

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)	
)	No.
vs.)	
)	Violations: Title 18, United States Code,
STEVEN BARTLETT,)	Sections 1341 and 1343
ROBERT LATTAS, and)	
NICHOLAS BURGE)	<u>UNDER SEAL</u>

COUNT ONE

The SPECIAL JANUARY 2012 GRAND JURY charges:

1. At times material to this indictment:
 - a. Defendant STEVEN BARTLETT was a part owner of SSB Re, Inc., also known as SSB Real Estate Solutions, Inc., through which defendant BARTLETT purchased and sold residential properties located in Chicago, Illinois.
 - b. Defendant ROBERT LATTAS was an attorney licensed to practice law in the State of Illinois with an office in Chicago, Illinois, who represented SSB Re, Inc. at real estate closings.
 - c. Defendant NICHOLAS BURGE was a loan originator licensed in the State of Illinois, employed first as a mortgage broker at Gateway Capital Mortgage and then as an account executive at DAS Acquisition Company LLC.
 - d. Gateway Capital Mortgage and DAS Acquisition Company LLC were lenders that made loans secured by mortgages.
 - e. Lenders required applicants for mortgage loans to provide truthful

information, including truthful information about the sales price of the property and about the borrower's employment, income, financial condition, assets, liabilities, source of down payment, and intention to occupy the property, which information was material to lenders' approval, terms, and funding of loans.

f. 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 loan applications and other documents, including the sales price of the property and the borrower's employment, income, financial condition, assets, liabilities, source of down payment, and intention to occupy the property, was material to the successors' decision to purchase mortgage loans.

2. Beginning in or about January 2008, and continuing until in or about January 2009, in the Northern District of Illinois, Eastern Division, and elsewhere,

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

defendants herein, 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, which scheme is further described below.

3. It was part of the scheme that defendants STEVEN BARTLETT, ROBERT LATTAS, and NICHOLAS BURGE, and others, caused buyers to fraudulently obtain at least five mortgage loans in a total amount of at least approximately \$1.49 million from lenders

by making and causing to be made materially false representations in documents submitted to lenders, including loan applications, real estate contracts, and HUD-1 settlement statements, concerning, among other things, the sales price of the properties and the buyers' income, employment, financial condition, source of down payment, and intention to occupy 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 STEVEN BARTLETT used SSB Re, Inc. to knowingly sell properties at inflated sales prices to buyers that defendant BARTLETT knew were fraudulently qualified for mortgage loans, which properties included 5734 S. Loomis Boulevard, Chicago, Illinois, 6243 S. Racine Avenue, Chicago, Illinois, 5527 S. Marshfield Avenue, Chicago, Illinois, 6723 S. May Street, Chicago, Illinois, and 6433 S. Peoria Street, Chicago, Illinois.

5. It was further part of the scheme that defendant STEVEN BARTLETT caused others to recruit buyers to purchase properties from SSB Re, Inc., knowing that the buyers would be qualified for mortgage loans to purchase the properties through false statements made to lenders, including false statements about the sales price of the properties and about the buyers' source of down payment.

6. It was further part of the scheme that defendant STEVEN BARTLETT caused to be prepared and submitted to lenders real estate sales contracts that defendant BARTLETT knew contained materially false and fraudulent information, including inflated sales prices of the properties being sold.

7. It was further part of the scheme that defendants STEVEN BARTLETT and NICHOLAS BURGE prepared and submitted, and caused to be prepared and submitted, to lenders loan applications that defendants BARTLETT and BURGE knew contained materially false and fraudulent information about buyers' qualifications, including false and fraudulent information about buyers' income, assets, liabilities, employment, source of down payment, and intention to occupy properties as a primary residence.

8. It was further part of the scheme that defendant NICHOLAS BURGE prepared and submitted, and caused to be prepared and submitted, to lenders other fraudulent documents that defendant BURGE knew made buyers falsely appear qualified for loans, including false verifications of deposit, false bank statements, false W-2 Wage and Tax Statements, and false pay stubs.

9. It was further part of the scheme that defendants STEVEN BARTLETT and ROBERT LATTAS caused to be prepared and submitted to lenders HUD-1 settlement statements that defendants BARTLETT and LATTAS knew contained materially false and fraudulent information, including false and fraudulent information about the true source of the buyers' down payments.

10. It was further part of the scheme that defendant STEVEN BARTLETT caused individuals, including Individual A and Individual B, to provide funds that defendant BARTLETT knew would be falsely represented to lenders as buyers' down payments, and defendant BARTLETT knowingly caused these funds to be falsely represented to lenders as buyers' down payments.

11. It was further part of the scheme that defendant STEVEN BARTLETT directed individuals, including Individual A and Individual B, to bring cashier's checks to closings representing buyers' down payments, which cashier's checks defendant BARTLETT knew falsely stated that the buyers were the remitters.

12. It was further part of the scheme that after closings, defendant STEVEN BARTLETT paid and caused to be paid individuals, including Individual A and Individual B, for providing money that defendant BARTLETT knew was falsely represented to lenders as the buyers' down payments.

13. It was further part of the scheme that defendant ROBERT LATTAS represented, or caused his associates to represent, SSB Re, Inc. at closings in which properties were sold to buyers, knowing that defendant STEVEN BARTLETT had recruited individuals to provide funds that were falsely represented to lenders as the buyers' down payments.

14. It was further part of the scheme that defendant ROBERT LATTAS represented, or caused his associates to represent, SSB Re, Inc. at closings in which he knew individuals other than the buyers were providing cashier's checks representing the buyers' down payments, and which cashier's checks defendant LATTAS knew falsely listed the buyers as the remitters.

15. It was further part of the scheme that defendant ROBERT LATTAS structured SSB Re, Inc. real estate transactions by forming a limited liability company as the selling entity, and then disbursing the loan proceeds from the sale to a bank account in the name of

that limited liability company in order to conceal from lenders that loan proceeds were being used to: (1) pay back individuals who provided funds for the buyers' down payments; and (2) pay individuals who recruited buyers to purchase properties.

16. It was further part of the scheme that defendants STEVEN BARTLETT and ROBERT LATTAS fraudulently obtained mortgage loan proceeds by causing materially false closing documents to be prepared that concealed from lenders that funds represented as buyers' down payments were provided by other individuals, that the purchase price was inflated, and that, therefore, lenders were financing all or a greater portion of the transaction than represented for buyers who were contributing little or no equity.

17. It was further part of the scheme that defendant STEVEN BARTLETT paid defendant NICHOLAS BURGE for fraudulently qualifying buyers for mortgage loans to purchase properties from SSB Re, Inc., both knowing that the payments were concealed from the lender that funded the mortgage loans.

18. It was further part of the scheme that defendants STEVEN BARTLETT, ROBERT LATTAS, and NICHOLAS BURGE 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.

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

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

defendants 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 \$277,357.65 from a Gateway Capital Mortgage account at Gateway Bank of St. Louis to a Greater Metropolitan Title account at Harris Bank, which funds represented the proceeds of a mortgage loan from Gateway Capital Mortgage to finance the purchase of a property located at 5734 S. Loomis Boulevard, Chicago, Illinois;

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

COUNT TWO

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 18 of Count One of this indictment are incorporated here.

2. On or about July 8, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

defendants 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 a payoff check in the amount of \$132,141.87, addressed to Payoff Dept, Smith Rothchild, 221 N. LaSalle Street, Suite 1850, Chicago, IL 60601-1427, for payment relating to the purchase of a property located at 6243 S. Racine Avenue, Chicago, Illinois;

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

COUNT THREE

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 18 of Count One of this indictment are incorporated here.

2. On or about August 28, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

**STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,**

defendants 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 \$283,089.37 from a Gateway Capital Mortgage account at Gateway Bank of St. Louis to a Stewart Title account at Chase Bank, which funds represented the proceeds of a mortgage loan from Gateway Capital Mortgage to finance the purchase of a property located at 5527 S. Marshfield Avenue, Chicago, Illinois;

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

COUNT FOUR

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 18 of Count One of this indictment are incorporated here.

2. On or about December 31, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

defendants 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 \$318,423.85 from a DAS Acquisition Company LLC account at Enterprise Bank and Trust to a Greater Metropolitan Title account at Lake Forest Bank, which funds represented the proceeds of a mortgage loan from DAS Acquisition Company LLC to finance the purchase of a property located at 6433 S. Peoria 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 18 of Count One of this indictment are incorporated here.

2. On or about December 31, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

defendants 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 \$277,619.40 from a TierOne Bank account to a Greater Metropolitan Title account at Lake Forest Bank, which funds represented the proceeds of a mortgage loan from DAS Acquisition Company LLC to finance the purchase of a property located at 6723 S. May Street, Chicago, Illinois;

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

FORFEITURE ALLEGATION

The SPECIAL JANUARY 2012 GRAND JURY further charges:

1. The allegations of Counts One through Five 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, Section 981(a)(1)(C).

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

STEVEN BARTLETT,
ROBERT LATTAS, and
NICHOLAS BURGE,

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

3. The interests of the defendants subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) as incorporated by Title 28, United States Code, Section 2461(c), include but are not limited to approximately \$1,494,248.

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, Section 981(a)(1)(C).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY