

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO.
v.	:	DATE FILED:
WILLIE G. MANLEY, JR.	:	VIOLATIONS:
	:	18 U.S.C. § 371 (conspiracy to commit loan and wire fraud - 1 count)
	:	18 U.S.C. § 1014 (loan fraud - 3 counts)
	:	18 U.S.C. § 1010 (false statement in connection with Federal Housing Administration loan - 1 count)
	:	18 U.S.C. §§ 1343, 1349 (wire fraud - 2 counts)
	:	18 U.S.C. § 2 (aiding and abetting) Notice of forfeiture

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Defendant WILLIE G. MANLEY, JR. worked as a self-employed accountant at a tax preparation service.
2. John William Polosky, charged elsewhere, was a mortgage broker in Pittsburgh, Pennsylvania. Polosky's duties as a mortgage broker included preparing loan applications and submitting them, along with supporting documentation, to potential lenders to secure loans and mortgages.
3. K.F., R.F., E.B., and W.B. created a settlement company, KREW Settlement Services ("KREW"), which had its office in Philadelphia, Pennsylvania. KREW is an acronym for the first names of its four owners.
4. K.F. worked as a Title Agent at 21st Century Abstract Company and

PA/NJ Abstract prior to creating KREW.

THE CONSPIRACY

5. From in or about May 2004, to in or about February 2009, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

conspired and agreed with E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., John William Polosky, and others known and unknown to the United States Attorney, to knowingly make and cause to be made to federally-insured banks a false statement for the purpose of influencing the actions of the federally-insured banks upon a loan and to knowingly devise a scheme to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and to use interstate wires to further the scheme to defraud, in violation of Title 18, United States Code, Sections 1014, 1343, and 1349.

MANNER AND MEANS

It was part of the conspiracy that:

6. Defendant WILLIE G. MANLEY, JR., co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., John William Polosky, and others known and unknown to the United States Attorney, caused fraudulent loan applications, which contained materially false statements, to be assembled and submitted to lenders to dupe the lenders into loaning funds to purchase real properties within the Eastern District of Pennsylvania, the Eastern District of Virginia, and elsewhere.

7. Co-conspirators E.B., E.P., and others known and unknown to the United States Attorney, typically sought out distressed properties to purchase in the West Philadelphia area. Sometimes, the properties were purchased in the names of co-conspirators R.F., G.T.,

C.B., R.M., M.M., D.D., E.P., or other co-conspirators known to the United States Attorney. Other times, co-conspirators E.B., W.B., G.T., and E.P., and other co-conspirators, recruited others to act as the straw buyers in whose name the properties could be titled. Sometimes, the co-conspirators would reside in the properties purchased. Usually, however, the properties were left vacant.

8. In order to secure the mortgage loans for the properties, co-conspirators John William Polosky, W.B., and R.F., and others known and unknown to the United States Attorney, brokered fraudulent loan applications that they knew contained materially false information for co-conspirators E.B. and E.P., and others known and unknown to the United States Attorney. These fraudulent loan applications often falsely listed a grossly inflated sales price, and typically included false supporting documents, including false W-2 Forms and income tax returns showing income that did not exist, false payroll stubs or employment verification showing employment that did not exist, false lease agreements showing tenants and rents that did not exist, and other false documents that misrepresented the purported applicant's income, employment, assets, and other matters. In addition, these fraudulent loan applications were also typically supported by false appraisals prepared by or with the consent of corrupt appraisers that grossly overstated the market values of the properties.

9. Defendant WILLIE G. MANLEY, JR. created false income documents such as W-2 Forms, paystubs, and Form 1040 income tax returns at the direction of E.B. and R.F., which were provided to the lenders and upon which the lenders relied when deciding whether to approve the mortgage loan applications.

10. Co-conspirator F.C. worked as a real estate appraiser and knowingly prepared and authorized the preparation of falsely-inflated appraisals for the properties. By

grossly overstating the actual values of the cheap homes being bought, these false appraisals tricked unwitting lenders into approving expensive mortgage loans that they believed were secured and backed up by sufficient collateral.

11. Co-conspirator C.B. falsely claimed to lenders checking the accuracy of other mortgage loan applications submitted that various straw buyers were working at the same company at which C.B. worked, when in reality they were not.

12. Starting in or about October 2007, co-conspirator K.F. began creating fake title insurance policies and falsely informed lenders that title insurance policies had been obtained for the properties, when in fact no such policies had been obtained, in order to deceive the lenders into funding the loans. K.F. also sometimes intentionally failed to record the mortgages with the City of Philadelphia Records Department after the loans funded, so as to be able to deceive future lenders by hiding the existence of the initial mortgages on the properties.

13. Co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., and John William Polosky, and other co-conspirators known and unknown to the United States Attorney, with the assistance of defendant WILLIE G. MANLEY, JR., also sometimes arranged and facilitated either a fraudulent sale of the property from one straw buyer to another straw buyer or a fraudulent refinancing of the property. With respect to properties as to which K.F. failed to record the initial mortgages with the City of Philadelphia Records Department, the co-conspirators were able to pocket the entire amount of any subsequent mortgages. In addition, at times the co-conspirators would secure two different mortgages for the same property from two different lenders by simultaneously submitting separate fraudulent loan applications to two different lenders, without informing either lender of the existence of the other application.

14. With respect to those properties as to which the lenders were quoted a grossly inflated sales price, co-conspirator K.F., who served as title agent for most of the transactions, prepared two deeds and settlement statements (referred to as “Form HUD-1”) – one for the seller that showed the agreed-upon sales price and one for the lender that showed the grossly inflated sales price. K.F. sometimes recorded the false deed showing the grossly inflated sales price, which the co-conspirators could then use to establish comparable sales for subsequent loans for properties in the surrounding area. After the loan funded, the seller was paid the agreed-upon sales price, and the difference between the actual sales price and the false sales price quoted to the lender was distributed to co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., John William Polosky, and other co-conspirators who had been involved in securing the particular loan.

15. Co-conspirators E.B. and E.P. created false invoices showing extensive home improvements on the properties that had never been done, in order to support payments to E.B. and E.P. on the Forms HUD-1 after the loans funded.

16. Lenders, including federally-insured banks, many of which were outside the state of Pennsylvania, approved the loans having relied on the false information contained in the loan applications provided by co-conspirators John William Polosky, W.B., and R.F., the false appraisals provided by co-conspirator F.C. and other real estate appraisers, and wired loan proceeds to title companies in Pennsylvania, including title companies controlled by co-conspirator K.F.

17. After the loans funded, co-conspirator K.F. typically disbursed loan proceeds fraudulently obtained to other co-conspirators, including to a joint bank account owned by co-conspirators E.B. and R.F. and a joint bank account owned by co-conspirators E.B. and

W.B., and covered up such payments by creating and submitting false Forms HUD-1 and other false documentation. Thereafter, co-conspirators E.B., W.B., G.T., C.B., R.M., M.M., D.D., E.P., and other co-conspirators would make some payments on the mortgages in order to perpetuate the scheme and keep the lenders from foreclosing on the property long enough so the co-conspirators could facilitate either a subsequent fraudulent sale of the property from one straw buyer to another straw buyer or a fraudulent refinancing of the property.

18. In all, the mortgage fraud scheme involved more than 100 properties, mostly in the West Philadelphia area, and over \$20 million in loan proceeds fraudulently obtained. With respect to those properties that were not being used as residences by the co-conspirators, after making some initial mortgage payments and perfunctory home repairs in furtherance of the scheme so that homes would appear to be of higher value and to delay the fraudulent scheme from being exposed, the co-conspirators typically defaulted on their loans. Most properties have since fallen into foreclosure.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendant WILLIE G. MANLEY, JR. and his co-conspirators committed the following overt acts, among others, in the Eastern District of Pennsylvania, and elsewhere:

5114 Springfield Avenue, Philadelphia, PA

1. On or before December 29, 2006, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., R.M., and John William Polosky caused a refinancing mortgage loan application containing materially false statements to be submitted to BNC Mortgage Inc. that included, among other things, false W-2s and paystubs showing false income for R.M., and approximately 27 false leases showing that R.M. was collecting large amounts of rental income.

2. On or before December 29, 2006, defendant WILLIE G. MANLEY, JR. created false W-2s and paystubs for co-conspirator R.M. showing income that R.M. had not earned. These documents were submitted to BNC Mortgage Inc.

3. On or about December 29, 2006, as a result of the fraudulent mortgage loan application, defendant WILLIE G. MANLEY, JR. caused BNC Mortgage Inc. to approve the mortgage application for 5114 Springfield Avenue, issue a loan in the amount of \$297,500, and send a \$296,323.48 check to PA/NJ Abstract, where co-conspirator K.F. worked as a title agent.

5. On or about December 29, 2006, unbeknownst to BNC Mortgage Inc., co-conspirator K.F. disbursed funds to co-conspirators known and unknown to the United States Attorney, including approximately \$30,121.87 to co-conspirator E.B.

4. On or before July 15, 2008, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., W.B., F.C., C.B., R.M., and D.D., through G.F., a mortgage broker known to the United States Attorney, caused a mortgage loan application containing materially false statements to be submitted to Wells Fargo Bank that included, among other things, a false statement that the property would be sold by R.M. to D.D., a false statement that the property would be D.D.'s primary residence, false employment verification for D.D., and false W-2s, paystubs, and tax returns showing false income for D.D.

5. On or before July 15, 2008, defendant WILLIE G. MANLEY, JR. created false W-2s, paystubs, and tax returns for co-conspirator D.D. showing income that D.D. had not earned. These documents were submitted to Wells Fargo Bank.

6. On or before July 15, 2008, co-conspirator K.F. created a false title insurance policy for 5114 Springfield Avenue, which was submitted to Wells Fargo Bank.

7. On or about July 15, 2008, as a result of the fraudulent mortgage loan application, defendant WILLIE G. MANLEY, JR. And his co-conspirators caused Wells Fargo Bank to approve the mortgage application for 5114 Springfield Avenue, issue a loan in the amount of \$329,824, and wire approximately \$322,740.34 to KREW, where co-conspirator K.F. was the title agent.

8. On or about July 16, 2008, unbeknownst to Wells Fargo Bank, co-conspirator K.F. disbursed approximately \$22,000 to himself and other funds to other co-conspirators known and unknown to the United States Attorney, including approximately \$23,200 to co-conspirator D.D. and over \$241,000 to co-conspirator E.B., who in turn disbursed funds to defendant WILLIE G. MANLEY, JR. and co-conspirators F.C. and R.M.

4930 Kingsessing Avenue, Philadelphia, PA

9. On or before June 29, 2005, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., W.B. and R.M., through D.M., a mortgage broker known to the United States Attorney, caused a mortgage loan application containing materially false statements to be submitted to First Horizon Home Loan Corporation that included, among other things, a false statement that R.M. was the buyer (when in fact the seller had agreed to sell the property to E.B.), false employment verification for R.M., false W-2s and paystubs showing false income, a false statement that the sales price was approximately \$280,000 (when in fact the actual sales price was approximately \$100,000), and false leases showing \$3,150 in monthly rental income on the property.

10. On or before June 29, 2005, defendant WILLIE G. MANLEY, JR. created false W-2s and paystubs for co-conspirator R.M. showing income that R.M. had not earned. These documents were submitted to First Horizon Home Loan Corporation.

11. On or before June 29, 2005, co-conspirator K.F. prepared two sets of Form HUD-1 settlement statements – one for the seller that showed the agreed-upon sales price and one for First Horizon Loan Corporation that showed the sales price to be \$280,000.

12. On or about June 29, 2005, as a result of the fraudulent mortgage loan application, defendant WILLIE G. MANLEY, JR. caused First Horizon Home Loan Corporation to approve the mortgage application for 4930 Kingsessing Avenue, issue a loan in the amount of \$238,000, and wire approximately \$233,840.02 to PA/NJ Abstract, where co-conspirator K.F. worked as a title agent.

13. On or about June 29, 2005, unbeknownst to First Horizon Home Loan Corporation, co-conspirator K.F. disbursed funds to co-conspirators known and unknown to the United States Attorney, including approximately \$63,000 to co-conspirator E.B.

14. On or before April 30, 2007, using the identity of V.W., a straw borrower known to the United States Attorney, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., F.C., R.M., and John William Polosky caused a mortgage loan application containing materially false statements to be submitted to Bank of America that included, among other things, a false statement that the property would be sold by R.M. to V.W., a false statement that the property would be V.W.'s primary residence, and false W-2s and paystubs showing false income.

15. On or before April 30, 2007, defendant WILLIE G. MANLEY, JR. created false W-2s and paystubs for V.W. showing income that V.W. had not earned. These documents were submitted to Bank of America.

16. On or before April 30, 2007, co-conspirator F.C. knowingly provided a falsely-inflated appraisal for 4930 Kingsessing Avenue that grossly overstated the actual value of

4930 Kingsessing Avenue, which was submitted to Bank of America.

17. On or about April 30, 2007, as a result of the fraudulent mortgage loan application and false appraisal, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Bank of America to approve the mortgage application for 4930 Kingsessing Avenue, issue a loan in the amount of \$355,000, and wire approximately \$354,039.32 to PA/NJ Abstract, where co-conspirator K.F. worked as a title agent.

18. On or about April 30, 2007, unbeknownst to Bank of America, co-conspirator K.F. disbursed funds to co-conspirators known and unknown to the United States Attorney, including approximately \$46,843.28 to the bank account co-owned by co-conspirators E.B. and R.F. and approximately \$15,500 to co-conspirator R.M.

19. On or before March 25, 2008, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., R.F., W.B., F.C., R.M., M.M., and John William Polosky caused a mortgage loan application containing materially false statements to be submitted to Washington Mutual Bank that included, among other things, a false statement that the property would be M.M.'s primary residence, false W-2s and paystubs showing false income for M.M., and false leases showing false monthly rental income.

20. On or before March 25, 2008, defendant WILLIE G. MANLEY, JR. created false W-2s and paystubs for co-conspirator M.M. showing income that M.M. had not earned. These documents were submitted to Washington Mutual Bank.

21. On or before March 25, 2008, co-conspirator F.C. knowingly provided a falsely-inflated appraisal for 4930 Kingsessing Avenue that grossly overstated the actual value of 4930 Kingsessing Avenue, which was submitted to Washington Mutual Bank.

22. On or before March 25, 2008, co-conspirator K.F. created a false title

insurance policy for 4930 Kingsessing Avenue, which was submitted to Washington Mutual Bank.

23. On or about March 25, 2008, as a result of the fraudulent mortgage loan application, false appraisal, and false title insurance policy, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Washington Mutual Bank to approve the mortgage application for 4930 Kingsessing Avenue, issue a loan in the amount of \$324,000, and wire approximately \$319,064.63 to KREW, where co-conspirator K.F. was the title agent.

24. On and after March 25, 2008, co-conspirator K.F. failed to record Washington Mutual Bank's mortgage on 4930 Kingsessing Avenue with the City of Philadelphia Records Department and failed to repay Bank of America's existing mortgage on 4930 Kingsessing Avenue, as stated on the Form HUD-1 that was submitted to Washington Mutual Bank. Instead, K.F. retained the funds to distribute to himself and other co-conspirators.

25. Between on or about March 26, 2008 and on or about April 3, 2008, unbeknownst to Washington Mutual Bank, co-conspirator K.F. disbursed funds to co-conspirators known and unknown to the United States Attorney, including approximately \$13,750 to a company owned by K.F., approximately \$3,240 to a company owned by co-conspirator R.F., and at least \$244,253.01 to the bank account co-owned by co-conspirators E.B. and R.F. from where further payments were made to co-conspirators M.M., K.F., C.B., and F.C. (through L.W., a person known to the United States Attorney).

11101 Royal Lane, Providence Forge, VA

26. On or before February 13, 2007, defendant WILLIE G. MANLEY, JR. and co-conspirators W.B. and R.M., through D.M., a mortgage broker known to the United States Attorney, caused a mortgage loan application containing materially false statements to be

submitted to Saxon Mortgage, Inc. that included, among other things, a false address for R.M. in Virginia and a false statement that the property would be R.M.'s primary residence (when in fact R.M. lived in Pennsylvania and the property was being used as W.B.'s primary residence), false employment verification for R.M., false paystubs showing false income, and false leases showing false monthly rental income.

27. On or before February 13, 2007, defendant WILLIE G. MANLEY, JR. created false paystubs for co-conspirator R.M. showing income that R.M. had not earned. These documents were submitted to Saxon Mortgage, Inc.

28. On or about February 13, 2007, as a result of the fraudulent mortgage loan application, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Saxon Mortgage, Inc. to approve the mortgage application for 11101 Royal Lane, issue a loan in the amount of \$519,000, and wire approximately \$523,722.12 to the title company to fund the mortgage.

327 N. 64th Street, Philadelphia, PA

29. On or before April 13, 2007, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., F.C., and C.B. caused a loan request and supporting documents containing materially false statements to be submitted to Advance Bank that included, among other things, a false statement that co-conspirator C.B. earned \$2,400 in monthly rent at the property at 327 N. 64th Street, Philadelphia, PA, which were to serve as the headquarters for KREW, a false tax return showing false income for C.B., and false leases showing false monthly rental income.

30. On or before April 13, 2007, defendant WILLIE G. MANLEY, JR. created false W-2s, paystubs, and tax returns for co-conspirator C.B. showing income that C.B.

had not earned. These documents were submitted to Advance Bank.

31. On or before April 13, 2007, co-conspirator F.C. knowingly provided a falsely-inflated appraisal for 327 N. 64th Street that grossly overstated the actual value of 327 N. 64th Street, which was submitted to Advance Bank.

32. On or about April 13, 2007, as a result of the false tax return, false leases, and false appraisal, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Advance Bank to approve the mortgage application for 327 N. 64th Street, issue a loan in the amount of \$132,750, and send a \$126,292.49 check to PA/NJ Abstract, where co-conspirator K.F. worked as a title agent.

33. On and after April 13, 2007, unbeknownst to Advance Bank, co-conspirator K.F. disbursed approximately \$30,595.74 to co-defendant E.B., from where further payments were made to co-defendants W.B., R.F., and C.B.

5112 Springfield Avenue, Philadelphia, PA

34. Sometime prior to July 31, 2007, co-conspirator G.T. recruited R.H., a person known to the United States Attorney, to act as a straw buyer for the property at 5112 Springfield Avenue, Philadelphia, Pennsylvania.

35. On or before July 31, 2007, defendant WILLIE G. MANLEY, JR. and co-conspirators E.B., K.F., F.C., G.T., C.B., and John William Polosky, using the identity of R.H., caused a mortgage loan application containing materially false statements to be submitted to The CIT Group that included, among other things, a false statement that the property would be R.H.'s primary residence, false employment verification for R.H., false W-2s and paystubs showing false income for R.H., and false leases showing false monthly rental income.

36. On or before July 31, 2007, defendant WILLIE G. MANLEY, JR. created

false W-2s and paystubs for R.H. showing income that R.H. had not earned. These documents were submitted to The CIT Group.

37. On or before July 31, 2007, co-conspirator C.B. facilitated the verification that R.H. worked at Unicco, the employer of C.B., when in fact R.H. did not work at Unicco.

38. On or before July 31, 2007, co-conspirator F.C. knowingly provided a falsely-inflated appraisal for 5112 Springfield Avenue that grossly overstated the actual value of 5112 Springfield Avenue, which was submitted to The CIT Group.

39. On or about July 31, 2007, as a result of the fraudulent mortgage loan application and false appraisal, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused The CIT Group to approve the mortgage application for 5112 Springfield Avenue, issue a loan in the amount of \$308,250, and wire approximately \$307,300 to KREW, where co-conspirator K.F. was the title agent.

40. On and after July 31, 2007, co-conspirator K.F. failed to record The CIT Group's mortgage on 5112 Springfield Avenue with the City of Philadelphia Records Department, and failed to repay the existing mortgage on 4930 Kingsessing Avenue, as stated on the Form HUD-1 that was submitted to The CIT Group. Instead, K.F. retained the funds to distribute to himself and other co-conspirators.

41. On and after July 31, 2007, unbeknownst to The CIT Group, co-conspirator K.F. disbursed approximately \$209,863.88 to himself and other funds to other co-conspirators known and unknown to the United States Attorney, including approximately \$9,000 to the bank account co-owned by co-conspirators E.B. and R.F., at least \$71,000 to E.B., and approximately \$6,655 to co-conspirator John William Polosky.

5113 Chester Avenue, Philadelphia, PA

42. Sometime prior to February 5, 2008, co-conspirator E.P. recruited R.K., a person known to the United States Attorney, to act as a straw buyer for the property at 5113 Chester Avenue, Philadelphia, Pennsylvania.

43. On or before February 5, 2008, using the identity of R.K., co-conspirators E.P., E.B., K.F., W.B., and F.C., through C.S., a mortgage broker known to the United States Attorney, caused a mortgage loan application containing materially false statements to be submitted to Countrywide Bank that included, among other things, false employment verification for R.K., false statements as to income and bank account balance of R.K., and a false statement that R.K. would use 5113 Chester Avenue as a primary residence.

44. On or before February 5, 2008, co-conspirator K.F. created a false title insurance policy for 5113 Chester Avenue, which was submitted to Countrywide Bank.

45. On or before February 5, 2008, co-conspirator F.C. knowingly provided a falsely-inflated appraisal for 5113 Chester Avenue that grossly overstated the actual value of 5113 Chester Avenue, which was submitted to Countrywide Bank.

46. On or about February 5, 2008, as a result of the fraudulent mortgage loan application, false appraisal, and false title insurance policy, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Countrywide Bank to approve the mortgage application for 5113 Chester Avenue, issue a loan in the amount of \$299,250, and wire approximately \$303,972 to KREW, where co-conspirator K.F. was the title agent.

47. On and after February 5, 2008, co-conspirator K.F. failed to record Countrywide Bank's mortgage on 5113 Chester Avenue with the City of Philadelphia Records Department.

48. On or about February 6, 2008, unbeknownst to Countrywide Bank, co-

conspirator K.F. disbursed funds from the Countrywide Bank loan to co-conspirators known and unknown to the United States Attorney, including approximately \$173,705.98 to co-conspirator E.B., from where further payments were made to co-conspirators E.P., K.F., and W.B.

49. On or before February 13, 2008, again using the identity of R.K., a straw borrower known to the United States Attorney, defendant WILLIE G. MANLEY, JR. and co-conspirators E.P., E.B., K.F., W.B., and F.C., and caused a second mortgage loan application containing materially false statements to be submitted to another lender, Washington Mutual Bank, that included, among other things, false W-2s and paystubs showing false income, false statements as to the bank account balance of R.K., and a false statement that R.K. would use 5113 Chester Avenue as a primary residence, and which failed to disclose that another mortgage on 5113 Chester Avenue had been applied for and ultimately issued by Countrywide Bank.

50. On or before February 13, 2008, defendant WILLIE G. MANLEY, JR. created false W-2s and paystubs for R.K. showing income that R.K. had not earned. These documents were submitted to Washington Mutual Bank.

51. On or before February 13, 2008, co-conspirator K.F. created a false title insurance policy for 5113 Chester Avenue, which was submitted to Washington Mutual Bank.

52. On or before February 13, 2008, co-conspirator F.C. knowingly provided a second falsely-inflated appraisal for 5113 Chester Avenue that grossly overstated the actual value of 5113 Chester Avenue, which was submitted to Washington Mutual Bank

53. On or about February 13, 2008, as a result of the fraudulent mortgage loan application, false appraisal, and false title insurance policy, defendant WILLIE G. MANLEY, JR. and his co-conspirators caused Washington Mutual Bank to approve the mortgage application for 5113 Chester Avenue, issue a loan in the amount of \$337,250, and wire

approximately \$333,002.56 to KREW, where co-conspirator K.F. was the title agent.

54. On and after February 13, 2008, co-conspirator K.F. failed to record Washington Mutual Bank's mortgage on 5113 Chester Avenue with the City of Philadelphia Records Department.

55. On or about February 14, 2008, unbeknownst to Washington Mutual Bank, co-conspirator K.F. disbursed funds from the Washington Mutual Bank loan to co-conspirators known and unknown to the United States Attorney, including approximately \$109,800 to the bank account co-owned by co-conspirators E.B. and R.F. from where further payments were made to co-conspirators E.B., W.B., and E.P..

56. On or about February 15, 2008, co-conspirator E.P. gave a check drawn on his PNC Bank Account ending in 9956 for \$7,500 to R.K., the straw buyer of the 5113 Chester Avenue property.

57. On or about March 7, 2008, co-conspirator E.P. gave another check to R.K. for \$7,500 drawn from the same bank account.

58. On or about May 21, 2008, co-conspirator E.P. gave another check to R.K. for \$7,500 drawn from the same bank account. Additional payments from this same bank account totaling about \$62,364 were made to co-conspirator E.B.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

2. At all times material to this information, Bank of America was a financial institution with offices throughout the United States, including Pennsylvania and California, the deposits of which were insured by the Federal Deposit Insurance Corporation, Certificate No. 3510.

3. On or about April 30, 2007, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., F.C., R.M., and John William Polosky, charged elsewhere, and others known and unknown to the United States Attorney, knowingly made and caused to be made to Bank of America, and aided and abetted the making of, a false statement for the purpose of influencing the actions of Bank of America, upon a loan, that is, a \$355,000 mortgage for 4930 Kingsessing Avenue, Philadelphia, PA, in that defendant MANLEY together and with E.B., K.F., F.C., R.M., and John William Polosky caused to be submitted to Bank of America a false loan application that represented that the property would be V.W.'s primary residence and that V.W. earned \$6,950 per month, and false W-2s that represented that V.W. had earned \$52,500.50 in income from Medical Systems in 2006 and \$49,996 in income from Medical Systems in 2005, when, as defendant MANLEY knew, the representations were not true.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT THREE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

2. At all times material to this information, Washington Mutual Bank was a financial institution with offices throughout the United States, including California, the deposits of which were insured by the Federal Deposit Insurance Corporation, Certificate No. 36233.

3. On or about February 13, 2008, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., W.B., F.C., and E.P., and others known and unknown to the United States Attorney, knowingly made and caused to be made to Washington Mutual Bank, and aided and abetted the making of, a false statement for the purpose of influencing the actions of Washington Mutual Bank, upon a loan, that is, a \$337,250 mortgage for 5113 Chester Avenue, Philadelphia, PA, in that defendant MANLEY together and with E.B., K.F., W.B., F.C., and E.P. caused to be submitted to Washington Mutual Bank a false loan application that represented that the property would be R.K.'s primary residence, and that R.K. earned \$5,725.01 per month, and false W-2s and paystubs that represented that R.K. had earned \$68,700 in income per year from P'Eric's Development in 2005, 2006, and 2007 when, as defendant MANLEY knew, the representations were not true.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FOUR

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

2. At all times material to this information, Advance Bank was a financial institution with offices in Maryland, the deposits of which were insured by the Federal Deposit Insurance Corporation, Certificate No. 31372.

3. On or about April 13, 2007, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., W.B., F.C., R.M., M.M., and John William Polosky, charged elsewhere, and others known and unknown to the United States Attorney, knowingly made and caused to be made to Advance Bank, and aided and abetted the making of, a false statement for the purpose of influencing the actions of Advance Bank, upon a loan, that is, a \$132,750 mortgage for 327 N. 64th Street, Philadelphia, PA, in that defendant MANLEY together and with E.B., K.F., W.B., F.C., R.M., M.M., and John William Polosky caused to be submitted to Advance Bank a loan request and a false 2005 income tax return that represented that C.B. had \$111,509 in adjusted gross income in 2005 and false documentation that represented that C.B. earned \$2,400 per month in rent for units at 327 N. 64th Street, when, as defendant MANLEY knew, the representations were not true.,

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FIVE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

2. On or about July 15, 2008, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., W.B., F.C., C.B., R.M., and D.D., and others known and unknown to the United States Attorney, knowingly made and caused to be made to Wells Fargo Bank, and aided and abetted the making of, a false statement for the purpose of influencing the actions of the Department of Housing and Urban Development upon a loan accepted by the Department of Housing and Urban Development for insurance, that is, a \$329,824 Wells Fargo Bank mortgage for 5114 Springfield Avenue, Philadelphia, PA, in that defendant MANLEY together and with E.B., K.F., F.C., C.B., R.M., and D.D. caused to be submitted to Wells Fargo Bank a false loan application that represented that D.D. earned \$9,380 per month, and false tax returns that represented that D.D. had \$111,627 in adjusted gross income for 2007 and \$85,500 in adjusted gross income for 2006, when, as defendant MANLEY knew, the representations were not true.

In violation of Title 18, United States Code, Section 1010 and 2.

COUNT SIX

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

THE SCHEME

2. From in or around May 2004 to in or around February 2009, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., John William Polosky, charged elsewhere, and others known and unknown to the United States Attorney, devised a scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

3. On or about February 5, 2008, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., W.B., F.C., E.P., and others known and unknown to the United States Attorney, for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication in interstate commerce a wire transfer of approximately \$303,972 in loan proceeds from Bank of New York, in New York, New York, to the Citizens Bank account of Briser Abstract Co. d/b/a KREW Settlement Services, LLC, in Philadelphia, Pennsylvania.

All in violation of Title 18, United States Code, Sections 1343, 1349, and 2.

COUNT SEVEN

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 4 and 6 through 18, and Overt Acts 1 through 58, of Count One are incorporated here.

THE SCHEME

2. From in or around May 2004 to in or around February 2009, defendant

WILLIE G. MANLEY, JR.,

together and with E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., E.P., John William Polosky, charged elsewhere, and others known and unknown to the United States Attorney, devised a scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

3. On or about March 25, 2008, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIE G. MANLEY, JR.

together and with E.B., K.F., W.B., F.C., R.M., M.M., and John William Polosky, and others known and unknown to the United States Attorney, for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication in interstate commerce a wire transfer of approximately \$319,064.63 in loan proceeds from Washington Mutual Bank, in Stockton, California to the Citizens Bank account of Briser Abstract Co. d/b/a KREW Settlement Services, LLC, in Philadelphia, Pennsylvania.

All in violation of Title 18, United States Code, Sections 1343, 1349, and 2.

NOTICE OF FORFEITURE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 1014, 1343, and 1349 as set forth in this information, defendant

WILLIE G. MANLEY, JR.

shall forfeit to the United States of America any property that constitutes, or is derived from, proceeds obtained directly or indirectly from the commission of such offenses, including, but not limited to, the sum of \$13,754,273.

2. If any of the property subject to forfeiture, as a result of any act or omission of the 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;

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant(s) up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982(a)(2).

**ZANE DAVID MEMEGER
UNITED STATES ATTORNEY**