

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Katharine S. Hayden
 :
 v. : Crim. No. 19-035 (KSH)
 :
 ANTHONY GARVIN : 18 U.S.C. § 1349
 : 18 U.S.C. § 1344
 : 18 U.S.C. § 2

SUPERSEDING INDICTMENT

The Grand Jury, in and for the District of New Jersey, sitting at Newark,
charges:

COUNT ONE
(Conspiracy to Commit Bank Fraud)

THE DEFENDANT AND OTHERS

1. At various times relevant to this Indictment:
 - a. The victim lenders, including but not limited to Financial Institutions 1, 2, 3, 4, (collectively, the “Victim Lenders”), were each “financial institutions” as defined by Title 18, United States Code, Sections 20 and 27.
 - b. Defendant ANTHONY GARVIN was a resident of New Jersey. GARVIN was a licensed real estate agent in the business of buying and selling real estate. GARVIN controlled numerous entities, including, but

not limited to, Caviar Apparel Purveyors, LLC (“Caviar Apparel”) and Laura Mae, LLC.

c. Individual A and Individual B served as straw borrowers for certain loans obtained as part of the conspiracy.

BACKGROUND

2. A home equity line of credit (“HELOC”) was a loan that financial institutions, including certain of the Victim Lenders, offered to borrowers. The borrower’s equity in their property served as collateral for the HELOC loan. If a financial institution approved a HELOC for a borrower, the borrower became eligible to borrow a certain amount of money, which was required to be repaid within a specified time period and at a specified rate of interest.

3. Financial institutions, including the Victim Lenders, considered a variety of information in determining whether to extend a HELOC loan to a prospective borrower, including:

a. The amount of equity a borrower had in the property that would serve as collateral for the HELOC loan;

b. Whether the property that would serve as collateral for the HELOC loan was also serving as collateral for any other loans; and

c. The prospective borrower’s ability to repay – including, for example, the borrower’s income, debt, and credit history.

4. To obtain a HELOC loan, a borrower ordinarily had to apply and meet income, asset, debt, and credit eligibility requirements. Borrowers

submitted various types of documentation to demonstrate their eligibility for HELOC loans. Financial institutions relied on the information submitted by borrowers in making their lending decisions for HELOC loans.

THE CONSPIRACY

5. From at least as early as in or about January 2011 through in or about November 2017, in Hudson and Essex Counties, in the District of New Jersey and elsewhere, defendant

ANTHONY GARVIN

did knowingly and intentionally conspire and agree with others (the “Co-Conspirators”) to execute and attempt to execute a scheme and artifice to defraud financial institutions, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, those financial institutions, by means of materially false and fraudulent pretenses, representations, and promises, contrary to Title 18, United States Code, Section 1344.

GOAL OF THE CONSPIRACY

6. The goal of the conspiracy was to profit from obtaining HELOC loans on real estate properties by making materially false and fraudulent pretenses, representations, and promises to the Victim Lenders.

MANNER AND MEANS OF THE CONSPIRACY

7. It was part of the conspiracy that the Co-Conspirators fraudulently obtained, and attempted to obtain, HELOC loans using certain subject properties as collateral. Sometimes, the Co-Conspirators applied for and/or obtained more than one HELOC loan on a single property, concealing from each financial institution the existence of the Co-Conspirators' other HELOC applications and/or loans on the same property. This thwarted the financial institutions' efforts to learn of security interests held by other financial institutions in that property and induced each financial institution to approve their respective loan.

8. It was further part of the conspiracy that the Co-Conspirators used affirmative misrepresentations and omissions to advance the conspiracy and to prevent the Victim Lenders from detecting the fraud. For instance:

a. The Co-Conspirators prepared, and caused to be prepared, false and fraudulent documents relating to HELOC loan applications, including but not limited to, pay stubs, W-2 tax information, tax returns, bank account statements, and title reports.

b. The Co-Conspirators submitted those false and fraudulent documents to the Victim Lenders as part of HELOC loan applications.

9. It was further part of the conspiracy that the Co-Conspirators split the proceeds from the fraudulent HELOC loans among themselves and others.

10. It was further part of the conspiracy that the Co-Conspirators engaged in fraudulent transactions involving a number of subject properties. Several examples are provided below.

239 FULTON AVENUE

11. It was further part of the conspiracy that the Co-Conspirators fraudulently applied for and obtained multiple HELOC loans on the property located at 239 Fulton Avenue, Jersey City, New Jersey (“239 Fulton”).

a. In or about January 2012, defendant GARVIN and others caused an application for a HELOC to be submitted to Financial Institution 1, listing Individual A as the borrower and the resident of 239 Fulton (“HELOC Application 1”).

b. HELOC Application 1 contained false and fraudulent information, including, for example, false and fraudulent pay stubs and W-2 tax documents for Individual A.

c. Approximately one month later, in or about February 2012, defendant GARVIN and others caused an application for a second HELOC to be submitted that was secured by 239 Fulton – listing

Individual A as the borrower and the resident of 239 Fulton – but this second HELOC was submitted to Financial Institution 2 (“HELOC Application 2”).

d. HELOC Application 2 also contained false and fraudulent information, including, for example, false and fraudulent pay stubs and W-2 tax documents for Individual A.

e. Neither Financial Institution 1 nor Financial Institution 2 was aware of the Co-Conspirators’ nearly-contemporaneous HELOC loan application relating to 239 Fulton to the other financial institution.

f. On or about March 24, 2012, in reliance on HELOC Application 1, Financial Institution 1 funded a HELOC loan for approximately \$100,000 in the name of Individual A.

g. On or about April 2, 2012, in reliance on HELOC Application 2, Financial Institution 2 funded a HELOC loan for approximately \$120,000 in the name of Individual A.

h. The Co-Conspirators disbursed the proceeds of these fraudulently-obtained HELOC loans amongst themselves.

42 UNION STREET

12. It was further part of the conspiracy that the Co-Conspirators fraudulently applied for and obtained multiple HELOC loans on the property located at 42 Union Street, Jersey City, New Jersey (“42 Union”).

a. In or about February 2012, defendant GARVIN and others caused an application for a HELOC to be submitted to Financial Institution 3, listing Individual A and Individual B jointly as the borrowers and the residents of 42 Union (“HELOC Application 3”).

b. HELOC Application 3 contained false and fraudulent information, including, for example, false and fraudulent pay stubs and W-2 tax documents for Individual A and Individual B.

c. Also in or about February 2012, defendant GARVIN and others caused an application for a second HELOC to be submitted that was secured by 42 Union, listing Individual A as the borrower and the resident of 42 Union – but this second HELOC was submitted to Financial Institution 4 (“HELOC Application 4”).

d. HELOC Application 4 also contained false and fraudulent information, including, for example, false and fraudulent pay stubs and W-2 tax documents for Individual A.

e. Neither Financial Institution 3 nor Financial Institution 4 was aware of the Co-Conspirators’ nearly-contemporaneous HELOC loan application relating to 42 Union to the other financial institution.

f. On or about March 16, 2012, in reliance on HELOC Application 4, Financial Institution 4 funded a HELOC loan for approximately \$210,000 in the name of Individual A.

g. On or about March 24, 2012, Financial Institution 3, in reliance on HELOC Application 3, funded a HELOC loan for approximately \$200,000 in the names of Individual A and Individual B.

13. The Co-Conspirators disbursed the proceeds of these fraudulently-obtained HELOC loans amongst themselves.

All in violation of Title 18, United States Code, Section 1349.

COUNTS TWO THROUGH FIVE
(Bank Fraud)

1. The allegations set forth in Paragraphs 1 through 13 of Count One are re-alleged and incorporated as if fully set forth herein.

2. From at least as early as in or about January 2011 through in or about November 2017, in Hudson and Essex Counties, in the District of New Jersey and elsewhere, defendant

ANTHONY GARVIN

did knowingly and intentionally execute and attempt to execute a scheme and artifice to defraud financial institutions, and to obtain money, funds, credits, assets, securities, and other property owned by, and under the custody and control of, those financial institutions, by means of materially false and fraudulent pretenses, representations, and promises, namely, through the manner and means described in paragraphs 6 through 13 of Count One of this Indictment, each constituting a separate count of this Indictment:

Count	Victim Lender	Subject Property
2	Financial Institution 1	239 Fulton Avenue, Jersey City, New Jersey
3	Financial Institution 2	239 Fulton Avenue, Jersey City, New Jersey
4	Financial Institution 3	42 Union Street, Jersey City, New Jersey
5	Financial Institution 4	42 Union Street, Jersey City, New Jersey

All in violation of Title 18, United States Code, Sections 1344 and 2.

FORFEITURE ALLEGATION

1. The allegations contained in this Indictment are incorporated by reference as though set forth in full herein for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 982(a)(2).

2. The United States hereby gives notice to defendant GARVIN that, upon conviction of the offenses charged in this Indictment, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(2), which requires any person convicted of such offenses to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses.

3. If any of the above-described forfeitable property, as a result of any act or omission of Defendant GARVIN:

- (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

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in paragraph 2.

A TRUE BILL

FOREPERSON

CRAIG CARPENITO
UNITED STATES ATTORNEY