

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) No.
)
) Violations: Title 18, United States Code,
vs.)
)
ANTHONY CAMPANALE) Sections 1341 and 1343

COUNT ONE

The SPECIAL JANUARY 2012 GRAND JURY charges:

1. At times material to this indictment:

a. Defendant ANTHONY CAMPANALE was an attorney licensed to practice law in the State of Illinois with an office in Chicago, Illinois, who represented SNAP Holdings, LLC and entities affiliated with SNAP Holdings, LLC at real estate closings.

b. CitiMortgage, HSBC Mortgage Corporation, Countrywide Bank, FSB, and Provident Funding were lenders that made loans secured by mortgages.

c. CitiMortgage was a wholly owned subsidiary of Citibank, N.A., a financial institution whose deposits were insured by the Federal Deposit Insurance Corporation.

d. Lenders required applicants for mortgage loans to provide truthful information, including truthful information about the sales price of the property and about any payments made to the applicant for purchasing the property, which information was material to lenders' approval, terms, and funding of loans.

e. Lenders sold mortgage loans to other lenders and institutions. Lenders disclosed that the mortgage loans could be sold and the likelihood that the mortgage loans

would be sold. The information provided in real estate contracts, HUD-1 settlement statements, and other supporting documents, including the sales price of the property and payments made to buyers for purchasing a property, was material to the successors' decision to purchase mortgage loans.

2. Beginning in or about October 2007, and continuing until in or about November 2008, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, along with others known and unknown to the Grand Jury, devised, intended to devise, and participated in a scheme to defraud lenders and successors and to obtain money and property from lenders by means of materially false and fraudulent pretenses, representations, and promises, and the concealment of material facts, which scheme affected a financial institution and is further described below.

3. It was part of the scheme that defendant ANTHONY CAMPANALE, along with others, caused buyers to fraudulently obtain at least twelve mortgage loans in a total amount of at least approximately \$3.73 million from lenders by making and causing to be made materially false representations in documents submitted to lenders, including real estate contracts and HUD-1 settlement statements, concerning, among other things, the sales price of the properties being sold and money that was being paid to the buyers for purchasing the properties, and for the purpose of executing the scheme caused interstate wire transmissions and deliveries by interstate carriers.

4. It was further part of the scheme that defendant ANTHONY CAMPANALE

represented entities affiliated with SNAP Holdings, LLC at real estate closings in which he knew properties were being sold at inflated sales prices to buyers whom defendant CAMPANALE knew were being paid by entities affiliated with SNAP Holdings, LLC to purchase the properties, including 5422 S. Laflin Street, Chicago, Illinois, 5821 S. Carpenter Street, Chicago, Illinois, 5724 S. Hoyne Avenue, Chicago, Illinois, 5331 S. Honore Street, Chicago, Illinois, 5633 S. Bishop Street, Chicago, Illinois, 6338 S. Laflin Street, Chicago, Illinois, 5741 S. Justine Street, Chicago, Illinois, 6510 S. Winchester Avenue, Chicago, Illinois, 5701 S. Damen Avenue, Chicago, Illinois, 5535 S. Honore Street, Chicago, Illinois, 5708 S. Elizabeth Street, Chicago, Illinois, and 5151 S. Laflin Street, Chicago, Illinois.

5. It was further part of the scheme that defendant ANTHONY CAMPANALE caused to be prepared and submitted to lenders real estate sales contracts that defendant CAMPANALE knew contained materially false and fraudulent information, including inflated sales prices of the properties that SNAP Holdings, LLC and its affiliated entities were selling.

6. It was further part of the scheme that defendant ANTHONY CAMPANALE prepared and submitted, and caused to be prepared and submitted, to lenders HUD-1 settlement statements that defendant CAMPANALE knew contained materially false and fraudulent information, including false and fraudulent information about the true source of the buyers' down payments and about payments provided to the buyers for purchasing the properties.

7. It was further part of the scheme that defendant ANTHONY CAMPANALE

represented entities affiliated with SNAP Holdings, LLC at real estate closings in which properties were sold to buyers, knowing that SNAP Holdings, LLC and its affiliated entities were: (a) making payments to the buyers for purchasing the properties that were concealed from the lenders financing the buyers' mortgage loans; and (b) providing funds to the buyers that were being falsely represented to lenders as the buyers' down payments.

8. It was further part of the scheme that defendant ANTHONY CAMPANALE prepared and caused to be prepared operating agreements for SNAP Holdings, LLC through which buyers would purportedly become members of a SNAP Holdings Series, LLC, in order to purportedly legitimize payments being made to the buyers for purchasing the properties and in an effort to make it falsely appear that the payments were made to the buyers for a purpose other than for being the purchaser of the properties, knowing that: (a) the payments were not disclosed to the lenders; (b) the payments were made to the buyers only for purchasing the properties; and (c) the sales were not the result of arms-length transactions.

9. It was further part of the scheme that defendant ANTHONY CAMPANALE knowingly brought documents to closings falsely indicating that the only members of the SNAP Holdings Series, LLCs selling the properties were Steven Klebosits and Thomas Hyland, when in fact defendant knew that other documents had been created that purportedly made the buyers members of the SNAP Holdings Series, LLCs selling the properties in an effort to justify the payments to the buyers.

10. It was further part of the scheme that defendant ANTHONY CAMPANALE did misrepresent, conceal, and hide, and cause to be misrepresented, concealed, and hidden,

acts done in furtherance of the scheme and the purpose of those acts.

11. On or about October 19, 2007, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly deposited and caused to be deposited, to be sent and delivered by United Parcel Service, an interstate commercial carrier, according to the directions thereon, an envelope containing a payoff check in the amount of \$168,738.98, addressed to ZDE Investments, Inc., 2915 North Southport Ave., Chicago, IL 60657-4112, for payment relating to the purchase of a property located at 5422 S. Laflin Street, Chicago, Illinois, financed with a mortgage loan from CitiMortgage in the amount of \$324,000;

In violation of Title 18, United States Code, Section 1341.

COUNT TWO

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about October 23, 2007, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in New Jersey in the amount of approximately \$345,476 from a CitiMortgage account at Citibank to an Attorneys' Title Guaranty Fund account at LaSalle Bank, which funds represented the proceeds of a mortgage loan from CitiMortgage to finance the purchase of a property located at 5821 S. Carpenter Street, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT THREE

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about November 14, 2007, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly deposited and caused to be deposited, to be sent and delivered by United Parcel Service, an interstate commercial carrier, according to the directions thereon, an envelope containing a payoff check in the amount of \$194,822.76, addressed to Smith Rothchild Financial Company, Suite 1850, 221 N. LaSalle Street, Chicago, IL 60601, for payment relating to the purchase of a property located at 5331 S. Honore Street, Chicago, Illinois, financed with a mortgage loan from CitiMortgage in the amount of \$301,750;

In violation of Title 18, United States Code, Section 1341.

COUNT FOUR

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about May 2, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in New Jersey in the amount of approximately \$283,543 from a CitiMortgage account at Citibank to a First American Title Company account at First American Trust, which funds represented the proceeds of a mortgage loan from CitiMortgage to finance the purchase of 5633 S. Bishop Street, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT FIVE

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about June 25, 2008, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in New Jersey in the amount of approximately \$293,814 from a CitiMortgage account at Citibank to a First American Title account at First American Trust, which funds represented the proceeds of a mortgage loan from CitiMortgage to finance the purchase of 6338 S. Laflin Street, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about July 30, 2008, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in New Jersey in the amount of approximately \$284,059 from a Countywide account at Bank of New York to a First American Title account at First American Trust, which funds represented the proceeds of a mortgage loan from Countrywide Bank, FSB to finance the purchase of 5741 S. Justine Street, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT SEVEN

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about August 13, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in New Jersey in the amount of approximately \$296,842 from a CitiMortgage account at Citibank to a First American Title account at First American Trust, which funds represented the proceeds of a mortgage loan from CitiMortgage to finance the purchase of a property located at 6510 S. Winchester Avenue, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT EIGHT

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 10 of Count One of this indictment are incorporated here.

2. On or about November 17, 2008, at Lombard, in the Northern District of Illinois, Eastern Division, and elsewhere,

ANTHONY CAMPANALE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly deposited and caused to be deposited, to be sent and delivered by Federal Express, an interstate commercial carrier, according to the directions thereon, an envelope containing mortgage and closing documents, from First American Title in Lombard, Illinois, addressed to Closing Department, Provident Funding Group, Inc., 11 S. LaSalle St., Post Closing Suite 2150, Chicago, IL 60603, relating to the purchase of a property located at 5701 S. Damen Avenue, Chicago, Illinois;

In violation of Title 18, United States Code, Section 1341.

FORFEITURE ALLEGATION

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations of Counts One through Eight are incorporated here for the purpose of alleging forfeiture to the United States pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2).

2. As a result of his violations as alleged in Counts One through Eight of the foregoing indictment,

ANTHONY CAMPANALE,

defendant herein, shall forfeit to the United States any and all right, title, and interest he may have in any property, real and personal, which constitutes and is derived from proceeds traceable to the offenses charged in Counts One through Eight.

3. The interests of the defendant subject to forfeiture to the United States pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2), as incorporated by Title 28, United States Code, Section 2461(c), include but are not limited to approximately \$3,733,250.

4. If any of the forfeitable property described above, as a result of any act or omission by defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property pursuant to the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c);

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY