

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. 12- _____
v.	:	DATE FILED: May ____, 2012
ERIC ITZI	:	VIOLATIONS:
	:	18 U.S.C. § 371 (conspiracy - 1 count)
	:	18 U.S.C. § 1343 (wire fraud - 1 count)
	:	18 U.S.C. § 1957 (engaging in monetary
	:	transactions in property derived from
	:	specified unlawful activity - 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 ERIC ITZI was employed at a pizza shop in Haverford, Pennsylvania earning approximately \$25,000 annual salary.
2. John C. Lucidi, Jr., charged elsewhere, worked as a mortgage broker from 2006 through 2008 at his place of business, Advisors Mortgage Group, LLC in West Chester, Pennsylvania and in Newtown Square, Pennsylvania.
3. Advisors Mortgage Group, LLC, unknowingly relying on false loan information provided by Lucidi and others, funded the mortgages through its Sovereign Bank account, and subsequently sold the mortgage loans to other banks.
4. From in or about October 2007 to in or about January 2008, 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

ERIC ITZI

conspired and agreed with others known to the United States Attorney, to commit an offense against the United States, that is, to knowingly commit wire fraud, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS

5. It was part of the conspiracy that the defendant ERIC ITZI 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 information, including asserting inflated income about the borrowers and assets, and fabricated documents, such as false wage statements, to support the applications.

6. Defendant ERIC ITZI's knowing use of fabricated documents resulted in the approval of mortgage loans on two properties, for a total loss of approximately \$473,142.23

It was further a part of the conspiracy that:

7. For the mortgage loans, defendant ERIC ITZI schemed with John C. Lucidi, Jr., charged elsewhere. Lucidi facilitated ITZI's ability to obtain mortgages for two shore properties in North Wildwood, New Jersey.

8. Defendant ERIC ITZI was in a low-paying job and did not possess the income or assets necessary to purchase shore properties. Defendant ERIC ITZI and John C. Lucidi, Jr. knew that the mortgage loans for ITZI 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 a falsehood, and where the Uniform Residential Loan Application form contained false information about income and assets.

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

10. John Lucidi, Jr. sent one check in the amount of \$48,000 to defendant ITZI 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 ERIC ITZI committed the following overt acts, among others, in the Eastern District of Pennsylvania and the District of New Jersey, and elsewhere:

406 East 24th Avenue, North Wildwood, New Jersey

1. In or about October 2007, defendant ERIC ITZI, with assistance from John C. Lucidi, Jr., purchased the property at 406 East 24th Avenue, North Wildwood, New Jersey, for the falsely inflated price of \$619,000. Two mortgages for this transaction were obtained in the name of defendant ITZI.

2. In or about October 2007, defendant ERIC ITZI and John C. Lucidi, Jr. caused inflated income and asset information to appear on ITZI’s loan applications. Specifically, the loan application falsely listed ITZI’s assets, employment and monthly income, which was grossly inflated.

3. In or about April 2007, a false settlement statement was prepared, with the knowledge of defendant ERIC ITZI and John C. Lucidi, Jr. for the purchase of 406 East 24th Avenue. Specifically, 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.

4. On or about October 30, 2007, defendant ERIC ITZI's lenders sent two interstate wire transfers to the title company that was handling the closing for 406 East 24th Avenue, totaling approximately \$554,783.

416 East 24th Avenue, Unit 100, North Wildwood, New Jersey

5. In or about December 2007, defendant ERIC ITZI, with assistance from John C. Lucidi, Jr., purchased the property at 416 East 24th Avenue, Unit 100, North Wildwood, New Jersey, for the falsely inflated price of \$638,000. Two mortgages for this transaction were obtained in the name of defendant ITZI.

6. In or about December 2007, defendant ERIC ITZI and John C. Lucidi, Jr. caused inflated income and asset information to appear on ITZI's loan applications. Specifically, the loan application falsely listed ITZI's assets, employment and monthly income. The assets and monthly income were grossly inflated.

7. In or about December 2007, a false settlement statement was prepared, with the knowledge of defendant ERIC ITZI and John C. Lucidi, Jr., for the purchase of 416 East 24th Avenue, Unit 100. The settlement statement listed the falsely inflated sale price of \$638,000, falsely listed that there had been a deposit of approximately \$121,000, when there had been no deposit, and falsely listed the amount of the cash back, or "kickback," payment to defendant ITZI.

8. On or about December 31, 2007, defendant ERIC ITZI's lenders sent two interstate wires to the title company that was handling the closing for 416 East 24th Avenue, Unit

100, totaling approximately \$509,670.

9. In or about January 2008, John C. Lucidi, Jr. wrote a check to defendant ERIC ITZI for \$48,000, which was a cash back, or “kickback,” payment for ITZI’s purchase of 416 East 24th Avenue, Unit 100. Shortly thereafter, ITZI deposited that check in his Sovereign Bank account in Broomall, Pennsylvania.

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

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3, 5 through 10, and Overt Acts 1 through 9 of Count One are incorporated here.

THE SCHEME

2. From in or about October 2007 through in or about December 2007, defendant

ERIC ITZI

devised and intended to devise a scheme to defraud CitiMortgage, PNC Bank, and other mortgage lenders, and to obtain money and property from CitiMortgage, PNC Bank 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 ERIC ITZI colluded with others during the period of the conspiracy in a scheme to defraud multiple mortgage lenders by participating in 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. Also, defendant ITZI and others submitted numerous other false statements to the lenders, including asserting inflated income and assets.

4. On or about December 31, 2007, in Wildwood, in the District of New Jersey, and elsewhere, defendant

ERIC ITZI

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 \$516,850 from Sovereign Bank from Pennsylvania was sent to the title the company located in New Jersey that was handling the closing for ITZI's purchase of 416 East 24th Avenue, North Wildwood, New Jersey.

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

COUNT THREE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3, 5 through 10, and Overt Acts 1 through 9 of Count One are incorporated here.

2. On or about January 9, 2008, in the Eastern District of Pennsylvania, and elsewhere, defendant

ERIC ITZI,

knowingly engaged in, and aided, abetted, and willfully caused, a monetary transaction affecting interstate commerce in criminally derived property of a value greater than \$10,000, that is a deposit into defendant ERIC ITZI's bank account of a check for approximately \$48,000, which represented the proceeds from the sale of 416 East 24th Avenue, Unit 100, North Wildwood, New Jersey, to ITZI, and such property was derived from a specified unlawful activity, that is wire fraud, in violation of Title 18, United States Code, Section 1343.

All in violation of Title 18, United States Code, Sections 1957 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

ERIC ITZI

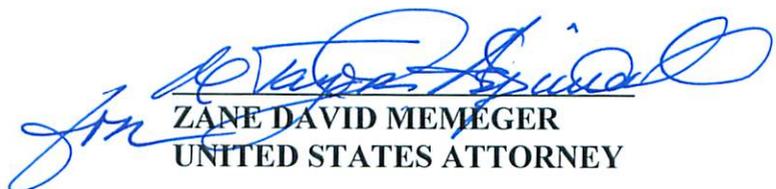
shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offense, including, but not limited to, the sum of \$ 473,142.23.

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) and 982(a)(2).


ZANE DAVID MEMEGER
UNITED STATES ATTORNEY