

Bank Charged With Filing Fraudulent Data on Wolman

By David A. Jewell

Washington Post Staff Writer

The American Security & Trust Co. has charged the American National Bank of Maryland with using a "fraudulent and misleading" affidavit in connection with a \$10.5 million loan to Jerry Wolman.

In legal papers filed last

week in U.S. District Court in Baltimore, American Security alleged that the Maryland bank entered into a "clandestine agreement" with Wolman.

The papers charge that the purpose of the agreement was to make the loan appear to be for \$2 million more than was actually agreed upon.

They also contain the allegation that "all or some" of an \$8.6 million advance by American National to Wolman for construction of the Georgian Towers apartment project was "diverted to other purposes."

It is also alleged that American National "knew or should have known of this."

A spokesman for American National said that bank officials had not seen the papers and would not comment until they had.

A spokesman for Wolman said the builder-sportsman was "out of town and unavailable for comment."

American Security filed a motion with Referee in Bankruptcy Joseph O. Kaiser asking for permission to intervene in opposition to a petition filed earlier by American National.

That petition asks Kaiser for leave to foreclose a mortgage held by American National on the Georgian Towers, which now stands only 80 per cent complete for lack of funds.

Kaiser set a hearing for 2 p.m. Wednesday to rule on whether to grant American Security's motion.

Wolman turned his tangled financial affairs over to Kaiser Dec. 13, when he filed a "petition for arrangement" under Chapter 11 of the Federal Bankruptcy Act.

American Security is acting in its position as court-appointed trustee for Adams Properties, Inc. Adams was formerly controlled by Washington attorney Victor J. Orsinger and is now involved in reorganization proceedings under Chapter 10 of the Bankruptcy Act.

Adams originally sold Wolman the land on which Georgian Towers was built. It holds a "deferred-payment" mortgage, signed by Wolman, with an original face value of \$1 million recorded against the property.

According to the court papers, Wolman stopped paying off the mortgage last August and now owes Adams \$430,000 in principal and interest.

In the mortgage, Adams agreed to "subordinate" its deed to that of any other mortgages Wolman might place against the property in return for construction loans such as the one granted by American National.

This means that if problems arose Adams would stand by while the holder of a construction loan mortgage got first chance at money resulting from a foreclosure.