

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

UNITED STATES OF AMERICA : **CRIMINAL NO. 12-_____**
v. : **DATE FILED: May ____, 2012**
TIMOTHY COOK : **VIOLATIONS:**
: **18 U.S.C. § 371 (conspiracy - 1 count)**
: **18 U.S.C. § 1343 (wire fraud - 1 count)**
: **18 U.S.C. § 2 (aiding and abetting)**
: **Notice of forfeiture**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Defendant TIMOTHY COOK was employed at a pizza shop in West Chester and Chester, Pennsylvania earning \$8 to \$9 per hour.
2. John C. Lucidi, Jr., charged elsewhere, worked as a mortgage broker from 2006 through 2008 at his place of business in West Chester, Pennsylvania and in Newtown Square, Pennsylvania.
3. From in or about April 2007 to in or about May 2007, in West Chester and Newtown Square, in the Eastern District of Pennsylvania, and in North Wildwood, in the District of New Jersey, and elsewhere, defendant

TIMOTHY COOK

conspired and agreed with others known to the United States Attorney, to commit an offense against the United States, that is, to commit wire fraud, in violation of Title 18, United States

Code, Section 1343.

MANNER AND MEANS

4. It was part of the conspiracy that the defendant TIMOTHY COOK colluded with others during the years of the conspiracy in a scheme to defraud lenders by facilitating mortgage loans in which he and others submitted false statements, including asserting inflated income about the borrowers, and fabricated documents, such as bank statements and Form W-2s, to support the applications.

5. Defendant TIMOTHY COOK's knowing fabrication of documents and use of fabricated documents resulted in the approval of mortgage loans on two properties, for a total loss of approximately \$705,415.73.

It was further a part of the conspiracy that:

6. For the mortgage loans, defendant TIMOTHY COOK schemed with John C. Lucidi, Jr., charged elsewhere, and S.A., a person known to the United States Attorney. Lucidi and S.A. recruited COOK to obtain mortgages for two shore properties in North Wildwood, New Jersey.

7. Defendant TIMOTHY COOK was in a low-paying job and did not possess the income or assets necessary to purchase shore properties. Defendant TIMOTHY COOK, John C. Lucidi, Jr. and S.A. knew that the mortgage loans for COOK were obtained under false pretenses, in that the supporting documentation, which was prepared by Lucidi at his place of business, such as the U.S. Department of Housing and Urban Development Settlement Statement, known commonly as the HUD-1, contained multiple falsehoods.

8. After the mortgage loans were approved, the lender banks mailed loan documents and monthly statements to COOK at his residence in Pennsylvania.

9. John Lucidi, Jr. sent checks to defendant COOK as a cash back or “kickback” payment for the purchase of the properties.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendant TIMOTHY COOK committed the following overt acts, among others, in the Eastern District of Pennsylvania and the District of New Jersey, and elsewhere:

2411 Surf Avenue, North Wildwood, New Jersey

1. In or about April 2007, John C. Lucidi, Jr. arranged to sell his property at 2411 Surf Avenue, North Wildwood, New Jersey, to defendant TIMOTHY COOK and S.A., for the falsely inflated price of \$619,000. Although S.A.’s name appeared on the settlement statement and deed, all mortgages for this transaction were obtained in the name of defendant COOK.

2. In or about April 2007, defendant TIMOTHY COOK, John C. Lucidi, Jr., and S.A. caused inflated income and asset information to appear on COOK’s loan application. Specifically, the loan application falsely listed COOK as self-employed and earning a monthly income of \$19,250, which equals \$231,000 per year.

3. In or about April 2007, a false settlement statement was prepared, with the knowledge of defendant TIMOTHY COOK, John C. Lucidi, Jr. and S.A. for the purchase of 2411 Surf Avenue. Specifically, the settlement statement listed the falsely inflated sale price of \$619,000, falsely listed that there had been a deposit of approximately \$30,950, when there had been no deposit, and omitted the cash back, or “kickback,” payment to defendant COOK.

4. On or about April 18, 2007, defendant TIMOTHY COOK’s lender sent two interstate wire transfers to the title company that was handling the closing for 2411 Surf

Avenue, totaling approximately \$590,000.

5. In or about April 2007, John C. Lucidi, Jr. wrote a check to defendant TIMOTHY COOK for \$27,100, which was a cash back, or “kickback,” payment for COOK’s purchase of 2411 Surf Avenue. Shortly thereafter, COOK deposited that check in his PNC Bank account in Philadelphia, PA.

2405 Surf Avenue, North Wildwood, New Jersey

6. In or about May 2007, John C. Lucidi, Jr. arranged to sell his property at 2405 Surf Avenue, North Wildwood, New Jersey, to defendant TIMOTHY COOK and S.A. for the falsely inflated price of \$619,000.

7. In or about May 2007, defendant TIMOTHY COOK, John C. Lucidi, Jr. and S.A. caused inflated income information to appear on COOK’s loan application.

8. In or about May 2007, a false settlement statement was prepared, with the knowledge of defendant TIMOTHY COOK, John C. Lucidi, Jr. and S.A. for the purchase of 2405 Surf Avenue. The settlement statement listed the falsely inflated sale price of \$619,000, falsely listed that there had been a deposit of approximately \$61,900, when there had been no deposit, and omitted the cash back, or “kickback,” payment to defendant TIMOTHY COOK.

9. On or about May 15, 2007, defendant TIMOTHY COOK’s lender sent an interstate wire to the title company that was handling the closing for 2405 Surf Avenue, totaling approximately \$552,000.

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

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 and 2, 4 through 9, and Overt Acts 1 through 9 of Count One are incorporated here.

THE SCHEME

2. From in or about April 2007 through in or about May 2007, defendant

TIMOTHY COOK

devised and intended to devise a scheme to defraud Bank of America, JP Morgan Chase and other mortgage lenders, and to obtain money and property from Bank of America, JP Morgan Chase and other mortgage lenders, by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

3. Defendant TIMOTHY COOK colluded with others during the period of the conspiracy in a scheme to defraud multiple mortgage lenders by facilitating real estate transactions in which the sale prices were inflated so that cash could be given back to the buyer, and the cash back to the buyer was concealed from the mortgage lenders. Defendant COOK and others usually submitted numerous other false statements and omissions to the lenders, including asserting inflated income.

4. On or about May 15, 2007, in Wildwood, in the District of New Jersey, and elsewhere, defendant

TIMOTHY COOK

for the purpose of executing the scheme described above, and aiding and abetting its execution,

caused to be transmitted by means of wire communication in interstate commerce the following signals and sounds: a wire transfer of approximately \$552,000 from JP Morgan Chase to Shore Title Agency for COOK's purchase of 2405 Surf Avenue, North Wildwood, New Jersey from John C. Lucidi, Jr., charged elsewhere.

All in violation of Title 18, United States Code, Sections 1343 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 371 and 1343 set forth in this information, defendant

TIMOTHY COOK

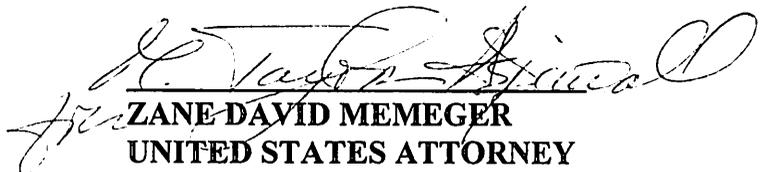
shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offense, including, but not limited to, the sum of \$ 705,415.73.

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, Section 981(a)(1)(C).


ZANE DAVID MEMEGER
UNITED STATES ATTORNEY