

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
)
 v.)
)
)
)
JASON DADE,)
CHERYL WARE,)
TIFFINI CHISM and)
TAMIKA PETERS)

Case No. _____
Violations: Title 18, United States Code,
Sections 1341, 1343 & 1344.

COUNT ONE

The SPECIAL FEBRUARY 2011-2 GRAND JURY charges:

1. At times material to this indictment:

a. Defendant JASON DADE was a licensed real estate salesperson in the States of Illinois, and the owner of Round Table Enterprises, Inc.

b. Defendant CHERYL WARE was a licensed loan originator in the State of Illinois.

c. Defendant TIFFINI CHISM was a licensed loan originator in the State of Illinois.

d. Fremont Investment & Loan, UBS, AG, First Franklin Financial Corp., First Horizon Home Loans, Reunion Mortgage, Inc., and ComCor Mortgage (collectively, “lenders”) made mortgage loans.

e. Fremont Investment & Loan and UBS AG were financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation, also known as the FDIC.

f. Lenders required applicants for mortgage loans to provide truthful information, including information regarding the applicant's name, date of birth, employment, income, assets, liabilities, financial condition, real estate owned, rental income received, rent paid, identity of landlords, contribution to the purchase price, payment of earnest money, sales price of the property, value, and condition of the property, and intention to occupy the property purchased, which information was material to the approval, terms, and funding of the loan.

g. Lenders sold the 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 the loan applications and supporting documents, including the applicant's name, date of birth, employment, income, assets, liabilities, financial condition, real estate owned, rental income received, contribution to the purchase price, payment of earnest money, sales price of the property, value and condition of the property, intention to occupy the property purchased, and payment history, was material to the successors' decisions to purchase the mortgage loans.

2. Beginning in at least August 2004 and continuing through in or about June 2008, in the Northern District of Illinois, Eastern Division, and elsewhere,

JASON DADE,
CHERYL WARE,
TIFFINI CHISM, and
TAMIKA PETERS,

defendants herein, knowingly devised and participated in a scheme to defraud and to obtain money and property from lenders by means of materially false and fraudulent pretenses, representations, and promises, which scheme affected a financial institution, as described below.

3. It was part of the scheme that defendant JASON DADE acted as a real estate agent for prospective buyers of residential real estate, including defendant TAMIKA PETERS and Buyers A and B, knowing that the residential real estate properties would be purchased and financed through fraudulently obtained mortgages.

4. It was further part of the scheme that defendant JASON DADE referred prospective buyers, including defendant TAMIKA PETERS and Buyers A and B, to defendants CHERYL WARE and TIFFINI CHISM and other loan officers to have false and fraudulent loan application packages prepared to purchase residential real estate.

5. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, TAMIKA PETERS, and others knowingly prepared and caused to be prepared loan application packages for prospective buyers, as well as defendants JASON DADE and TAMIKA PETERS, that were fraudulent, in that the loan application packages contained materially false statements, including false statements regarding the prospective buyers' employment, income, assets, financial condition, payment of earnest

money, and intention to occupy the properties to be purchased.

6. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, and TAMIKA PETERS, and others created and caused others to create false documents, including pay stubs, forms W-2, verifications of employment, verifications of rent, verifications of deposit, earnest money checks, bank statements, tax returns, and leases, to support the materially false statements in the loan applications.

7. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, and TAMIKA PETERS, and others, knowingly submitted and knowingly caused others to submit loan application packages to lenders containing materially false statements and false supporting documents, knowing the false information was material to the lenders' decisions to issue mortgage loans to the prospective buyers.

8. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, and TAMIKA PETERS, and others, received the proceeds of the fraudulently obtained mortgage loans that lenders issued to prospective buyers and to defendants JASON DADE and TAMIKA PETERS on or around the dates of the closings of the property sales or loan refinancings and used the loan proceeds to enrich themselves.

6827 South Ada Street, Chicago, Illinois

9. It was further part of the scheme that on or about June 26, 2006, defendant JASON DADE refinanced the mortgage loan for 6827 South Ada Street, Chicago, Illinois,

knowing that the loan would be refinanced through a fraudulently obtained mortgage.

10. It was further part of the scheme that defendant JASON DADE knowingly caused defendant TIFFINI CHISM to prepare a loan application package to obtain a loan from Fremont Investment & Loan for approximately \$156,600, knowing that the loan application package contained a materially false statement regarding defendant JASON DADE's monthly rental payment, namely, that JASON DADE paid \$1,450 per month in rent, and a false supporting document, namely, a verification of rent, that falsely showed that defendant JASON DADE paid rent to Jireh Development Corp.

11. It was further part of the scheme that defendant JASON DADE and defendant TIFFINI CHISM caused the loan application package to be submitted to Fremont Investment & Loan, knowing that the loan application package contained a materially false statement regarding DADE's monthly rental payment and a false supporting document, namely, the false verification of rent from Jireh Development Corp.

12. It was further part of the scheme that on or about June 26, 2006, defendant JASON DADE and defendant TIFFINI CHISM caused Fremont Investment & Loan to loan defendant JASON DADE approximately \$156,600 to refinance the mortgage loan for 6827 South Ada, knowing that loan had been refinanced through a loan application package that contained a materially false statement and a false supporting document.

13. It was further part of the scheme that on or about June 26, 2006, defendant JASON DADE obtained proceeds of approximately \$36,877 from the refinancing of the mortgage loan for 6827 South Ada, knowing that the mortgage loan had been fraudulently

obtained.

8636 South Kingston Avenue, Chicago, Illinois

14. It was further part of the scheme that on or about May 2, 2007, defendant JASON DADE acted as Buyer A's real estate agent for the purchase of 8636 South Kingston Avenue, Chicago, Illinois, knowing that the financing for the purchase of the property would be through a fraudulently obtained mortgage.

15. It was further part of the scheme that on or about April 10, 2007, defendant JASON DADE emailed to defendant TIFFINI CHISM and Kenneth Steward a verification of employment that falsely stated that Buyer A was employed by Jireh Development.

16. It was further part of the scheme that before on or about May 2, 2007, defendant JASON DADE caused defendant TIFFINI CHISM to prepare a loan application package to UBS, AG for Buyer A for a loan of approximately \$280,250 to purchase 8636 South Kingston, knowing that the loan application package contained materially false statements regarding Buyer A's income and employment, namely, that Buyer A earned \$3,625 per month from Jireh Development, and a false supporting document, namely, a verification of employment, that falsely stated that Buyer A was employed by Jireh Development.

17. It was further part of the scheme that defendants JASON DADE and TIFFINI CHISM caused the loan application package to be submitted to UBS, AG, knowing that the loan application package contained materially false statements and a false supporting document.

18. It was further part of the scheme that on or about May 2, 2007, defendants JASON DADE and TIFFINI CHISM and others caused UBS, AG to loan Buyer A approximately \$280,250 to purchase 8636 South Kingston, knowing that loan had been obtained through materially false statements and a false supporting document.

19. It was further part of the scheme that defendant JASON DADE made a payment to defendant TIFFINI CHISM of approximately \$4,000, which payment was not disclosed to the lender, for having prepared and submitted a loan application to UBS, AG for Buyer A's purchase of 8636 South Kingston that contained materially false statements and a false supporting document.

15324 Maple Avenue, Markham, Illinois

20. It was further part of the scheme that on or about June 29, 2007, defendant JASON DADE acted as the real estate agent for defendant TAMIKA PETERS's purchase of 15324 Maple Avenue, Markham, Illinois, knowing that the financing for the purchase of the property would be through a fraudulently obtained mortgage.

21. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS knowingly created, and caused to be created, leases that falsely identified certain individuals as tenants at a property owned by TAMIKA PETERS at 227 West 107th Street, Chicago, Illinois, to be included as part of a loan application package to obtain a loan for defendant TAMIKA PETERS's purchase of 15324 Maple.

22. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS caused defendant CHERYL WARE to knowingly prepare

a loan application package to First Franklin Financial Corp. for defendant TAMIKA PETERS for a loan to purchase 15324 Maple, which loan application package contained materially false statements regarding defendant TAMIKA PETERS's income and employment, namely, that TAMIKA PETERS was employed by Micro Tec Solutions, as well as false supporting documents, including false leases and a false verification of employment purporting to be from Micro Tec Solutions.

23. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS caused the loan application package for defendant TAMIKA PETERS's purchase of 15324 Maple to be submitted to First Franklin Financial Corp., knowing that the loan application package contained materially false statements and false supporting documents, including the false leases and false verification of employment.

24. It was further part of the scheme that on or about June 29, 2007, defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS, and others, caused First Franklin Financial Corp. to loan defendant TAMIKA PETERS approximately \$107,100 to purchase 15324 Maple, knowing that loan had been obtained through materially false statements and false supporting documents.

1440 South Ambassador Lane, Ford Heights, Illinois

25. It was further part of the scheme that on or about September 19, 2007, defendant JASON DADE acted as the real estate agent for Buyer B's purchase of 1440 South Ambassador Lane, Ford Heights, Illinois, knowing that the financing for the property would be through a fraudulently obtained mortgage.

26. It was further part of the scheme that defendants JASON DADE, TAMIKA PETERS, and others, caused defendant TIFFINI CHISM to knowingly prepare a loan application package for Buyer B to purchase 1440 South Ambassador Lane, knowing that the loan application package contained materially false statements regarding Buyer B's income and employment, namely, that Buyer B was employed by SNS Builders. The loan application package also contained false supporting documents, including false bank statements, false pay stubs and Forms W-2 purportedly from SNS Builders, and a verification of employment that falsely stated that Buyer B was employed by SNS Builders.

27. It was further part of the scheme that defendants JASON DADE, TIFFINI CHISM, and TAMIKA PETERS caused the loan application package for Buyer B's purchase of 1440 South Ambassador to be submitted to First Horizon Home Loans, knowing that the loan application package contained materially false statements and false supporting documents including the false bank statements, false pay stubs and Forms W-2 purportedly from SNS Builders, and a verification of employment that falsely stated that Buyer B was employed by SNS Builders.

28. It was further part of the scheme that on or about September 19, 2007, defendants JASON DADE and TIFFINI CHISM caused First Horizon Home Loans to loan Buyer B approximately \$82,000 to purchase 1440 South Ambassador, knowing that the loan had been obtained through materially false statements and false supporting documents.

1413 Park Lane, Ford Heights, Illinois

29. It was further part of the scheme that on or about September 25, 2007,

defendant JASON DADE acted as the real estate agent for Buyer B's purchase of 1413 Park Lane, Ford Heights, Illinois, knowing that the financing for the property would be through a fraudulently obtained mortgage.

30. It was further part of the scheme that defendants JASON DADE and TAMIKA PETERS caused defendant CHERYL WARE to knowingly prepare a loan application package for Buyer B to purchase 1413 Park Lane, knowing that the loan application package contained materially false statements regarding Buyer B's employment, namely, that Buyer B was employed by SNS Builders, income, and payment of earnest money. The loan application package also contained false supporting documents, including false bank statements, pay stubs and Forms W-2 from SNS Builders, a verification of employment that falsely stated that Buyer B was employed by SNS Builders, and a verification of rent that falsely stated that Buyer B had paid rent from August 2004 through September 2007 in the amount of \$900.

31. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS caused the loan application package for Buyer B's purchase of 1413 Park Lane to be submitted to Reunion Mortgage, Inc., knowing that the loan application package contained materially false statements and false supporting documents including the false bank statements, pay stubs and Forms W-2 from SNS Builders, a verification of employment that falsely stated that Buyer B was employed by SNS Builders, and a verification of rent that falsely stated that Buyer B had paid rent from August 2004 through September 2007 in the amount of \$900.

32. It was further part of the scheme that on or about September 25, 2007, defendants JASON DADE, CHERYL WARE, and TAMIKA PETERS caused Reunion Mortgage, Inc. to loan Buyer B approximately \$61,750 to purchase 1413 Park Lane, knowing that loan had been obtained through materially false statements and false supporting documents.

6712 South Rhodes Street, Chicago, Illinois

33. It was further part of the scheme that on or about June 6, 2008, defendant JASON DADE refinanced the mortgage loan for 6712 South Rhodes Street, Chicago, Illinois, knowing that the loan would be refinanced through a fraudulently obtained mortgage.

34. It was further part of the scheme that defendant JASON DADE knowingly caused the preparation of a loan application package to obtain a loan to refinance 6712 South Rhodes, knowing that the loan application package contained a materially false statement regarding defendant JASON DADE's bank account balance and false supporting documents, including false United States individual income tax returns and bank statements.

35. It was further part of the scheme that defendant JASON DADE caused the loan application package to be submitted to Comcor Mortgage, knowing that the loan application package contained a materially false statement and false supporting documents, including the false United States individual income tax returns and bank statements.

36. It was further part of the scheme that on or about June 6, 2008, defendant JASON DADE caused Comcor Mortgage to loan defendant JASON DADE approximately

\$292,000 to refinance the mortgage loan for 6712 South Rhodes, knowing that loan had been refinanced through a loan application package that contained a materially false statement and false supporting documents.

37. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, and TAMIKA PETERS, and others, were involved in at least approximately 42 real estate transactions involving at least approximately \$9,100,000 in fraudulently obtained mortgage loans, by making materially false statements in loan application packages, which resulted in the lenders and their successors incurring losses on the mortgage loans issued totaling at least approximately \$4,700,000 because the mortgage loans were not repaid or fully recovered through subsequent sale or foreclosure.

38. It was further part of the scheme that defendants JASON DADE, CHERYL WARE, TIFFINI CHISM, and TAMIKA PETERS concealed, misrepresented, and hid, and caused to be concealed, misrepresented, and hidden, the existence of the scheme, the purposes of the scheme, and the acts done in furtherance of the scheme.

39. On or about June 26, 2006, at Homewood, in the Northern District of Illinois, Eastern Division, and elsewhere,

JASON DADE and
TIFFINI CHISM,

defendants herein, knowingly executed and attempted to execute the scheme to defraud Fremont Investment & Loan by submitting and causing to be submitted a loan application package containing materially false information causing Fremont Investment & Loan to issue

a loan to defendant JASON DADE in the amount of approximately \$156,600 for defendant JASON DADE's refinance of the mortgage loan for a property located at 6827 South Ada Street, Chicago, Illinois;

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

COUNT TWO

The SPECIAL FEBRUARY 2011-2 GRAND JURY further charges:

1. Paragraphs 1 through 38 of Count One of this indictment are incorporated here.
2. On or about May 2, 2007, at Homewood, in the Northern District of Illinois,

Eastern Division, and elsewhere,

**JASON DADE and
TIFFINI CHISM,**

defendants herein, knowingly executed and attempted to execute the scheme to defraud UBS AG by submitting and causing to be submitted a loan application package containing material, false information causing UBS, AG to issue a loan to Buyer A in the amount of approximately \$280,250 to purchase 8636 South Kingston Avenue, Chicago, Illinois;

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

COUNT THREE

The SPECIAL FEBRUARY 2011-2 GRAND JURY further charges:

1. Paragraphs 1 through 38 of Count One of this indictment are incorporated here.
2. On or about June 29, 2007, at Orland Park, in the Northern District of Illinois,

Eastern Division, and elsewhere,

JASON DADE,
CHERYL WARE, and
TAMIKA PETERS,

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, a wire transfer through the Federal Reserve System of approximately \$107,218 from the account of First Franklin Financial Corp. at National City Bank to the account of Chicago Title at Bank of America to fund a loan to defendant TAMIKA PETERS to purchase 15324 Maple Avenue, Markham, Illinois;

In violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FOUR

The SPECIAL FEBRUARY 2011-2 GRAND JURY further charges:

1. Paragraphs 1 through 38 of Count One of this indictment are incorporated here.
2. On or about September 25, 2007, at Homewood, in the Northern District of Illinois, Eastern Division, and elsewhere,

JASON DADE,
CHERYL WARE, and
TAMIKA PETERS,

defendants herein, for the purpose of executing the scheme to defraud, knowingly caused to be deposited and to be sent by FedEx, a commercial interstate carrier, a thing, namely, an envelope addressed to Post Closing, Reunion Mortgage, 5215 Old Orchard Rd Ste 325, Skokie, IL 60077-1042, which envelope contained loan closing documents from First American Title Company in Homewood, Illinois, addressed to Reunion Mortgage in Skokie, Illinois, relating to the purchase by Buyer B of 1413 Park Lane, Ford Heights, Illinois;

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIVE

The SPECIAL FEBRUARY 2011-2 GRAND JURY further charges:

1. Paragraphs 1 through 38 of Count One of this indictment are incorporated here.

2. On or about June 5, 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JASON DADE,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be deposited and to be sent and delivered by United Parcel Service, a commercial interstate carrier, a thing, namely, an envelope addressed to Closing Law Title, 1629 N. Halsted, Chicago, IL 60614, which envelope contained a check payable to Law Title in the amount of approximately \$289,299 for defendant JASON DADE's refinance of a loan for 6712 South Rhodes, Chicago, Illinois;

In violation of Title 18, United States Code, Sections 1341 and 2.

FORFEITURE ALLEGATION

The SPECIAL FEBRUARY 2011-2 GRAND JURY alleges:

1. The allegations in this indictment are incorporated herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(2).

2. As a result of his violation of Title 18, United States Code, Sections 1341, 1343, and 1344, as alleged in this indictment,

JASON DADE,

defendant herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2), any and all right, title, and interest he may have in any property constituting, and derived from, proceeds he obtained directly or indirectly as the result of such violations.

3. The interest of the defendant subject to forfeiture pursuant to Title 18, United States Code, Section 982(a)(2), includes the sum of at least approximately \$4,700,000.

4. If any of the forfeitable property described above, as a result of any act or omission by the defendant:

- (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 under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1);

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

A TRUE BILL

FOREPERSON

UNITED STATES ATTORNEY