

1 A. AT FIRST, SIR, IT WAS TOLD TO ME BY DAVID, AND AS I BECAME
2 MORE FAMILIAR WITH ALEX I WOULD HEAR HIM SAY CERTAIN THINGS
3 THAT WOULD GIVE ME SOME TYPE OF INDICATION THAT THE HIGHS HAD
4 SOMETHING TO DO WITH THE HOUSE.

5 Q. WHAT DO YOU RECALL AL DOG TELLING YOU THAT LED YOU TO
6 BELIEVE THAT THE HIGHS HAD SOMETHING TO DO WITH THIS HOUSE?

7 A. LIKE ONE TIME I WAS AROUND AND WE WERE TALKING ABOUT
8 LANDSCAPING ON THE HOUSE AND WE GOT ON THE CONVERSATION ABOUT
9 HOW MUCH THE HOUSE COST. AND AS I CAN RECALL, WE GOT ON A
10 CONVERSATION ABOUT SOME TYPE OF INVESTMENT HE MADE WITH THE
11 HIGHS. AND THEN AFTER -- THE HIGHS WERE -- THEIR RECORDS AND
12 EVERYTHING WERE SEIZED FROM THE OFFICE. I WAS AROUND AND HE
13 WAS TELLING DAVID ABOUT ALL OF THE MONEY HE LOST WITHIN THE
14 LAST PAST YEAR OR SO.

15 Q. THE SEIZURE OF RECORDS FROM THE HIGHS, DID YOU LEARN ABOUT
16 THAT?

17 A. YES, SIR. I HEARD ABOUT IT, SIR.

18 Q. HOW DID YOU LEARN ABOUT IT?

19 A. DAVID WAS TELLING ME ABOUT IT BECAUSE THE HIGHS CAME TO
20 HIS MOTHER AND TOLD HER WHAT WAS GOING ON.

21 Q. MR. PEAVY, DID YOU EVER TALK TO THE HIGHS ABOUT THEIR
22 RECORDS BEING SEIZED?

23 A. YES, SIR.

24 Q. WHEN DID YOU TALK TO THE HIGHS ABOUT THEIR RECORDS BEING
25 SEIZED?

1 A. WE WERE PRESENTLY AT THE TIME RENTING A HOUSE FROM THE
2 HIGHS OFF OF BOBBIN LANE, AND I CAME IN ONE DAY TO MAKE A
3 PAYMENT AND VIRGINIA HIGH ASKED ME DID I HEAR WHAT WAS GOING
4 ON. AND I REPLIED I HEARD SOMETHING ABOUT IT, BUT I REALLY
5 DIDN'T KNOW. AND SHE WAS TELLING ME DON'T WORRY ABOUT IT,
6 EVERYTHING IS GOING TO BE OKAY, WE ARE GOING TO WORK IT OUT.

7 Q. DID YOU TALK ABOUT THE FACT THE RECORDS HAD BEEN SEIZED?

8 A. NOT EXACTLY. AS I CAN RECALL, SHE WAS TELLING ME THAT THE
9 MRS CAME TO THE OFFICE AND THAT'S WHEN I LEARNED LATER ON WHAT
10 HAPPENED FROM DAVID FROM CONVERSATION WITH HIM, SIR.

11 Q. MR. PEAVY, DID YOU EVER KNOW A MAN BY THE NAME OF RONNIE
12 WOODS?

13 A. YES, SIR.

14 Q. HOW DID YOU KNOW RONNIE WOODS?

15 A. I MET HIM THROUGH DAVID WALLACE.

16 Q. CAN YOU RECALL THE CIRCUMSTANCES UNDER WHICH YOU MET MR.
17 WOODS?

18 A. IF I CAN RECALL, I KNOW FOR A FACT I MET HIM AT A PARTY
19 THAT DAVID HAD. AND I MET HIM OTHER PLACES LIKE AT DAVID'S
20 SALON.

21 Q. THE PARTY THAT YOU REFERRED TO THAT DAVID HAD, WHERE WAS
22 THIS PARTY?

23 A. LOCATED ON GLENWOOD ROAD AT A PLACE CALLED CELEBS.

24 Q. LET ME SHOW YOU GOVERNMENT'S EXHIBIT NO. 182-B, AND ASK
25 YOU IF YOU RECOGNIZE ANYTHING ABOUT THE PHOTOGRAPHS TAKEN THAT

1 ARE DISPLAYED ON THAT BOARD?

2 A. YES, SIR.

3 Q. WHAT IS IT THAT YOU RECOGNIZE ABOUT IT?

4 A. WELL, THOSE WERE THE PICTURES THAT WERE TAKEN THE DAY OF
5 THE PARTY AND THE NIGHT OF THE PARTY.

6 Q. DID YOU GO TO THE PARTY?

7 A. YES, SIR.

8 Q. HOW DID YOU MEET VIRGINIA HIGH?

9 A. I MET VIRGINIA HIGH THROUGH BUBBA, SIR.

10 Q. CAN YOU TELL THE CIRCUMSTANCES THAT CAUSED YOU TO MEET
11 VIRGINIA HIGH WITH BUBBA?

12 A. AT THE TIME BUBBA AND I WERE DISTRIBUTING COCAINE IN THE
13 DECATUR AREA, AND HE HAD A HOUSE WHICH HE PURCHASED THROUGH THE
14 HIGHS WHICH WAS LOCATED -- WHICH IS LOCATED ON THOMPSON MILL
15 ROAD. AND OUT OF CONVERSATION ONE DAY I ASKED HIM HOW DID HE
16 GET HIS HOUSE, AND HE TOLD ME THE PROCEDURES I NEEDED TO GO
17 THROUGH ONCE I GOT READY TO PURCHASE MY HOUSE.

18 Q. WERE YOU LOOKING AT THAT TIME TO PURCHASE A HOUSE?

19 A. AT THE TIME I WASN'T, SIR.

20 Q. MR. PEAVY, ON THAT OCCASION WHAT DID BUBBA TELL YOU ABOUT
21 PURCHASING A HOUSE?

22 A. HE TOLD ME WHENEVER I GET READY TO PURCHASE A HOUSE, THAT
23 HE WOULD INTRODUCE ME TO SOME REAL ESTATE PEOPLE AND THE ONLY
24 THING I NEEDED TO DO IS BRING HIM CASH MONEY AND THEY WOULD
25 KNOW WHAT TO DO FROM THERE.

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1 Q. AT SOME POINT AFTER THAT DID YOU IN FACT MEET THESE REAL
2 ESTATE PEOPLE?

3 A. YES, SIR.

4 Q. TELL US WHAT WAS IT THAT CAUSED YOU TO MEET THESE REAL
5 ESTATE PEOPLE?

6 A. IF I RECALL, BUBBA WAS GOING UP THERE TO MAKE A PAYMENT OR
7 HE WAS GOING BY TO TALK TO THEM FOR SOME REASON, AND HE SAID
8 SINCE YOU'RE WITH ME, YOU CAN GO WITH ME AND I CAN INTRODUCE
9 YOU TO THEM AND ONCE YOU GET READY TO PURCHASE YOUR HOUSE, YOU
10 CAN TALK WITH THEM AND THEY WILL TAKE CARE OF EVERYTHING FROM
11 THERE.

12 Q. WHEN YOU WENT TO THIS PLACE, DO YOU REMEMBER WHERE YOU
13 WENT?

14 A. YES, SIR.

15 Q. WHERE WAS IT?

16 A. IT WAS LOCATED ON RAINBOW DRIVE. IF YOU CROSS OVER THE
17 INTERSECTION, IT WOULD BE SNAPPINGER. IF YOU CROSS OVER THE
18 INTERSECTION WHICH IT INTERSECTS AT, IT WOULD BE WESLEY CHAPEL
19 ROAD, WHICH IS LOCATED IN A PLAZA.

20 Q. WAS THIS A HOUSE OR A BUILDING OR WHAT?

21 A. A BUILDING.

22 Q. WHO WAS THERE?

23 A. MR. HIGH AND VIRGINIA HIGH.

24 Q. DO YOU SEE THEM IN THE COURTROOM?

25 A. YES, SIR.

1 Q. WOULD YOU IDENTIFY THEM FOR THE RECORD?

2 A. VIRGINIA HIGH IS THE YOUNG LADY SITTING WITH HER ATTORNEY,
3 AND MR. HIGH IS TO MY IMMEDIATE RIGHT, THE GENTLEMAN WITH THE
4 GREY HAIR WITH THE GLASSES ON.

5 Q. WHERE IS HE SEATED?

6 A. TO MY FAR RIGHT.

7 Q. WHAT COLOR JACKET HAS HE GOT ON?

8 A. BROWN OR GREEN JACKET.

9 MR. MOYE: YOUR HONOR, MAY THE RECORD REFLECT THE
10 WITNESS HAS IDENTIFIED THE DEFENDANT GEORGE HIGH AND THE
11 DEFENDANT VIRGINIA HIGH.

12 THE COURT: ALL RIGHT. LET THE RECORD SHOW THAT.

13 BY MR. MOYE:

14 Q. MR. PEAVY, AFTER YOU MET GEORGE AND VIRGINIA HIGH ON THIS
15 OCCASION, DID YOU HAVE OCCASION TO DEAL WITH THEM?

16 A. AFTER THE FACT OR BEFORE THE FACT?

17 Q. WELL, AFTER YOU MET THEM.

18 A. YES, SIR.

19 Q. DID YOU TRY AT SOME POINT TO BUY A HOUSE?

20 A. YES, SIR.

21 Q. WHERE WAS THIS HOUSE?

22 A. THE HOUSE WAS LOCATED OFF CASCADE ROAD ON NEW HOPE ROAD IN
23 A SUBDIVISION CALLED GILFORD FORREST.

24 Q. AND THE SUBDIVISION IN GILFORD FORREST, DID YOU FIND A
25 HOUSE THERE?

1 A. YES, SIR.

2 Q. TELL US ABOUT WHAT YOU DID IN ORDER TO PURCHASE THAT
3 HOUSE.

4 A. ONCE I DEVELOPED A CERTAIN INTEREST IN THE HOUSE, I WENT
5 BACK TO THE HIGHS AND TOLD THEM ABOUT THE HOUSE AND WHERE IT
6 WAS LOCATED AT.

7 Q. WHO DID YOU TALK TO, GEORGE, VIRGINIA OR THE TWO OF THEM
8 TOGETHER?

9 A. I TALKED TO VIRGINIA ON ONE OCCASION AND I TALKED TO
10 GEORGE AND VIRGINIA ON ONE OCCASION.

11 Q. WAS THE HOUSE AT THAT TIME, AT THE TIME YOU DEVELOPED AN
12 INTEREST IN IT, WAS IT STILL BEING BUILT?

13 A. YES, SIR.

14 Q. DID MR. HIGH OR MRS. HIGH OR THE TWO OF THEM AGREE TO
15 ASSIST YOU?

16 A. YES, SIR.

17 Q. TELL US WHAT YOU RECALL THEY DID TO HELP YOU.

18 A. FIRST OF ALL, VIRGINIA HIGH, SHE ASKED ME TO BRING IN SOME
19 MONEY. AND ONCE I BROUGHT HER A DEPOSIT, THEN SHE WOULD GO
20 AHEAD AND START THE INITIAL PAPERWORK TO GET THE PROCESS
21 ROLLING.

22 Q. DID YOU TAKE HER SOME MONEY?

23 A. YES, SIR.

24 Q. HOW MUCH DID YOU TAKE HER?

25 A. AT FIRST I TOOK HER -- I AM NOT REALLY SURE, BUT I THINK

1 IT WAS \$5,000.

2 Q. WHAT FORM DID YOU TAKE IT?

3 A. IN CASH FORM.

4 Q. AND AFTER THAT DID YOU TAKE HER ADDITIONAL SUMS OF MONEY?

5 A. YES, SIR.

6 Q. MR. PEAVY, LET ME SHOW YOU GOVERNMENT EXHIBIT 173-C-1, AND
7 ASK YOU, SIR, IF YOU RECOGNIZE THIS SHEET OF PAPER?

8 A. YES, SIR.

9 Q. HOW DO YOU RECOGNIZE THAT SHEET OF PAPER?

10 A. IT HAS MY PAGER NUMBER AND MY SKY PAGER PIN NUMBER ON IT,
11 SIR, AND THE AMOUNTS OF PAYMENT WHICH I PAID TO MRS. VIRGINIA
12 HIGH.

13 Q. DID YOU EVER SEE MRS. VIRGINIA HIGH WRITING ON THIS SHEET
14 OF PAPER?

15 A. YES, SIR.

16 MR. MOYE: YOUR HONOR, FOR THE PURPOSE OF GOING INTO
17 THE CONTENTS, I WOULD TENDER GOVERNMENT'S 173-C-1.

18 THE COURT: ANY OBJECTION TO IT?

19 MR. MORRISON: NO OBJECTION.

20 THE COURT: LET IT IN.

21 BY MR. MOYE:

22 Q. MR. PEAVY, THE PAYMENTS THAT ARE REFLECTED ON GOVERNMENT'S
23 173-C-1, WHAT DO THEY RELATE TO?

24 A. PAYMENTS IN WHICH I PAID VIRGINIA HIGH FOR A HOUSE I WAS
25 TRYING TO PURCHASE AT THAT TIME.

1 Q. WAS THAT THE HOUSE IN GILFORD FORREST?

2 A. YES, SIR, AT THAT TIME.

3 Q. CAN YOU TELL US WHEN YOU MADE PAYMENTS, WHEN DOES THE
4 LEDGER REFLECT YOU MADE PAYMENTS TO VIRGINIA HIGH?

5 A. IT SAYS I MADE PAYMENT TO HER ON 8/7/1990.

6 Q. ANY OTHER PAYMENTS?

7 A. YES, SIR.

8 Q. 8/7/1990 A PAYMENT OF \$14,000, 8/7/1990 A PAYMENT OF
9 \$5,000, AND IT HAS PAYMENTS OF \$20,000 WHICH WAS 8/30/1990.
10 AND THEN 4/15/91 PAYMENT OF \$20,000.

11 Q. NOW, WERE ALL OF THESE PAYMENTS RELATED TO THE HOUSE IN
12 GILFORD FORREST?

13 A. YES, SIR. SOME PAYMENTS WERE, SIR.

14 Q. WHICH ONES WERE FOR GILFORD FORREST?

15 A. THE PAYMENTS FROM 8/7/1990, SIR, UP UNTIL 4/15/91.

16 Q. AND THESE PAYMENTS ADD UP TO WHAT?

17 A. APPROXIMATELY \$50,000, SIR -- \$64,000.

18 Q. THOSE PAYMENTS, WHEN YOU DELIVERED THAT MONEY, MR. PEAVY,
19 WHAT FORM DID YOU DELIVER IT TO MRS. HIGH?

20 A. CASH.

21 Q. WHEN YOU DELIVERED THE MONEY, THIS CASH MONEY TO MRS.
22 HIGH, MR. PEAVY, DID YOU GET A RECEIPT FOR THE MONEY?

23 A. I AM NOT REALLY SURE, BUT I KNOW IN SOME CASES. I DON'T
24 HAVE THE RECEIPTS PERSONALLY, BUT I KNOW AT ONE TIME SHE DID
25 ISSUE ME RECEIPTS.

1 Q. WHEN YOU DELIVERED THIS CASH MONEY TO VIRGINIA HIGH, WHAT
2 WOULD Y'ALL DO?

3 A. WE WOULD COUNT THE MONEY.

4 Q. WHERE?

5 A. IN HER OFFICE, SIR.

6 Q. AND WOULD YOU COUNT IT AND SHE COUNT IT OR HOW WOULD IT BE
7 COUNTED?

8 A. I WOULD COUNT SOME OF IT AND SHE WOULD COUNT SOME OF IT.

9 Q. DID SHE EVER QUESTION YOUR DELIVERING CASH MONEY TO HER?

10 A. NO, SIR.

11 Q. DID YOU EVER TELL HER YOU WERE IN THE DRUG BUSINESS?

12 A. NO, SIR.

13 Q. WHEN YOU DELIVERED THE CASH, HOW WAS IT PACKAGED?

14 A. IT WAS WRAPPED IN \$5,000 STACKS WITH TWO RUBBER BANDS
15 WRAPPED AROUND EACH END.

16 Q. HAD YOU BUNDLED IT IN THAT FASHION?

17 A. YES, SIR.

18 Q. DID IT HAVE BANK WRAPPERS AROUND THE MIDDLE OF IT?

19 A. NO, SIR.

20 Q. IN CONNECTION WITH THE HOUSE IN GILFORD FORREST, DID YOU
21 AND MRS. HIGH TALK ABOUT WHO WAS GOING TO -- WHOSE NAME THE
22 HOUSE WAS GOING TO BE PUT IN?

23 A. YES, SIR.

24 Q. TELL US ABOUT THAT CONVERSATION.

25 A. WELL, I TOLD HER I REALLY DIDN'T HAVE ANYBODY'S NAME THAT

1 I COULD PUT THE HOUSE IN WHO HAD THE SUFFICIENT CREDIT TO GET
2 THE HOUSE. SHE TOLD ME WHAT SHE WOULD DO IS SHE WOULD START
3 THE PAPERWORK UP, RUN THE HOUSE THROUGH HER COMPANY AND PUT THE
4 HOUSE IN HER NAME AND GET IT FINANCED AND THEN LATER ON DOWN
5 THE LINE I COULD FIND SOMEONE TO TRANSFER ALL OF THE PAPERWORK
6 OVER TO THEIR NAME.

7 Q. DID SHE EVER ASK YOU, MR. PEAVY, WHY YOU WOULD NOT PUT IT
8 IN YOUR NAME?

9 A. NO, SIR.

10 Q. NOW, MR. PEAVY, WHEN YOU AND MRS. HIGH TALKED ABOUT HAVING
11 THE HOUSE PUT INTO HER NAME, DID Y'ALL TALK AT ALL ABOUT THE
12 PAYMENT OF TAXES ON THE HOUSE?

13 A. YES.

14 Q. TELL US ABOUT THAT CONVERSATION. WHAT WAS SAID?

15 A. AS I CAN RECALL, I AM NOT REALLY SURE, BUT SHE TOLD ME --
16 SHE WOULD TELL ME THE AMOUNT THE HOUSE WOULD COST OR HOW MUCH
17 MONEY I WOULD NEED DOWN, AND WHATEVER MUNEY I WOULD PUT DOWN, I
18 WOULD NEED TO PAY THE TAXES ON EITHER THE BALANCE OR EITHER THE
19 MONEY THAT I GAVE HER.

20 Q. DID YOU DELIVER THE EXTRA MONEY TO HER?

21 A. YES, SIR.

22 Q. HOW MUCH EXTRA MONEY WAS IT, DO YOU REMEMBER?

23 A. I AM NOT REALLY SURE. AS I CAN RECALL, I THINK IT WAS
24 BETWEEN 12 TO \$15,000. IT DEPENDED ON WHAT -- WHATEVER THE
25 COST OF THE HOUSE WAS.

1 Q. IS THAT MONEY REFLECTED IN ONE OF THOSE PAYMENTS THAT YOU
2 HAVE REFERRED TO?

3 A. YES, SIR.

4 Q. WHICH ONE?

5 A. 8/7/1990 WHERE IT SAYS TAXES AT SIX PERCENT WOULD BE
6 \$14,634.

7 Q. 14,000 HOW MUCH?

8 A. 634 DOLLARS.

9 Q. NOW, WITH REGARD TO THE CURRENCY THAT WAS DELIVERED BY YOU
10 TO VIRGINIA HIGH, WAS THERE ANY DISCUSSION ABOUT WHAT WAS GOING
11 TO HAPPEN TO THAT CURRENCY?

12 A. AT THE TIME, SIR, SHE WOULD TELL ME THAT THEY WOULD TAKE
13 IT AND GET CASHIER'S CHECK AND RUN IT THROUGH HER BANKS OR
14 SEVERAL ACCOUNTS IN WHICH SHE POSSESSED OR HAD ACCESS TO.

15 Q. NOW, MR. PEAVY, DID YOU BUY THE HOUSE IN GILFORD FORREST?

16 A. NO, SIR.

17 Q. WHY NOT?

18 A. THERE WAS A MISCOMMUNICATION BETWEEN WHO WAS GOING TO PAY
19 THE POINTS AND CLOSING COSTS ON THE HOUSE. AND THEN ONCE THAT
20 FELL THROUGH, THEN THE BANK IN WHICH SHE WAS TRYING TO GET THE
21 LOAN FOR SAID SHE HAD TOO MUCH PROPERTY OR TOO MUCH DEBT
22 EXCEEDING WHAT SHE WAS TRYING TO DO.

23 Q. THE FINANCING ON THE HOUSE, MR. PEAVY, HAD YOU AND MRS.
24 HIGH DISCUSSED HOW THE HOUSE WOULD BE FINANCED?

25 A. YES, SIR. WE DISCUSSED IT BRIEFLY.

1 Q. TELL US ABOUT THE BRIEF DISCUSSION. WHAT WAS THE
2 DISCUSSION?

3 A. SHE TOLD ME THAT SHE DIDN'T SEE ANY PROBLEM OF GETTING THE
4 HOUSE BECAUSE OF HER CREDIT AND HER FINANCIAL BACKGROUND, AND I
5 WOULD NEED TO PUT A CERTAIN DOWN PAYMENT ON THE HOUSE TO MAKE
6 SURE THAT THE LOAN GOES THROUGH.

7 Q. AND THE PAYMENTS, DID YOU DISCUSS HOW THE PAYMENTS,
8 WHATEVER THE FINANCING WAS, WERE GOING TO BE PAID?

9 A. NOT AT THAT TIME. I KNOW THAT SHE TOLD ME THAT I NEEDED
10 TO PUT AT LEAST 20 -- BETWEEN 20 AND 25 PERCENT DOWN IN ORDER
11 TO ASSURE THAT SHE WOULD BE ABLE TO GET THE HOUSE FOR ME.

12 Q. AFTER THE FINANCING FELL THROUGH, DID MRS. HIGH GIVE YOU
13 BACK YOUR MONEY?

14 A. NO, SIR.

15 Q. AFTER THE FINANCING FELL THROUGH, DID YOU LOCATE ANOTHER
16 HOUSE?

17 A. YES, SIR.

18 Q. WHERE WAS THIS HOUSE?

19 A. LOCATED IN ALPHARETTA.

20 Q. WHAT SUBDIVISION, DO YOU RECALL?

21 A. I AM NOT REALLY SURE. I THINK THE NAME OF THE SUBDIVISION
22 WAS CALLED FOXWORTH. I KNOW IT WAS LOCATED OFF OLD ALABAMA
23 ROAD.

24 Q. THE HOUSE YOU FOUND THERE, DID YOU JUST GO RIDING AND FIND
25 IT OR DID SOMEONE ASSIST YOU?

1 A. DAVID AND I WERE JUST RIDING AROUND ONE DAY AND WE
2 STUMBLED UPON IT.

3 Q. WHAT WAS THE PRICE OF THIS HOUSE?

4 A. IT WAS BETWEEN 429,000, AROUND THAT PRICE RANGE.

5 Q. DID YOU HAVE OCCASION TO TALK TO ANYONE ABOUT TRYING TO
6 BUY THIS HOUSE?

7 A. YES, SIR.

8 Q. WHO DID YOU TALK TO?

9 A. WENT BACK TO THE HIGHS AGAIN AND ASKED THEM ABOUT THIS
10 HOUSE.

11 Q. WHO DID YOU TALK TO, GEORGIA HIGH, VIRGINIA HIGH, BOTH OF
12 THEM, WHO?

13 A. I TALKED TO BOTH OF THEM ON SEVERAL OCCASIONS. SOMETIMES
14 GEORGE WOULD NOT BE IN THE OFFICE AND VIRGINIA WOULD BE THERE,
15 AND I DISCUSSED IT WITH HER. AND THEN LATER ON WE BOTH RODE
16 OUT TO LOOK AT THE HOUSE.

17 Q. NOW, WHEN YOU SAY YOU BOTH, YOU AND WHO?

18 A. ME, VIRGINIA AND GEORGE HIGH.

19 Q. NOW, WHAT DISCUSSIONS WERE HAD ABOUT BUYING THIS HOUSE?

20 A. WE DISCUSSED HOW MUCH IT WOULD TAKE, THE AREA IT WAS IN,
21 WE WOULD NEED TO GET WITH THE BUILDER TO FIND OUT WHETHER OR
22 NOT WE COULD MAKE MAYBE A DEAL WITH THE BUILDER. AND THEN WE
23 WENT TO THE FRONT OF THE SUBDIVISION TO THE MAIN OFFICE TO GET
24 SOME LITERATURE ON THE PROPERTY.

25 Q. DID YOU GET THAT LITERATURE?

1 A. YES, SIR.

2 Q. WERE THERE NEGOTIATIONS TO YOUR KNOWLEDGE ABOUT BUYING THE
3 HOUSE?

4 A. YES. VIRGINIA, GEORGE AND I DID DISCUSS PURCHASING THE
5 HOUSE.

6 Q. CAN YOU TELL US WHAT ARRANGEMENTS WERE MADE FOR YOU TO BUY
7 THAT HOUSE?

8 A. I WAS GOING TO HAVE TO COME UP WITH ADDITIONAL FUNDS IN
9 ORDER TO PURCHASE THE HOUSE BECAUSE OF THE COST OF IT.

10 Q. HOW MUCH ADDITIONAL MONEY DID YOU NEED TO PURCHASE THE
11 HOUSE?

12 A. TOTAL INCLUDING TAXES, WHAT THEY WERE GOING TO CHARGE ME
13 WAS ABOUT 80,000.

14 Q. HOW MUCH OF YOUR MONEY DID THEY ALREADY HAVE?

15 A. 72,000.

16 Q. HOW MUCH DID YOU DELIVER TO THEM?

17 A. 72,000. 18,000 WAS IN CHECK FORM, SIR.

18 Q. AT THAT POINT DID YOU GET THE HOUSE IN THE FOXWORTH
19 SUBDIVISION IN ALPHARETTA?

20 A. NO.

21 Q. WHY NOT?

22 Q. BECAUSE OF THE SAME SITUATION, ABOUT HER EXCEEDING HER
23 DEBT AND HER FINANCIAL STATUS WAS NOT UP TO PAR, ASN'T THERE.

24 Q. ONCE THAT HOUSE WAS -- ONCE YOU WERE NOT ABLE TO GET THAT
25 HOUSE, MR. PEAVY, DID YOU GET YOUR MONEY BACK?

1 A. NO, SIR.

2 Q. TELL US WHAT HAPPENED. DID YOU DISCUSS YOUR MONEY WITH
3 MRS. HIGH?

4 A. YES.

5 Q. WHAT DID SHE TELL YOU?

6 A. SHE TOLD ME THAT I COULD GET MY MONEY BACK, BUT SHE REALLY
7 DIDN'T WANT TO GO THROUGH ALL OF THE PROCEDURE ABOUT GETTING
8 THE MONEY OUT OF THE BANK AND GIVING ME BACK CASH MONEY AND
9 THAT SORT OF THING.

10 Q. WHEN YOU REFER TO ALL THE PROCEDURES, WHAT DID SHE TELL
11 YOU ABOUT WHAT SHE DIDN'T WANT TO DO?

12 A. GO TO THE BANK AND DRAW THE MONEY OUT OF THE ESCROW AND
13 GET CASH MONEY OUT, BASICALLY.

14 Q. DID YOU TELL HER YOU WANTED CASH MONEY?

15 A. WELL, AT THE TIME I REALLY DIDN'T THINK ABOUT IT. I TOLD
16 HER WE WOULD TRY TO WORK SOMETHING ELSE OUT, MAYBE I WOULD TRY
17 TO FIND ANOTHER HOUSE. YOU KNOW, DON'T WORRY ABOUT IT RIGHT
18 NOW. AND AT THAT TIME, THAT'S WHEN DAVID WAS TRYING TO PAY HIS
19 HOUSE OFF, THE ONE OFF OF RIVERSOUND DRIVE.

20 Q. AND THE HOUSE ON RIVERSOUND, TO YOUR KNOWLEDGE WAS MR.
21 WALLACE RECEIVING ANY ASSISTANCE IN BUYING THE HOUSE ON
22 RIVERSOUND?

23 A. YES.

24 Q. WHO WAS ASSISTING HIM?

25 A. AT THAT TIME TWO FRIENDS BY THE NAME OF JOE HAHN AND DEW

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1 HAHN. THEY ASSISTED, HAD SOME ASSISTANCE IN BUYING THE HOUSE
2 AT FIRST, AND THEN LATER ON DOWN THE LINE GEORGE AND VIRGINIA
3 STEPPED IN.

4 Q. WHAT DID YOU AGREE TO LET HAPPEN TO YOUR MONEY THAT GEORGE
5 AND VIRGINIA HIGH HELD AT HIGH REALTY?

6 A. AT THE TIME THEY WERE TELLING DAVID -- WELL, NOT TELLING
7 HIM, BUT ADVISING HIM TO GO AHEAD AND TRY TO PAY THE HOUSE OFF
8 BECAUSE OF THE FACT THE BANK WAS TRYING TO TAKE THE HOUSE. SO
9 DAVID DIDN'T WANT TO GO GET ANY MORE OF HIS MONEY, ANY CASH
10 MONEY TO GIVE TO THEM, SO HE TOLD ME -- WE BOTH CAME UP WITH
11 THE IDEA OF GIVING THEM THE MONEY THAT WAS ALREADY IN ESCROW
12 AND THEN HE GIVING ME CASH MONEY BACK LATER DOWN THE LINE.

13 Q. MR. PEAVY, SHOWING YOU AGAIN GOVERNMENT EXHIBIT 173-C-1,
14 WHAT IS THE LAST ENTRY ON THAT LEDGER?

15 A. SAYS TRANSFER 67,000 TO RIVERSOUND AND DEDUCT \$5,000 FOR
16 MANAGEMENT FEE.

17 Q. WHAT IS THE DATE?

18 A. 5/1/91.

19 Q. MR. PEAVY, DID THERE COME A POINT IN TIME WHEN YOU AND MR.
20 WALLACE OPENED A BUSINESS?

21 A. YES, SIR.

22 Q. WHAT WAS THE BUSINESS CALLED?

23 A. IT WAS CALLED ANSAR ENTERTAINMENT, SIR.

24 Q. WHAT WAS ANSAR?

25 A. IT WAS A MUSIC MANAGEMENT COMPANY.