IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	**CRIMINAL NO. 12-______**
v.	:	**DATE FILED: April 19, 2012**
WILLIAM KEVIN KELLY	:	**VIOLATIONS:**
		18 U.S.C. § 1343 (wire fraud – 18 counts)
	:	**18 U.S.C. § 1956(a)(1)(B)(i) (money laundering – 5 counts)**
	:	**18 U.S.C. § 2 (aiding and abetting)**
	:	**Notice of forfeiture**

INDICTMENT

COUNTS ONE THROUGH EIGHTEEN

THE GRAND JURY CHARGES THAT:

At all times material to this Indictment:

1. In or about March 1996, the Pennsylvania Department of State revoked defendant WILLIAM KEVIN KELLY's real estate license.

2. In March 2006, the Pennsylvania Department of State Commission, finding that defendant WILLIAM KEVIN KELLY had continued to hold himself out as a real estate salesperson without possessing a license and had "flagrantly ignored" the Real Estate Licensing and Registration Act, fined him and ordered him to cease and desist from engaging in a real estate practice until properly licensed to do so.

3. Despite no longer having a real estate license, defendant WILLIAM KEVIN KELLY has continued to hold himself out as real estate businessman through entities he

owned and operated, including For Sale by Seller Plus, Multi County Properties, Homelynx, and Bantry Property Solutions, published real estate magazines, and operated websites, including www.homelynx.net and www.bantrypropertysolutions.com, claiming to provide full service on real estate transactions.

THE SCHEME

4. From at least 2005 through on or about April 12, 2012, defendant

WILLIAM KEVIN KELLY

devised and intended to devise 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:

5. Defendant WILLIAM KEVIN KELLY held himself out as a real estate businessman and solicited clients and investors, convincing them to give him money for real estate transactions or short term loans or investments – funds his victims believed would be used for real estate purposes.

6. To convince his victims to give him money, defendant WILLIAM KEVIN KELLY typically did some or more of the following:

a. Represented to potential investors or clients that he had extensive real estate experience and a highly profitable real estate business;

b. Promised successful real estate deals or high returns on short-term loans or investments from flipping properties;

c. Assured clients and investors that funds turned over to him would be safe because he would either keep them in escrow for real estate deals, or they were guaranteed and secured by all his personal and business assets;

d. Insisted that a successful deal was almost complete and profits were imminent;

e. Presented investors with promissory notes promising the guaranteed and prompt return of their investment by a specific due date.

7. Instead of using the money for real estate purposes, defendant WILLIAM KEVIN KELLY instead took funds, deposited them into bank accounts he controlled, and spent them for various purposes, including for personal living expenses.

8. After defrauding his clients and investors, defendant WILLIAM KEVIN KELLY, in an effort to lull and string them along, and to prevent his fraud from coming to light:

a. Provided clients and investors with false excuses for why real estate transactions had not occurred as promised;

b. Falsely told clients and investors that he did not currently have any funds to repay them; and

c. Presented them with nominal payments or checks that bounced.

9. As a result of his scheme, defendant WILLIAM KEVIN KELLY defrauded at least 21 victims of more than $718,700.

THE WIRES

10. On or about the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendant

WILLIAM KEVIN KELLY,

for the purpose of executing the scheme described above, attempting to do so, and aiding and abetting its execution, knowingly caused to be transmitted by means of wire communications in interstate commerce, certain signals and sounds, as described below, each transmission constituting a separate count:

Count	Date	Description of Wire
1	September 5, 2007	Email from **Kelly** to D.S.'s spouse including a photograph of **Kelly** and his daughter, and promising that a "return would be excellent."
2	December 13, 2007	Email from **Kelly** to D.S.'s spouse after payment was due that "[i]f I do not PIF [pay in full] by next Friday u will receive a meaningful payment."
3	January 15, 2008	Email from **Kelly** to D.S. claiming that "I should be sending first check at the beggining [sic] of the week."
4	January 22, 2008	Email from **Kelly** to D.S. claiming that "I am holding a few checks to deposit and pay u off."
5	January 30, 2008	Email from **Kelly** to D.S. proposing that D.S. recruit others to recoup money owed: "Here is a proposal to see if we could structure a deal that could possibly satisfy you and continue investments… [T]hrough your contacts we raise $200k. You take $100k and a $15,000 separate paymnent from myself. This just about clears up your initial investment. We keep $100k"
6	February 2, 2008	Email from **Kelly** to D.S. stating that "Your notes will be paid on or before 2/18. Any interference will cause a delay."
7	March 22, 2008	Email from **Kelly** to D.S. claiming that "[p]resently, I am holding two large checks which are earmarked for your payoff. I have been unable to cash them."
8	July 28, 2010	Email from **Kelly** to J.H. attaching projected profits due to J.H. on two real estate properties and claiming that "This profit on a conservative scale is six figures."

9	March 10, 2011	Email from **Kelly** to J.H. explaining the delay in repayment, after J.H. expressed frustration at **Kelly's** failure to provide back-up documentation: "I understand your position that is why, I have, I have taken the high road. You are an investor and in some ways in a safer position than me. You are secured by notes and not named in a direct sales contracts therefore that is your security."
10	March 23, 2011	Email from **Kelly** to J.H. in response to when he would deliver a check for money owed: "14 business days. Now u have your answer."
11	April 7, 2011	Email from **Kelly** to J.H. stating "Money will be paid by Monday. I am not sure if it will be sent via FedEx or dropped off."
12	April 15, 2011	Email from **Kelly** to J.H. claiming that "[t]he deposit will not show up posted to your account like the others until Monday. U will not see it until then."
13	August 30, 2010	Email from **Kelly** to K.P. sending photograph of house "under agreement and sold."
14	August 31, 2010	Email from **Kelly** soliciting investment from K.P. and stating that "This is a late stage deal meaning the closings are in place. Jim and I carried the risk. This is no risk for you. I would not let you down."
15	September 29, 2010	Email from **Kelly** soliciting additional funds from K.P. and promising more high returns: "With your 5k lent and say you would do just 7k. That is 12k loan with 5-6k profit. 4k profit paid in just 30 days and early. That is very good."
16	February 2, 2011	Email from **Kelly** to K.P. explaining delay of repayment of funds due November 15, 2010: "When the funds are available you will get a check. It is day to day. Not today."
17	February 2, 2011	Email from **Kelly** to K.P. further explaining lack of repayment: "I have not been sitting on any money and if so, I would have paid you just to dismiss this obligation and all that comes w/it."
18	March 9, 2011	Email from **Kelly** to K.P. after another request for funds owed: "Shut the trap that is what I have asked u several times. I do NOT want to hear a word."

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

COUNTS NINETEEN THROUGH TWENTY-THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 and 5 through 9 of Counts One through Eighteen are incorporated here.

2. On or about the dates set forth below, in the Eastern District of Pennsylvania, and elsewhere, defendant

WILLIAM KEVIN KELLY

knowingly conducted, and aided, abetted, the following financial transactions affecting interstate commerce, each transaction being a separate count:

Count	Date	Description of Transaction
19	July 12, 2010	Deposit of $14,000 check from J.H. into Metro Bank 50 Plus checking account ending in 6538 registered to R.K.
20	July 23, 2010	Deposit of $4,500 check from J.H. into Metro Bank 50 Plus checking account ending in 6538 registered to R.K.
21	September 2, 2010	Deposit of $5,000 check from K.P. into Metro Bank 50 Plus checking account ending in 6538 registered to R.K.
22	October 26, 2010	Deposit of $500 check from J.H. into Metro Bank 50 Plus checking account ending in 6538 registered to R.K.
23	November 3, 2010	Deposit of $3,000 check from K.P. into Metro Bank 50 Plus checking account ending in 6538 registered to R.K.

3. When conducting, aiding, abetting, and willfully causing, the financial transactions described in paragraph 2 above, defendant WILLIAM KEVIN KELLY knew that the funds involved in those financial transactions represented the proceeds of some form of unlawful activity.

4. The financial transactions described in paragraph 2 above involved the proceeds of a specified unlawful activity, that is, wire fraud, in violation of Title 18, United States Code, Section 1343, and defendant WILLIAM KEVIN KELLY acted with the knowledge

that the transactions were designed, in whole and in part, to conceal and disguise the nature, location, source, ownership and control of the proceeds of the specified unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 1343 and 1956, as set forth in this Indictment, defendant

WILLIAM KEVIN KELLY

shall forfeit to the United States of America: (a) any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses; and (b) any property, real or personal, that was involved in the commission of such offense, including, but not limited to, the sum of $718,700.

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

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 up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Sections 981(a)(1)(C), and Title 18, United States Code, Section 982.

A TRUE BILL:

____
GRAND JURY FOREPERSON

for K. Taylor Aspinwall

ZANE DAVID MEMEGER
UNITED STATES ATTORNEY