

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No.
 :
 WILLIAM PAGE : 18 U.S.C. § 371

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Defendant, Coconspirators and Entities

1. At all times relevant to this Information:
 - a. N.J. Affordable Homes, Corp. was a New Jersey corporation with offices in Woodbridge, Hopelawn, and Perth Amboy, New Jersey, which also did business as: Purely Profit Plus LLC; NJ Affordability Homes Corp.; New York Affordable Project Management Corp.; Speedy Realty, Inc.; Discount Homes R Us, Inc.; H&W Properties, Inc.; NJ Homes of New Jersey, Inc.; Quality Homes Are Us, LLC; and United Funding Capital, among others (collectively "NJAH"). NJAH was purportedly in the business of, among others things, purchasing real property, renovating those properties, and selling them at a profit.

b. Defendant **WILLIAM PAGE**, a resident of Old Bridge, New Jersey, was a real estate appraiser licensed by the New Jersey Board of Real Estate Appraisers. Defendant **WILLIAM PAGE** prepared materially false and misleading appraisals of real properties (the "Investment Properties") that were used to persuade individual investors to make and maintain investments in NJAH. Defendant **WILLIAM PAGE** also created materially false and misleading construction progress letters that misrepresented the status of renovations and improvements made to the Investment Properties.

c. W.P., a New Jersey resident, who is named as a coconspirator but not as a defendant herein, was the president of NJAH. Among other things, W.P. solicited individuals to invest in NJAH and represented that their investments would be fully secured by liens placed on their behalf against the Investment Properties.

d. G.O., a New Jersey resident, who is named as a coconspirator but not as a defendant herein, was an attorney licensed to practice in the state of New Jersey.

THE CONSPIRACY

2. From at least as early as in or about January 1998 to in

or about September 2005, in the District of New Jersey and elsewhere, defendant

WILLIAM PAGE

did knowingly and willfully conspire and agree with coconspirator W.P. and others to commit offenses against the United States, namely, to place in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and to deposit and cause to be deposited matters and things to be sent and delivered by private and commercial interstate carrier, and to take and receive therefrom, such matters and things and knowingly causing to be delivered by mail and such carrier according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it was addressed, such matters and things, for the purpose of executing a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, contrary to Title 18, United States Code, Section 1341.

Object of the Conspiracy

3. The object of the conspiracy was for W.P. and his coconspirators to obtain money and property from individual

investors by, among other things, providing them with materially false and misleading property appraisals that supposedly secured their investments in NJAH, thereby enabling W.P. and his coconspirators to fraudulently obtain over \$100 million from hundreds of such individual investors.

Means and Methods of the Conspiracy

4. It was part of the conspiracy that W.P. solicited individual investors to enter into investment loan contracts with NJAH and promised investors, among other things, that their investments: (i) would be safe, secure, and have unparalleled diversification; and (ii) would provide annual returns of between 15% and 22%.

5. It was further part of the conspiracy that W.P. told investors that their money would first be deposited into the attorney escrow account of G.O. and released to NJAH only when their investments were secured by a first mortgage lien on an Investment Property owned by NJAH.

6. It was further part of the conspiracy that W.P. falsely represented to investors that the initial release of their funds from the attorney escrow account to NJAH would be no more than 75% of the market value of the Investment Property.

7. It was further part of the conspiracy that W.P.

represented to investors that subsequent releases of their funds to NJAH from the attorney escrow account would be made only as improvements to the Investment Properties were completed, as verified by inspection and written approval of a licensed certified appraiser.

8. It was further part of the conspiracy that W.P. represented to investors that at all times after the initial release of a portion of their investment funds, their investments would be secured by an Investment Property having a projected value that was approximately 30% greater than their investment amount.

9. It was further part of the conspiracy that W.P. retained defendant **WILLIAM PAGE** to (i) appraise the Investment Properties; and (ii) provide construction progress letters verifying the completion of renovations and improvements to the Investment Properties.

10. It was further part of the conspiracy that W.P. directed defendant **WILLIAM PAGE** to provide two appraisal values for each Investment Property: (i) the "as is" market value; and (ii) the "as renovated" or "after improvements" value, which was purportedly the projected market value of the Investment Property after certain renovations and construction plans

specified by W.P. were completed.

11. It was further part of the conspiracy that the appraisals created by defendant **WILLIAM PAGE** (in consultation with W.P.) were materially false and misleading in that, among other things:

(i) the "as is" values set forth in the appraisals materially overstated the fair market value of the Investment Properties; and

(ii) the "as renovated" or "after improvements" values were materially overstated because, among other things, they were based upon sales of "comparable" properties that were dissimilar in that they were situated outside the appropriate geographical market area of the Investment Properties.

12. It was further part of the conspiracy that W.P. paid defendant **WILLIAM PAGE** appraisal fees that were far in excess of reasonable and customary fees for property appraisals.

13. It was further part of the conspiracy that W.P. disseminated the appraisals, directly and indirectly, to individual investors to persuade them to make and maintain investments in NJAH.

14. It was further part of the conspiracy that W.P., directly and through others, caused the materially false and misleading appraisals to be sent to G.O. so that the initial disbursement of investor funds would be released from the attorney escrow account to NJAH.

15. It was further part of the conspiracy that W.P. directly and indirectly instructed defendant **WILLIAM PAGE** to create materially false and misleading construction progress letters, which stated falsely that:

- (i) he had inspected the Investment Properties; and
- (ii) renovations and improvements to the Investment Properties were in various stages of completion when in fact they were not, and in some cases, had not yet been commenced.

16. It was further part of the conspiracy that, at the direction of W.P., and with his knowledge and consent, defendant **WILLIAM PAGE** provided the materially false and misleading construction progress letters to G.O. so that subsequent disbursements of investor funds would be released from the attorney escrow account to NJAH.

17. It was further part of the conspiracy that W.P. caused liens to be placed on the Investment Properties in the names of

individual investors such that investors' funds were not secured by either the "as is" or the "as renovated" value of the Investment Properties because the dollar value of the liens exceeded both the actual "as is" fair market value of the Investment Properties and the projected "as renovated" value of the Investment Properties.

Overt Acts

18. In furtherance of the conspiracy, and in order to effect the object thereof, defendant **WILLIAM PAGE**, and his coconspirators committed, and caused to be committed, the following acts in the District of New Jersey and elsewhere on or about the dates listed below:

a. On or about January 10, 2005, G.O. sent a letter from his office located in Perth Amboy, New Jersey, to individual investor J.M. at his address in Mendham, New Jersey, through the United States Mail confirming receipt of an investment of \$250,000 into his attorney escrow account.

Investment Property
26 Birch Avenue, Winslow Township, New Jersey

b. On or about July 29, 2005, at the direction of W.P., defendant **WILLIAM PAGE** created a property appraisal for a property located at 26 Birch Avenue, Winslow Township, New

Jersey, (the "Birch Avenue Property") which materially overstated the "as is" and "as improved" values of the Birch Avenue Property.

c. On or about August 1, 2005, G.O. sent the appraisal of the Birch Avenue Property through the United States Mail to investor C.N. located in St. Paul, Minnesota to assure C.N. that his investment of \$450,000 in NJAH was fully secured.

Investment Property
254 Ruth Lane, Aberdeen, New Jersey

d. On or about March 6, 2000, with the knowledge and consent of coconspirator W.P., defendant **WILLIAM PAGE** created a construction progress letter stating falsely that: (i) he had inspected the Investment Property located at 254 Ruth Lane, Aberdeen, New Jersey (the "Ruth Lane Property"); and (ii) the Ruth Lane Property appeared to be 1/3 completed as per the renovations supplied by W.P., despite the fact that the Ruth Lane Property was at that time and remains vacant land.

e. On or about March 7, 2000, at the direction of W.P. and with his knowledge and consent, defendant **WILLIAM PAGE** sent the materially false and misleading construction progress letter pertaining to the Ruth Lane Property through the United States Mail and via facsimile to G.O. in order to release investor

funds purportedly secured by the Ruth Lane Property, from the attorney escrow account.

Investment Property
Block 972, Lot 14, 15, 16, 17, Borman Avenue,
Woodbridge, New Jersey

f. In or about March 2000, with the knowledge and consent of coconspirator W.P., defendant **WILLIAM PAGE** created a construction progress letter stating falsely that: (i) he had inspected the Investment Property located at Block 972, Lots 14-17, Borman Avenue, Woodbridge, New Jersey (the "Borman Avenue Property"); and (ii) the Borman Avenue Property was 50% completed as per the renovations supplied by W.P., despite the fact that the Borman Avenue Property was at that time and remains vacant land.

g. On or about March 31, 2000, at the direction of W.P. and with his knowledge and consent, defendant **WILLIAM PAGE** sent the materially false and misleading construction progress letter pertaining to the Borman Avenue Property through the United States Mail and via facsimile to G.O. in order to release investor funds purportedly secured by the Borman Avenue Property from the attorney escrow account.

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

CHRISTOPHER J. CHRISTIE
United States Attorney