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GUILTY PLEA IN MULTI-MILLION DOLLAR MORTGAGE FRAUD SCHEME

PHILADELPHIA - John C. Lucidi, Jr., 30, of Las Vegas, Nevada, pleaded guilty today to conspiracy to commit wire fraud, wire fraud, and money laundering in relation to a multi-million dollar mortgage fraud scheme, announced United States Attorney Zane David Memeger. A sentencing hearing is scheduled November 29, 2011.

Between May 2005 and October 2008, while employed as a mortgage broker by companies in West Chester and Newtown Square, Pennsylvania, Lucidi conspired to knowingly devise a scheme to defraud Bank of America, CitiMortgage, Countrywide Bank, First Magnus Financial, JP Morgan Chase, PNC Bank, Wells Fargo, and other mortgage lenders, and to knowingly obtain money and property from Bank of America, CitiMortgage, Countrywide Bank, First Magnus Financial, JP Morgan Chase, PNC Bank, Wells Fargo, and other mortgage lenders.

Lucidi allegedly found buyers, including family members, to purchase residences for inflated prices so that the buyers could get kickbacks at closing. Lucidi allegedly helped the buyers qualify for mortgages using false information. The scheme resulted in losses to the mortgage lenders of approximately \$7 million. At or after the real estate closings, the buyers received kickbacks, typically between \$30,000 and \$50,000. Lucidi collected inflated commissions, received kickbacks on his own purchases, and/or received other kickbacks from the sellers for finding willing buyers.

Lucidi faces an advisory sentencing guideline range of 108 to 135 months, a three year period of supervised release, a fine of up to \$1.5 million or a fine of \$500,000 plus up to twice the amount of the criminally derived property involved in the money laundering transactions. Full restitution also shall be ordered.

The case was investigated by the Federal Bureau of Investigation, the Internal Revenue Service Criminal Investigation Division, and the United States Secret Service. It is being prosecuted by Assistant United States Attorney Nancy E. Potts.

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