

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

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO.</b>
<b>v.</b>	<b>:</b>	<b>DATE FILED:</b>
<b>ERIC PONDER</b>	<b>:</b>	<b>VIOLATIONS:</b>
	<b>:</b>	<b>18 U.S.C. § 371 (conspiracy to commit</b>
	<b>:</b>	<b>loan and wire fraud - 1 count)</b>
	<b>:</b>	<b>18 U.S.C. § 1014 (loan fraud - 1 count)</b>
	<b>:</b>	<b>18 U.S.C. §§ 1343, 1349 (wire fraud - 1</b>
	<b>:</b>	<b>count)</b>
	<b>:</b>	<b>18 U.S.C. § 2 (aiding and abetting)</b>
	<b>:</b>	<b>Notice of forfeiture</b>
	<b>:</b>	

**INFORMATION**

**COUNT ONE**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

At all times material to this information:

1. Defendant ERIC PONDER held himself out as a real estate developer and the president of Ponder Development Inc., a Philadelphia company providing home improvement services.
2. John William Polosky, charged elsewhere, was a mortgage broker employed by First Capital Home Equity, LLC, in Pittsburgh, Pennsylvania. Polosky's duties as a mortgage broker included preparing loan applications and submitting them to potential lenders to secure loans and mortgages.
3. Willie G. Manley, Jr., charged elsewhere, worked as a self-employed accountant at a tax preparation service.
4. K.F., R.F., E.B., and W.B. formed, owned, and operated a settlement

company, Briser Abstract Company d/b/a KREW Settlement Services (“KREW”), which had its office in Philadelphia, Pennsylvania. KREW is an acronym for the first names of its four owners.

5. K.F. worked as a Title Agent at 21<sup>st</sup> Century Abstract Company and PA/NJ Abstract prior to creating KREW.

### **THE CONSPIRACY**

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

#### **ERIC PONDER**

conspired and agreed with E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., Willie G. Manley, Jr., 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:

7. Defendant ERIC PONDER, co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., Willie G. Manley, Jr., 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.

8. Defendant ERIC PONDER, co-conspirator E.B., 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., defendant PONDER, or other co-conspirators known to the United States Attorney. Other times, E.B., W.B., G.T., and defendant PONDER, 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.

9. 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-conspirator E.B. and defendant ERIC PONDER, 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.

10. Co-conspirator 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.

11. 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.

12. 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.

13. 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.

14. Defendant ERIC PONDER, co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., Willie G. Manley, Jr., and John William Polosky, and other co-conspirators known and unknown to the United States Attorney, 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.

15. 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 defendant ERIC PONDER, co-conspirators E.B., K.F., R.F., W.B., F.C., G.T., C.B., R.M., M.M., D.D., John William Polosky, and other co-conspirators who had been involved in securing the particular loan.

16. Defendant ERIC PONDER and co-conspirator E.B. created false invoices showing extensive home improvements on the properties that had never been done, in order to support payments to them on the Forms HUD-1 after the loans funded.

17. 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.

18. 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, defendant ERIC PONDER, co-conspirators E.B., W.B., G.T., C.B., R.M., M.M., D.D., 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

19. 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. 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 defaulted on their loans. Most properties have since fallen into foreclosure.

20. Defendant ERIC PONDER received approximately \$1,000,000 through his participation in this mortgage fraud scheme.

### **OVERT ACTS**

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

#### **2826 W. Oxford Street, Philadelphia, PA**

1. On or about November 27, 2006, defendant ERIC PONDER and co-

conspirators E.B., K.F., and John William Polosky caused a refinancing mortgage loan application containing materially false statements to be submitted to Bank of America which falsely stated that defendant PONDER earned \$25,000 per month.

2. On or about November 27, 2006, as a result of the fraudulent mortgage loan application, Bank of America approved the mortgage application for 2826 W. Oxford Street, issued a loan in the amount of \$244,500, and wired approximately \$243,975 to K.F., who served as the title agent, at PA/NJ Abstract.

3. On or about November 28, 2006, unbeknownst to Bank of America, K.F. disbursed funds to co-conspirators known and unknown to the United States Attorney, including approximately \$17,000 to the bank account co-owned by E.B., and R.F., and at least \$130,768.68 to defendant ERIC PONDER, from where further payments were made to John William Polosky.

5113 Chester Avenue, Philadelphia, PA

4. Sometime prior to February 5, 2008, defendant ERIC PONDER 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.

5. On or before February 5, 2008, using the identity of R.K., defendant ERIC PONDER and co-conspirators 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 which 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.

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

7. On or before February 5, 2008, 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.

8. On or about February 5, 2008, as a result of the fraudulent mortgage loan application, false appraisal, and false title insurance policy, Countrywide Bank approved the mortgage application for 5113 Chester Avenue, issued a loan in the amount of \$304,000, and wired approximately \$303,972 to K.F., who served as the title agent, at KREW.

9. On or about February 5, 2008, K.F. failed to record Countrywide Bank's mortgage on 5113 Chester Avenue with the City of Philadelphia Records Department.

10. On or about February 6, 2008, unbeknownst to Countrywide Bank, 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 E.B., from where further payments were made to defendant ERIC PONDER and co-conspirators K.F. and W.B.

11. On or before February 13, 2008, again using the identity of R.K., a straw borrower known to the United States Attorney, defendant ERIC PONDER and co-conspirators E.B., K.F., W.B., F.C., and Willie G. Manley, Jr. caused a second mortgage loan application containing materially false statements to be submitted to another lender, Washington Mutual Bank, which included, among other things, false employment verification for R.K., 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.

12. On or before February 13, 2008, Willie G. Manley, Jr. created false W-2s



and paystubs for R.K. showing income which R.K. had not earned. These documents were submitted to Washington Mutual Bank.

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

14. On or before February 13, 2008, 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

15. On or about February 13, 2008, as a result of the fraudulent mortgage loan application, false appraisal, and false title insurance policy, Washington Mutual Bank approved the mortgage application for 5113 Chester Avenue, issued a loan in the amount of \$337,250, and wired approximately \$333,002.56 to K.F.

16. On or about February 13, 2008, K.F. failed to record Washington Mutual Bank's mortgage on 5113 Chester Avenue with the City of Philadelphia Records Department.

17. On or about February 14, 2008, unbeknownst to Washington Mutual Bank, 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 E.B. and R.F. from where further payments were made to E.B., W.B., and approximately \$178,600 to defendant ERIC PONDER.

18. On three occasions between February 15, 2008, and May 21, 2008, defendant ERIC PONDER gave checks to R.K., the straw buyer of the 5113 Chester Avenue, totaling \$22,500.

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

## COUNT TWO

### **THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 5 and 7 through 20, and Overt Acts 1 through 18, of Count One are incorporated here.

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

3. On or about November 27, 2006, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

### **ERIC PONDER**

together and with E.B., K.F., 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, N.A., and aided and abetted the making of, a false statement for the purpose of influencing the actions of Bank of America, N.A., upon a loan, that is a \$244,500 mortgage for the purchase of 2826 W. Oxford Street, Philadelphia, Pennsylvania, in that defendant PONDER together and with E.B., K.F., and John William Polosky caused to be submitted to Bank of America, N.A. a false loan application in which defendant PONDER represented that he earned \$25,000 per month at P'Eric's Development, when, as defendant PONDER knew, he did not receive such income from P'Eric's Development.

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 5 and 7 through 20, and Overt Acts 1 through 18, of Count One are incorporated here.

#### **THE SCHEME**

2. From in or around May 2004 to in or around February 2009, defendant **ERIC PONDER** together and with E.B., K.F., R.F., W.B., F.C., C.B., Willie G. Manley, Jr., charged elsewhere, 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 13, 2008, in the Eastern District of Pennsylvania, and elsewhere, defendant

#### **ERIC PONDER**

together and with E.B., K.F., R.F., W.B., F.C., C.B., Willie G. Manley, Jr., 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 \$333,002.56 in loan proceeds from Washington Mutual Bank, F.A., in Stockton, California to the Citizens Bank account of KREW Settlement Services, LLC d/b/a Briser Abstract Co., 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

**ERIC PONDER**

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 \$4,846,250.

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**