

1 Q. PARDON?

2 A. ONCE.

3 Q. AND TELL US THE CIRCUMSTANCES OF THAT ONE TRANSACTION IN
4 1992.

5 A. I THINK I MET WITH HIM AND I RECEIVED APPROXIMATELY FIVE
6 OR TEN KILOGRAMS.

7 Q. WHERE DID YOU MEET WITH MR. GRACIA?

8 A. WE MET AT 740 GREENWOOD LANE.

9 Q. TELL US WHAT HAPPENED.

10 A. WE MET THE GUY SLICK, HE WAS IN THE VAN. HE BROUGHT THE
11 VAN UP. WHEN WE CAME UP HE HAD THE DRUGS READY FOR ME. SO HE
12 GAVE ME THE DRUGS AND I THINK SLICK, HE DID LEAVE AND AL MUST
13 HAVE STAYED AROUND. IT WAS THE LATER PART OF '92, BUT HE
14 WASN'T STAYING WITH ME. WHERE HE WAS STAYING AT THE TIME, I
15 DON'T REMEMBER. I DON'T KNOW RATHER.

16 Q. DID YOU PAY MR. GRACIA FOR THIS COCAINE?

17 A. AT THAT TIME, NO.

18 Q. HOW LONG DID IT TAKE YOU TO PAY HIM FOR THE COCAINE?

19 A. ABOUT A WEEK.

20 Q. DO YOU REMEMBER IN RELATION TO YOUR ARREST WHEN WAS THIS
21 TRANSACTION?

22 A. LIKE SEPTEMBER.

23 Q. MR. WALLACE, DO YOU KNOW GEORGE AND VIRGINIA HIGH?

24 A. YES.

25 Q. HOW DID YOU MEET GEORGE AND VIRGINIA HIGH?

1 A. I MET THEM THROUGH SIMS JINKS.

2 Q. CAN YOU TELL US WHAT THE CIRCUMSTANCES WERE THAT CAUSED
3 YOU TO MEET GEORGE AND VIRGINIA HIGH?

4 A. ME AND SIMS WERE RIDING TOGETHER ONE DAY AND HE TOOK ME
5 AND SHOWED ME HIS NEW HOUSE THAT HE JUST PURCHASED.

6 Q. WHICH ONE?

7 A. ON THOMPSON MILL ROAD, DECATUR, GEORGIA. HE WAS TELLING
8 ME THAT VIRGINIA AND GEORGE HIGH GOT THE HOUSE FOR HIM. HE
9 KNEW THEM THROUGH THEIR SON BECAUSE THEY WENT TO SCHOOL
10 TOGETHER. HE WAS SAYING THEY WERE REAL COOL PEOPLE AND GOOD
11 PEOPLE TO KNOW, AND THEY CAN GET YOU REAL ESTATE IF YOU NEED
12 IT.

13 Q. DID THERE COME A POINT IN TIME WHEN YOU DEALT WITH GEORGE
14 AND VIRGINIA HIGH?

15 A. YES.

16 Q. HOW LONG AFTER THIS CONVERSATION WITH MR. JINKS?

17 A. MAYBE A YEAR.

18 Q. WHAT WERE THE EXACT CIRCUMSTANCES WHERE -- DID YOU EVER
19 HAVE A TIME WHERE YOU WENT IN AND SHOOK HANDS AND SAID HI, I AM
20 DAVID?

21 A. NO.

22 Q. TELL US THE CIRCUMSTANCES OF YOUR MEETING WITH GEORGE AND
23 VIRGINIA HIGH.

24 A. THE FIRST TIME I MET THEM WAS WITH SIMS JINKS. HE
25 INTRODUCED THEM TO ME. WE SHOOK HANDS THEN AND THEY GAVE ME A

1 CARD AND SAID CALL IF YOU EVER NEED ANY REAL ESTATE OR ANYTHING
2 LIKE THAT.

3 Q. WHEN DID YOU CALL THEM?

4 A. IT WAS ABOUT A YEAR LATER.

5 Q. WHAT WAS IT THAT YOU CALLED THEM ABOUT?

6 A. THE HOUSE ON RIVERSOUND DRIVE.

7 Q. TELL US THE CIRCUMSTANCES OF THE HOUSE ON RIVERSOUND
8 DRIVE.

9 A. IT WAS A HOUSE I PURCHASED ON THE RIVER. IT WAS ON THE
10 YELLOW RIVER IN GWINNETT COUNTY. AT THE TIME WHEN I PURCHASED
11 THE HOUSE, I WAS DEALING WITH SOME KARATE INSTRUCTORS BY THE
12 NAME OF JONGHAN AND DOOHAN KIM. THEY OWN THREE KARATE SCHOOLS
13 IN THE AREA. AND ME AND JONGHAN USED TO RIDE AROUND LOOKING
14 FOR HOUSES BECAUSE I TOLD HIM I WAS LOOKING FOR A HOUSE. SO WE
15 FOUND A HOUSE IN A SUBDIVISION ON THE YELLOW RIVER. THE PRICE
16 WAS APPROXIMATELY \$505,000. I TOLD HIM I WANTED TO GET THE
17 HOUSE. AND ME AND JONGHAN AND DOOHAN SAT DOWN AND TALKED ABOUT
18 IT. I GAVE DOOHAN KIM \$10,000 TO PUT DOWN AS EARNEST MONEY.

19 Q. MR. WALLACE, LET ME ASK YOU, WERE YOU ANYTHING MORE THAN
20 JONGHAN AND DOOHAN KIM?

21 A. NO.

22 Q. HAD YOU GIVEN THEM ANY MONEY?

23 A. YES.

24 Q. WHAT HAD YOU GIVEN THEM MONEY FOR?

25 A. I HAD INVESTED IN ONE OF THE KARATE SCHOOLS.

- 1 Q. HOW MUCH HAD YOU INVESTED IN ONE OF THE KARATE SCHOOLS?
- 2 A. \$100,000.
- 3 Q. THE \$10,000 YOU JUST INDICATED YOU GAVE, WHAT WAS THAT
- 4 FOR?
- 5 A. EARNEST MONEY TO BUY THE HOUSE.
- 6 Q. DO YOU KNOW WHAT HAPPENED TO THAT \$10,000?
- 7 A. YES.
- 8 Q. WHAT?
- 9 A. IT WENT TOWARDS THE HOUSE.
- 10 Q. AFTER THE EARNEST MONEY WAS PUT DOWN, DO YOU REMEMBER HOW
- 11 LONG IT WAS BEFORE YOU BOUGHT THE HOUSE?
- 12 A. TWO TO THREE MONTHS.
- 13 Q. AND WHEN YOU BOUGHT THE HOUSE, DID YOU GO TO THE CLOSING?
- 14 A. YES.
- 15 Q. CAN YOU DESCRIBE THE EVENTS THAT LED UP TO THE CLOSING?
- 16 DID YOU TAKE MONEY TO THE CLOSING?
- 17 A. I GAVE THEM MONEY TO TAKE TO THE CLOSING. AND WE ALL WENT
- 18 TOGETHER.
- 19 Q. HOW MUCH HAD YOU GIVEN TO JONGHAN AND DOOHAN KIM?
- 20 A. FOR THE CLOSING?
- 21 Q. YES.
- 22 A. \$250,000.
- 23 Q. WHAT FORM HAD YOU GIVEN IT?
- 24 A. CASH.
- 25 Q. AND WHEN HAD YOU GIVEN THEM THAT MONEY?

1 A. RIGHT AFTER I GAVE THEM \$10,000 FOR EARNEST MONEY AND THEY
2 SAID WE CAN CLOSE ON THE HOUSE AS SOON AS IT GETS READY, THEY
3 ASKED ME TO GIVE THEM \$100,000 SO THEY CAN TAKE IT OUT OF TOWN
4 WITH THEM OR WHATEVER, AND THEY WAS GOING TO BRING IT BACK IN
5 THROUGH CUSTOMS TO CHECK IT, I GUESS TO MAKE IT LOOK LIKE THEY
6 BROUGHT THE \$100,000 FROM KOREA, SINCE THE HOUSE WAS GOING IN
7 THEIR NAME. TWO DAYS BEFORE THE CLOSING I MET AND GAVE THEM
8 \$150,000 CASH. AND AT THE CLOSING, HE CLOSED WITH I THINK A
9 CHECK AND THE REST WAS IN CASH.

10 Q. WHO WAS INVOLVED AT THE CLOSING, DO YOU RECALL?

11 A. A GUY BY THE NAME OF BOBBY KEITH, HIS ATTORNEY, MYSELF,
12 JONGHAN AND DOOHAN KIM.

13 Q. IN WHOSE NAME WAS THE HOUSE LISTED?

14 A. JONGHAN KIM.

15 Q. WHY WAS THAT?

16 A. LIKE I SAID, FROM THE GET-GO I TOLD THEM I WAS LOOKING FOR
17 A HOUSE AND, YOU KNOW, I GUESS THEY KNEW MY SITUATION. WE
18 NEVER TALK ABOUT IT SAYING I WAS A DRUG DEALER OR THIS AND
19 THAT. SO JOE HAUN SAID HE WOULD PUT THE HOUSE IN HIS BROTHER'S
20 NAME. AND BY GOING TO KOREA AND BRINGING THE MONEY BACK, HE
21 BOUGHT THAT BACK IN JONGHAN'S NAME AS WELL SO IT WOULD NOT BE A
22 PROBLEM ONCE THEY PUT THE HOUSE, THAT BIG AMOUNT IN HIS NAME.

23 Q. HOW LONG DID THE HOUSE REMAIN IN JONGHAN'S NAME?

24 A. ABOUT A YEAR.

25 Q. DURING THAT TIME PERIOD WHO LIVED IN THE HOUSE?

1 A. NOBODY.

2 Q. DID YOU LIVE THERE?

3 A. I STAYED THERE A COUPLE OF NIGHTS, MAYBE TEN TIMES OUT OF
4 THE WHOLE YEAR.

5 Q. WAS THE HOUSE FURNISHED?

6 A. NO.

7 Q. AFTER THE YEAR WAS SOMETHING DONE TO CHANGE THE NAME IN
8 WHOSE TITLE WAS LISTED?

9 A. YES.

10 Q. WHAT WAS DONE?

11 A. AFTER THAT YEAR, ME AND THE KIMS, I STARTED FADING AWAY
12 FROM THEM BECAUSE I INVESTED \$100,000 IN THE KARATE SCHOOL, AND
13 THE DEAL WAS TO PAY ME A THOUSAND FOR THE FIRST SIX MONTHS AND
14 THE NEXT SIX MONTHS \$1,500. IT WAS TO BILL UP \$500 EVERY SIX
15 MONTHS AND TO PEAK OUT AT \$3,000. SO AFTER I RECEIVED FOUR
16 CHECKS, I DIDN'T RECEIVE ANY MORE MONEY AND THEY KEPT SAYING
17 THEY DIDN'T HAVE ANY MONEY, THIS AND THAT. SO I WAS THINKING
18 MAYBE THEY WERE GOING TO TAKE MY HOUSE AND TRY TO GET A LOAN
19 AND DO WHATEVER BECAUSE IT WAS IN THEIR NAME. THAT'S WHEN I
20 WENT TO VIRGINIA HIGH AND TOLD VIRGINIA HIGH I WANTED TO SWITCH
21 THE HOUSE OVER AND TRY TO SELL IT.

22 Q. WHAT SPECIFICALLY DID YOU TELL MRS. HIGH ABOUT SWITCHING
23 THE HOUSE OVER TO?

24 A. I TOLD HER ABOUT THE KIMS AND I WANTED TO TAKE THE HOUSE
25 OUT OF THEIR NAME AND I DIDN'T WANT TO PUT IT IN MINE. SHE

1 SAID THAT WAS NO PROBLEM, I HAVE A COUPLE OF COMPANIES, I CAN
2 PUT THE HOUSE IN ONE OF MY COMPANY'S NAME. I SAID FINE. I
3 WANT TO PUT IN YOUR NAME OR YOUR COMPANY'S NAME AND I WANT TO
4 SELL THE HOUSE IMMEDIATELY.

5 Q. CAN YOU TELL US WHAT ARRANGEMENTS YOU AND VIRGINIA HIGH
6 MADE IN ORDER TO TRANSFER THE HOUSE FROM THE KIM'S NAME?

7 A. SHE GAVE ME ONE PIECE OF PAPER AND TOLD ME TO TAKE IT TO
8 THE KIMS TO GET IT SIGN. ONCE THAT PIECE OF PAPER WAS SIGNED,
9 SHE WOULD BE ABLE TO TRANSFER ALL OF THE PAPERWORK OVER TO HER
10 NAME.

11 Q. LET ME BACK UP, MR. WALLACE, JUST A SECOND. WHILE THE
12 HOUSE WAS IN THE NAME OF THE KIMS, HAD YOU MADE ANY PAYMENTS ON
13 THE HOUSE?

14 A. YES.

15 Q. WHEN YOU BOUGHT THE HOUSE, HOW MUCH DID YOU OWE OR HOW
16 MUCH DID YOU FINANCE OF THE HOUSE?

17 A. THE BALANCE WAS LIKE \$240,000.

18 Q. AND WHAT WERE YOUR MONTHLY, WEEKLY, DAILY PAYMENTS?

19 A. IT WAS YEARLY, \$59,000 A YEAR.

20 Q. AND DURING THE YEAR THAT THE HOUSE WAS LISTED IN THE NAME
21 OF THE KIMS, HOW MANY PAYMENTS DID YOU MAKE?

22 A. ONE.

23 Q. HOW DID YOU MAKE THAT ONE PAYMENT?

24 A. I GAVE THEM CASH.

25 Q. WHO DID YOU GIVE CASH?

1 A. DOOHAN KIM.

2 Q. NOW, AFTER YOU APPROACHED MRS. HIGH, WHAT ARRANGEMENTS
3 WERE IN FACT MADE, DO YOU RECALL?

4 A. WELL, WE SAT DOWN AND TALKED ABOUT THE HOUSE AND I TOLD
5 HER THE PRICE, WHAT I WAS TRYING TO DO. AND SHE SAID BEFORE WE
6 GET STARTED DOING ANYTHING SHE NEEDED TO GET EVERYTHING
7 TRANSFERRED OVER BECAUSE SHE COULD NOT DO ANYTHING WHILE IT WAS
8 IN THE KIM'S NAME. SHE GAVE ME THAT ONE-PAGE DOCUMENT, I GUESS
9 IT WAS STATING, SAYING SOMETHING ABOUT TRANSFERRING THE HOUSE
10 OVER INTO HER NAME.

11 Q. NOW, MR. WALLACE, AT THE TIME THAT THE HOUSE WAS
12 TRANSFERRED OVER, DID YOU OWE THE KIMS' ANY MONEY?

13 A. NO.

14 Q. AT THE TIME THE HOUSE WAS TRANSFERRED OVER, DID YOU OWE
15 VIRGINIA HIGH ANY MONEY?

16 A. NO.

17 Q. I SHOW YOU GOVERNMENT EXHIBIT 173-AC-1, AND ASK YOU IF YOU
18 RECOGNIZE THAT DOCUMENT?

19 A. YES.

20 Q. WHAT IS THAT DOCUMENT?

21 A. IT'S A DOCUMENT SAYING THAT I GUESS VIRGINIA HIGH OWES
22 JONGHAN KIM \$250,000.

23 Q. WAS THAT AN ACCURATE STATE OF THE FINANCIAL SITUATION AS
24 YOU UNDERSTOOD IT WHEN THE HOUSE WAS TRANSFERRED FROM JOHN HAND
25 KIM TO VIRGINIA HIGH?

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- 1 A. \$250,000?
- 2 Q. YES.
- 3 A. YES.
- 4 Q. WAS THAT WHAT VIRGINIA HIGH OWED TO JONGHAN KIM.
- 5 A. THAT'S WHAT THE PAPERWORK SAID, BUT SHE DID NOT OWE
- 6 JONGHAN KIM.
- 7 Q. DID JONGHAN KIM -- LET ME ASK IT THIS WAY, MR. WALLACE.
- 8 WHO OWNED THE HOUSE ON RIVERSOUND?
- 9 A. I DID.
- 10 Q. NOW, WAS THE HOUSE IN FACT TRANSFERRED TO VIRGINIA HIGH?
- 11 A. YES.
- 12 Q. AFTER IT WAS TRANSFERRED TO VIRGINIA HIGH, WERE PAYMENTS
- 13 MADE ON THE ORIGINAL NOTE?
- 14 A. YES.
- 15 Q. WHO MADE THE PAYMENTS?
- 16 A. I PAID VIRGINIA HIGH AND VIRGINIA HIGH MADE THE PAYMENTS.
- 17 Q. HOW MANY PAYMENTS DO YOU REMEMBER BEING MADE WHILE
- 18 VIRGINIA HIGH HAD THE HOUSE?
- 19 A. WE MADE ONE.
- 20 Q. IN WHAT AMOUNT?
- 21 A. 59,000.
- 22 Q. AFTER YOU MADE THAT PAYMENT, DID YOU HAVE OCCASION TO GIVE
- 23 VIRGINIA HIGH ADDITIONAL SUMS OF MONEY?
- 24 A. YES.
- 25 Q. WHY?

1 A. AT THAT TIME I THINK THE BALANCE WAS LIKE 120 SOME ODD
2 THOUSAND, AND I TOLD VIRGINIA I WANTED TO PAY THE HOUSE OFF
3 BECAUSE WE WERE TRYING TO SELL IT. AND AT THAT TIME THERE WAS
4 NO ONE INTERESTED IN BUYING THE HOUSE. I SAID LET'S PAY THE
5 HOUSE OFF. IF NOBODY WANTS TO BUY IT BY THEN, WE WILL GET A
6 LOAN FOR HALF OF THE MONEY BACK OR SOMETHING.

7 Q. MR. WALLACE, YOU WILL HAVE TO SLOW DOWN. I'M HAVING A
8 HARD TIME UNDERSTANDING YOU.

9 A. OKAY. I TOOK HER LIKE 20,000, 30,000 HERE AND THERE. I
10 SOLD A COUPLE OF CARS AND GAVE HER THE CHECKS UNTIL I GOT UP TO
11 AMOUNT OF 120 SOME ODD THOUSAND DOLLARS.

12 Q. AND THE MONEY THAT YOU DELIVERED TO VIRGINIA HIGH DURING
13 THAT TIME PERIOD, IN WHAT FORM WAS IT DELIVERED?

14 A. CASH.

15 Q. DID YOU ALSO DELIVER HER CHECKS?

16 A. YES.

17 Q. NOW, AT SOME POINT DID SOMETHING HAPPEN TO THE HOUSE?

18 A. YES.

19 Q. WHAT?

20 A. IT WAS SEIZED.

21 Q. WELL, BEFORE THAT TIME, WAS THE NOTE PAID OFF ON THE
22 HOUSE?

23 A. IT WAS SUPPOSED TO HAVE BEEN PAID OFF.

24 Q. WHAT DID VIRGINIA HIGH TELL YOU ABOUT THE PAYMENT OF THE
25 NOTE ON THE HOUSE?

1 A. WELL, SHE WAS SUPPOSED TO MAKE THE LAST PAYMENT OF 100
2 SOMETHING THOUSAND TO PAY IT OFF. DECEMBER CAME AROUND, WE
3 WERE SUPPOSED TO DO IT IN LIKE DECEMBER OR OCTOBER. I FOUND
4 OUT LATER ON IT HAD NOT BEEN DONE. I MET WITH HER AND GEORGE
5 ONE NIGHT AND THEY EXPLAINED TO ME THAT THEY HAD SOME DEBT OR
6 BAD INVESTMENT THEY MADE WITH ANOTHER REAL ESTATE BROKER AND
7 THEY WERE GETTING SUED FOR MAYBE LIKE 80,000 OR SOMETHING, AND
8 SHE TOOK MY MONEY AND PAID IT OFF. AND SHE SAID SHE WOULD GET
9 THE MONEY BACK AND PAY THE HOUSE OFF, DON'T WORRY ABOUT IT, IT
10 WILL BE ALL RIGHT. AND SHE WAS APOLOGIZING AND STUFF LIKE
11 THAT. LATER ON SHE FOUND A COMPANY DOWN IN SOUTH GEORGIA TO
12 GIVE HER A LOAN ON THE BALANCE OF THE HOUSE.

13 Q. DID SHE TELL YOU ABOUT THIS LOAN FROM SOUTH GEORGIA?

14 A. YES.

15 Q. WHAT DID SHE TELL YOU ABOUT THE LOAN?

16 A. WELL, LIKE I HAVE SAID, THE REMAINING BALANCE WAS LIKE
17 \$120,000. THE COMPANY AGREED TO PAY THE HOUSE OFF AND TURN
18 AROUND AND LEND US \$100,000, MAKING THE BALANCE LIKE 220 SOME
19 ODD THOUSAND. SO OUT OF THE \$100,000 THE COMPANY LENT HER, I
20 RECEIVED ABOUT \$60,000 OUT OF THAT.

21 Q. WAS THE HOUSE EVER SOLD?

22 A. NOT TO MY KNOWLEDGE.

23 Q. DID YOU GIVE ANY INSTRUCTIONS ABOUT SELLING THE HOUSE?

24 A. YES.

25 Q. WHO DID YOU GIVE THOSE INSTRUCTIONS TO?

- 1 A. VIRGINIA HIGH.
- 2 Q. HOW MUCH MONEY DID YOU ACTUALLY REALIZE FROM THE HOUSE?
- 3 A. HOW MUCH DID I GET BACK FROM THE HOUSE?
- 4 Q. YES, SIR.
- 5 A. ABOUT \$60,000.
- 6 Q. DURING THE TIME PERIOD, MR. WALLACE, DID YOU HAVE OCCASION
- 7 TO PURCHASE AUTOMOBILES?
- 8 A. YES.
- 9 Q. AND DO YOU KNOW A MAN BY THE NAME OF PAUL ISRINGHAUSEN?
- 10 A. YES.
- 11 Q. HOW DO YOU KNOW MR. ISRINGHAUSEN?
- 12 A. HE'S A CAR BRUKER.
- 13 Q. HOW DID YOU MEET MR. ISRINGHAUSEN?
- 14 A. THROUGH TIMOTHY WALKER.
- 15 Q. WHERE WAS MR. ISRINGHAUSEN WORKING AT THE TIME THAT YOU
- 16 MET HIM?
- 17 A. WHEN I MET HIM I'M NOT SURE HE WAS WORKING AT THAT TIME,
- 18 BUT LATER I FOUND OUT HE WAS WORKING AT ATLANTA CLASSIC CAR, A
- 19 MERCEDES-BENZ DEALERSHIP.
- 20 Q. DID YOU EVER PURCHASE ANY CARS FROM MR. ISRINGHAUSEN?
- 21 A. YES.
- 22 Q. LET ME ASK YOU IF YOU CAN RECALL THE VEHICLES THAT YOU
- 23 PURCHASED FROM MR. ISRINGHAUSEN?
- 24 A. PURCHASED A 1987 560 SEL MERCEDES.
- 25 Q. HOW DID YOU TITLE THAT CAR?

AFTERNOON SESSION

1100 P.M.

(JURY PRESENT.)

MICHAEL WALLACE, RESUMED

DIRECT EXAMINATION, CONTINUED

BY MR. MOYE:

Q. MR. WALLACE, BEFORE I MOVE FORWARD, LET ME BACK UP A LITTLE BIT AND PICK UP SOME THINGS I OMITTED. AFTER YOU MET GEORGE AND VIRGINIA HIGH, DID YOU INTRODUCE ANYONE TO GEORGE OR VIRGINIA HIGH?

A. YES, I DID.

Q. WHO DID YOU INTRODUCE TO GEORGE OR VIRGINIA HIGH?

A. JOEL PEAVY, AL, AND WINFRED JORDAN.

Q. THE AL, ARE YOU REFERRING TO MR. GRACIA?

A. YES.

Q. NOW, DID YOU SPEND MUCH TIME WITH GEORGE AND VIRGINIA HIGH IN THE TIME YOU WERE DEALING WITH THE A RIVERSOUND PROPERTY?

A. YES, WITH VIRGINIA.

Q. DID YOU HAVE AN OPPORTUNITY TO OBSERVE THE TWO OF THEM WORKING TOGETHER?

A. YES AND NO. YES, WHEN I WENT TO THE OFFICE I ALWAYS SEEN VIRGINIA AND GEORGE. BUT WHEN I DEALT, I ALWAYS TALKED WITH VIRGINIA.

Q. IN ADDITION TO THE PROPERTY, THE REAL PROPERTY THAT MRS. HIGH ASSISTED YOU IN PURCHASING AND DEALING WITH, DID SHE

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1 HANDLE ANYTHING ELSE FOR YOU, ANY OTHER KINDS OF BUSINESS
2 AFFAIRS FOR YOU?

3 A. YES. I RENTED A HOUSE FROM HER FOR ABOUT SIX MONTHS OR A
4 YEAR.

5 Q. FOR WHAT PURPOSE?

6 A. FOR MUSIC, ENTERTAINMENT. AND SHE TOOK CARE OF THE LEASE
7 ON THE OFFICE SPACE ONCE WE MOVED FROM THAT HOUSE TO THE
8 OFFICE.

9 Q. DID SHE EVER OFFER TO DO ANY OTHER KINDS OF THINGS FOR
10 YOU?

11 A. SHE TOOK CARE OF BILLS ALSO.

12 Q. WHAT KIND OF BILLS DID SHE TAKE CARE OF?

13 A. HOUSE BILLS, ANY KIND OF PERSONAL BILLS. SHE TOOK CARE OF
14 ONE OF MY AMERICAN EXPRESS BILLS ONE TIME.

15 Q. WHO PAID YOUR TELEPHONE BILL?

16 A. VIRGINIA.

17 Q. DID SHE CHARGE YOU ANYTHING FOR DOING THIS?

18 A. YES.

19 Q. WHAT DID SHE CHARGE YOU?

20 A. IT WAS A SMALL PERCENTAGE. I DON'T EXACTLY REMEMBER THE
21 FEE. I THINK LIKE MAYBE ON EVERY THOUSAND IT MIGHT BE \$50 OR
22 \$70, SOMETHING LIKE THAT.

23 Q. DID THERE COME A TIME, MR. WALLACE, WHEN YOU LEARNED THAT
24 GEORGE AND VIRGINIA HIGH WERE UNDER INVESTIGATION?

25 A. YES.

1 Q. TELL US HOW YOU LEARNED OF THAT FACT.

2 A. ONCE THEY GOT THE LOAN ON THE HOUSE ON RIVERSOUND, THE
3 COMPANY LOAN WAS \$100,000. SHE WAS PAYING ME, OUT OF THAT 100,
4 SHE WAS GIVING ME PAYMENTS OF \$5,000, \$6,000, GOING TO THE BANK
5 EVERY OTHER DAY, MAYBE THREE TIMES A WEEK.

6 Q. WERE THOSE PAYMENTS BY CHECK?

7 A. IN CASH.

8 Q. WHO WAS GIVING YOU THE CASH?

9 A. VIRGINIA HIGH. AND ONCE WE GOT RIGHT AROUND \$60,000,
10 GEORGE AND VIRGINIA MET WITH ME AND WERE SAYING THE IRS HAD
11 BEEN TO THEIR BANK AND WAS GOING TO CLOSE THE ACCOUNT AT FOUR
12 O'CLOCK. IT WAS ABOUT 11:00 A.M. THEN. I SAID IF THEY ARE
13 GOING TO CLOSE THE ACCOUNT AT FOUR O'CLOCK, JUST GO GET THE
14 REMAINDER OF THE MONEY AND BRING IT TO ME AND LET THEM CLOSE
15 THE ACCOUNT AT FOUR O'CLOCK. THEY LEFT LIKE THEY WERE GOING TO
16 DO THAT. THEN I GOT A CALL FROM THEM SAYING THEY COULDN'T DO
17 IT, THE ACCOUNT HAD ALREADY BEEN CLOSED AND THE IRS HAD SEIZED
18 THE MONEY.

19 Q. DID MRS. HIGH OFFER TO YOU AN EXPLANATION AS TO WHY THIS
20 HAD OCCURRED?

21 A. NO, SHE DIDN'T.

22 Q. MR. WALLACE, ARE YOU FAMILIAR WITH THE HOUSE AT 5648
23 HUNTERS CHASE?

24 A. YES.

25 Q. HOW IS IT THAT YOU ARE FAMILIAR WITH THAT HOUSE?

1 A. THAT MY MOTHER'S HOUSE.

2 Q. DID YOU ASSIST HER IN ANY WAY IN PURCHASING THAT HOUSE?

3 A. NO, I DIDN'T.

4 Q. DID YOU PROVIDE ANY MONEY TO HER DURING THE COURSE OF TIME
5 SHE WAS MOVING INTO OR LIVING IN THE HOUSE?

6 A. YES.

7 Q. WHAT DID YOU PROVIDE HER?

8 A. \$40,000.

9 Q. WHAT WAS THAT \$40,000 FOR?

10 A. I DON'T KNOW EXACTLY WHAT SHE USED IT FOR.

11 Q. WHERE DID YOU GET THE MONEY?

12 A. DRUG MONEY.

13 Q. MR. WALLACE, DID THERE COME A TIME WHEN YOU GOT INVOLVED
14 IN THE SALE OF AN AUTOMOBILE THAT BELONGED TO RONNIE WOODS?

15 A. YES.

16 Q. TELL US HOW YOU GOT INVOLVED IN THAT.

17 A. IT WAS A LEXUS SL400 THAT HE HAD JUST PURCHASED FROM KYLE.
18 IT WAS SITTING AROUND DOWN HERE AND I THINK THE REASON IT WAS
19 SITTING, HE DIDN'T HAVE A NAME OR SOMETHING TO PUT IT IN. I
20 DON'T KNOW ALL THE DETAILS. AFTER HE PURCHASE IT, HE GOT
21 ARRESTED, AND THE CAR WAS STILL IN ATLANTA. I HAD KYLE SELL
22 THE CAR AND I GAVE VIRGINIA HIGH THE CHECK AND GAVE RODNEY
23 CHRISTIAN THE CASH.

24 Q. HOW MANY DO YOU REMEMBER GETTING FROM THE SALE OF THE CAR?

25 A. \$34,000.

- 1 Q. HOW MUCH DO YOU RECALL GIVING TO VIRGINIA HIGH?
- 2 A. THE WHOLE CHECK.
- 3 Q. WHERE WAS THE CHECK FROM?
- 4 A. IT WAS FROM KYLE HENRY. I DON'T REMEMBER THE EXACT NAME
- 5 OF THE COMPANY HE WAS USING, BUT HE WROTE THE CHECK OUT.
- 6 Q. DID YOU DEAL WITH KYLE HENRY?
- 7 A. YES.
- 8 Q. WHAT KIND OF THINGS DID MR. HENRY DO FOR YOU?
- 9 A. I PURCHASED THE A WHITE 500SL FROM KYLE HENRY.
- 10 Q. DID YOU PURCHASE ANY OTHER AUTOMOBILES FROM MR. HENRY?
- 11 A. NO, I DIDN'T. NO.
- 12 Q. DID MR. HENRY ASSIST YOU IN THE SALE OF ANY AUTOMOBILES?
- 13 A. YES, HE DID.
- 14 Q. ARE YOU FAMILIAR A FORD BRONCO?
- 15 A. YES.
- 16 Q. TELL US, THE FORD BRONCO YOU ARE REFERRING TO, WHO OWNED
- 17 IT?
- 18 A. I DID.
- 19 Q. CAN YOU TELL US WHAT YOU DID WITH THE FORD BRONCO?
- 20 A. YES. I SOLD THE BRONCO TO ROBERT WARD.
- 21 Q. HOW DID YOU ARRANGE THE SALE OF THE BRONCO TO MR. WARD?
- 22 A. I WAS TRYING THE GET RID OF THE BRONCO AND I COULDN'T FIND
- 23 A BUYER AT THE TIME. AT THE TIME ROBERT WARD, I JUST LET HIM
- 24 DRIVE IT AROUND UNTIL WE COULD WORK OUT A PAYMENT. I THINK OUT
- 25 OF THE DEAL I MAY HAVE RECEIVED TWO OR \$3,000.

1 Q. CAN YOU TELL ME WHERE IT SAYS TYRIA EKWENSI TO L.A. AND
2 PHIL TO ATLANTA SUNDAY MORNING, IS THAT YOUR HANDWRITING?

3 A. YES.

4 Q. MR. WALLACE, DID YOU HAVE SOMEBODY TAKING CARE OF YOUR
5 LAWN AT 740 GREENWOOD?

6 A. YES.

7 Q. HOW DID YOU FIND THE PERSON THAT TOOK CARE OF YOUR LAWN AT
8 740 GREENWOOD?

9 A. THE FIRST PERSON THAT WAS TAKING CARE OF IT, I WAS
10 REFERRED TO THEM BY MRS. HIGH.

11 Q. I SHOW YOU GOVERNMENT'S 199-H, AND ASK YOU IF YOU
12 RECOGNIZE THAT ITEM?

13 A. YES.

14 Q. WHAT IS THAT?

15 A. INVOICE FOR LANDSCAPING DONE AROUND THE HOUSE AT 740
16 GREENWOOD LANE.

17 MR. MOYE: I TENDER GOVERNMENT'S 199-H.

18 THE COURT: ANY OBJECTION?

19 LET IT IN.

20 MR. MOYE: IF I MAY BRIEFLY PUBLISH IT. THE DATE IS
21 3/20/90. THE PROPOSAL IS BY MR. MICHAEL PRATZ FOR LANDSCAPING
22 SUBMITTED TO GEORGE HIGH AT HIGH REALTY TO BE PERFORMED AT 740
23 GREENWOOD.

24 MAY I HAVE JUST A MOMENT, YOUR HONOR?

25 THE COURT: YES.

1 A. YES.

2 Q. AND OBVIOUSLY YOU WERE A PARTNER IN ANSAR ENTERTAINMENT, I
3 TAKE IT?

4 A. YES.

5 Q. YOU OBVIOUSLY HAD A SUBSTANTIAL INVESTMENT IN THE KARATE
6 STUDIO, DID YOU NOT?

7 A. YES.

8 Q. WHAT WAS THE PERIOD OF TIME, THE YEARS THAT YOU CAN NAME
9 THAT YOU SAY YOU DEALT WITH MR. GRACIA, BEGINNING WHEN AND
10 ENDING WHEN?

11 A. PROBABLY THE BEGINNING OF '89 UP UNTIL '92.

12 Q. TO WHAT PART OF '92, BEGINNING OF '92, MIDDLE OF '92?

13 A. YEAH.

14 Q. IF I UNDERSTAND YOUR DIRECT TESTIMONY, SIMS JINKS,
15 OBVIOUSLY WHEN YOU VISITED HIS HOUSE ON THOMPSON MILL AT SOME
16 POINT IN TIME EXPLAINED TO YOU HE BOUGHT THAT HOUSE THROUGH
17 HIGH REALTY; IS THAT CORRECT?

18 A. YES. I DON'T KNOW IF I WAS AT HIS HOUSE AT THE TIME HE
19 TOLD ME THAT, BUT HE DID TELL ME HE GOT A HOUSE THROUGH GEORGE
20 AND VIRGINIA HIGH.

21 Q. IF I HEARD YOU CORRECTLY, IT WAS A YEAR LATER BEFORE YOU
22 ACTUALLY MET GEORGE AND VIRGINIA HIGH; ISN'T THAT WHAT YOU
23 TESTIFIED TO ON DIRECT? IT WAS A YEAR AFTER HE TOLD YOU THAT
24 YOU ACTUALLY DEALT WITH THEM?

25 A. YES, AFTER HE PURCHASED THE HOUSE I DEALT WITH THEM TO BUY

1 MY HOUSE.

2 Q. ISN'T IT TRUE THAT YOU ACTUALLY MET GEORGE HIGH FIRST
3 THROUGH MR. JINKS? WASN'T GEORGE HIGH THE FIRST PERSON YOU
4 MET?

5 A. I MET BOTH OF THEM WHEN I MET THEM.

6 Q. YOU MET THEM AT THE SAME TIME?

7 A. AT THE REAL ESTATE STORE ON WESLEY CHAPEL.

8 Q. WHO WERE YOU THERE WITH?

9 A. SIMS.

10 Q. CAN YOU GIVE ME A MONTH AND YEAR?

11 A. NO, I DON'T REMEMBER. IT WAS LIKE BACK AT THE TIME HE
12 BOUGHT HIS HOUSE. I DON'T REMEMBER THE EXACT TIME HE BOUGHT
13 HIS HOUSE. AFTER HE PURCHASED HIS HOUSE AND SHOWED IT TO ME,
14 HE HAD SOME KIND OF BUSINESS TO TAKE CARE OF WITH THE REAL
15 ESTATE PEOPLE AND I RODE TO THE REAL ESTATE OFFICE WITH HIM AND
16 THAT IS WHEN I MET THEM.

17 Q. WOULD THAT HAVE BEEN FOR HIS HOUSE ON PANOLA?

18 A. THE HOUSE ON THOMPSON MILL.

19 Q. IS THAT THE BUSINESS HE HAD? YOU SAID HE HAD SOME
20 BUSINESS THERE?

21 A. SOME BUSINESS TO TAKE CARE OF WITH THE REAL ESTATE PEOPLE.

22 Q. I UNDERSTAND. DO YOU KNOW WAS HIS BUSINESS WITH THE REAL
23 ESTATE PEOPLE HAVING TO DO WITH HIS HOUSE ON PANOLA ROAD?

24 A. WHAT HOUSE ON PANOLA ROAD?

25 Q. DID YOU KNOW HE HAD A HOUSE ON PANOLA ROAD?

1 A. NO, I DIDN'T KNOW HE HAD A HOUSE ON PANOLA ROAD.

2 Q. ON YOUR DIRECT EXAMINATION YOU TESTIFIED ABOUT WHAT I
3 UNDERSTAND TO BE SOME CONFUSION WITH RESPECT TO THE RIVERSOUND
4 HOUSE IN THE AMOUNT OF \$250,000. CAN YOU EXPLAIN THAT TO ME
5 AGAIN IN YOUR OWN WORDS WHAT HAPPENED?

6 A. FROM THE INITIAL BUY?

7 Q. WHATEVER POINT YOU WERE MAKING WITH RESPECT TO \$250,000 ON
8 RIVERSOUND?

9 A. TO VIRGINIA HIGH?

10 Q. YES.

11 A. IT WAS 260 DOWN PAYMENT ON THE HOUSE, AND WITH THE KIMS I
12 PAID ONE PAYMENT OF \$59,000, WHICH PUT ME AT 300 SOME ODD
13 THOUSAND DOLLARS. AND THAT IS WHEN VIRGINIA HIGH CAME IN AND
14 TOOK OVER. THAT IS WHEN SHE CAME IN, THAT'S WHEN I SWITCHED
15 EVERYTHING OVER TO HER.

16 Q. HOW DID THAT HAPPEN, THROUGH WHAT KIND OF VEHICLE? HOW
17 WAS IT TRANSFERRED TO VIRGINIA HIGH?

18 A. THE MONEY? HOW WAS WHAT TRANSFERRED?

19 Q. THE RIVERSOUND HOUSE. I ASSUME THERE HAD TO BE SOME KIND
20 OF A REAL ESTATE DOCUMENT?

21 A. YEAH, A PIECE OF PAPER SHE GAVE ME. THE ONLY PIECE OF
22 PAPER I SEEN WAS THE PIECE OF PAPER SHE GAVE ME TO TAKE TO
23 SOMEBODY KIM TO GET SIGNED. IT WAS A ONE-PAGE DOCUMENT.

24 Q. THEN WHAT HAPPENED?

25 A. I TOOK THE DOCUMENT BACK TO HER AND SHE THEN MADE ALL THE

1 ARRANGEMENTS TO GET EVERYTHING SWITCHED OVER INTO THE COMPANY
2 NAME SHE PUT IT IN OR WHATEVER NAME SHE PUT IT IN.

3 Q. THERE WAS ALSO SOME TESTIMONY, IF I UNDERSTAND IT
4 CORRECTLY, YOU MET GEORGE AND VIRGINIA HIGH AT ONE POINT AND
5 THEY WERE GETTING SUED YOU SAID?

6 A. YES.

7 Q. IS THAT WHAT YOU SAID?

8 A. THAT'S WHAT THEY TOLD ME, THEY WERE GOING THROUGH SOME
9 KIND OF LAWSUIT OR LITIGATION WITH ANOTHER REAL ESTATE BROKER.

10 Q. DID I HEAR YOU SAY YOU THOUGHT THEY HAD USED SOME OF YOUR
11 MONEY?

12 A. THAT'S WHAT SHE TOLD ME, THEY USED 80,000 OF THE MONEY
13 THEY HAD OF MINE TO PAY THE HOUSE OFF TO TAKE CARE OF SOME
14 PERSONAL PROBLEMS THEY HAD WITH SOME PROPERTY ON THE WEST SIDE
15 OF TOWN.

16 Q. WERE YOU AWARE THAT THE MONEY HAD BECOME ATTACHED IN A
17 LAWSUIT? DO YOU KNOW WHAT THAT MEANS?

18 A. WAS I AWARE MY MONEY WAS PART OF A LAWSUIT?

19 Q. THAT SOME OF YOUR MONEY HAD BECOME ATTACHED IN A LAWSUIT?

20 A. NO.

21 Q. DO YOU KNOW WHAT IT MEANS?

22 A. NO. EXPLAIN IT TO ME.

23 Q. I CAN'T DO THAT. I WAS ASKING DO YOU KNOW WHAT IT MEANS?

24 A. THAT PART OF MY MONEY BECAME PART OF A LAWSUIT INVOLVING
25 THEM?

1 Q. YES.

2 A. WAS I AWARE OF THAT?

3 Q. YES.

4 A. SHE TOLD ME SHE WAS GETTING SUED AND THE 80,000 HAD TO
5 COVER SOMETHING THEY WERE GOING THROUGH. THAT'S ALL I KNOW.

6 Q. I TAKE IT YOU HAVE NEVER BEEN A REAL ESTATE AGENT OR A
7 REAL ESTATE BROKER?

8 A. NO, I HAVEN'T.

9 Q. NEVER HAD ANY REAL ESTATE COURSES?

10 A. NO.

11 Q. WHEN YOU LEASED THE HOUSE ON BOBBINS LANE, I TAKE IT THAT
12 WAS FOR YOUR BUSINESS; IS THAT CORRECT?

13 A. YES.

14 Q. WAS VIRGINIA HIGH THE MANAGER OF THAT PROPERTY? DID SHE
15 MANAGE IT FOR YOU, PAY THE RENT AND SO FORTH AND SO ON?

16 A. YES.

17 Q. MY UNDERSTANDING WAS YOU KNEW THAT WAS A SERVICE SHE
18 OFFERED AND SHE CHARGED YOU, I BELIEVE YOU SAID, A SMALL
19 PERCENTAGE; IS THAT CORRECT?

20 A. YES.

21 Q. DID SHE DEAL WITH YOU IN A PROFESSIONAL MANNER?

22 A. I WOULD SAY SO.

23 Q. I TAKE IT YOU DEALT WITH HER IN A PROFESSIONAL MANNER;
24 WOULD THAT BE FAIR?

25 A. RIGHT.