrauding of
18 hundreds/thousands of additional DHI RICO victims.

19 21. Exhibits group 21 are just a few of the notices and letters sent directly to DHI's Board of
20 Directors, each of whom knew of their corporation's ongoing RICO. Five of DHI's Board
21 members are themselves Texas attorneys.

22 22. Exhibits group 22 are documents regarding the Texas Bar's non feasant in regulating
23 the attorneys who have crafted DHI's RICO enterprise, and allowed for the defrauding of
24 hundreds/thousands of additional DHI RICO victims.

25 23. Exhibits group 23 are a very small sampling of the available reliable information
26 searchable on the web regarding DHI's RICO, including intentional cost cutting measures
27 leading to defects, predatory lending, tax fraud, appraisal fraud, forgery, and general
28 misrepresentations. Notice of said RICO has been forwarded for years to Congress and

1 regulatory authorities nationally. Wall Street has even become a RICO participant in
2 recommending strong “buy” positions in the criminal enterprise.

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6 Based on the attached overwhelming evidence, information, and belief, I declare under the
7 penalty of perjury that the foregoing is true and correct.

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9 /S/ Patrick Missud 1-19-2010

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11 _____
12 Patrick Missud Dated

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Cc: Syndicated Media