

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF KANSAS
(Kansas City Docket)**

UNITED STATES OF AMERICA,

Plaintiff,

v.

SARAH CORDRY,

Defendant.

Case No.: 18-20033-CM/TJJ

INDICTMENT

THE GRAND JURY CHARGES THAT:

**COUNT 1
(Conspiracy to Commit Mail and Wire Fraud)**

Introduction

1. At all times relevant to this Indictment:

a. Defendant **SARAH CORDRY**, along with TYLER KORN, AMJAD DAOUD, and RUBY PRICE, did business as Reliant Home Financial Group and The Arize Group.

b. Reliant Home Financial Group, hereafter RHFG, was a Missouri for-profit corporation company, formed on November 1, 2010. Its managing members included Tyler Korn and Amjad Daoud. RHFG was operated out of the St. Louis, Missouri, metro area, but the address was listed as 7113 135th Street, Suite 371, Overland Park, Kansas, which was a UPS store that rented mailboxes to its customers.

c. The Arize Group, Incorporated, hereafter AGI, was a Kansas for-profit incorporated company, formed on November 1, 2010. Its managing members included co-conspirator Ruby Price and others. The address was listed as 7300 West 110th Street, Suite 700, Overland Park, Kansas, which was a Regus Group rental office space.

The Conspiracy and Its Object

2. Between approximately November 2010 and November 2011, the exact dates being unknown, in the District of Kansas and elsewhere, the defendant,

SARAH CORDRY,

conspired and agreed with TYLER KORN, AMJAD DAOUD, and RUBY PRICE and others known and unknown to the Grand Jury, to devise and intend to devise a scheme to defraud homeowners and other debtors who were in financial distress, and their lenders, the Federal Housing Administration, Fannie Mae (formerly known as the Federal National Mortgage Association) and Freddie Mac (formerly known as the Federal Home Loan Mortgage Corporation) and to obtain money from these owners and debtors, by means of materially false and fraudulent pretenses, representations, and promises, and by the concealment of material facts, and for the purpose of executing and attempting to execute such scheme, did

a. knowingly and willingly cause mail matter to be delivered by the United States Postal Service according to the directions thereon, in violation of Title 18, United States Code, Sections 1341, 2 and

b. to knowingly and willfully transmit and cause to be transmitted in interstate commerce, by means of wire communications, any writings, signs, signals, pictures and

sounds; that is, electronic mail (e-mail), in violation of Title 18, United States Code, Sections 1343 and 2.

The Purpose of the Scheme

3. The purpose of the conspiracy was to obtain money from victim homeowners by means of materially false and fraudulent pretenses, representations, and promises for the financial benefit of the defendant and others.

The Manner and Means of the Conspiracy

4. The manner and means by which the defendant and co-conspirators accomplished the objects of the conspiracy included the following, among other things:

a. It was part of the conspiracy that the defendant, co-conspirators, RHFG, and AGI recruited and targeted homeowners and others who were in financial difficulties with promises that the homeowners and others would be rescued from their homeowner financial problems.

b. It was further part of the conspiracy that the defendant and and co-conspirators advertised their fraudulent scheme, including through the internet, e-mail, United States mail, internet websites, and word of mouth.

c. It was further part of the conspiracy that the defendant and and co-conspirators knowingly made and caused to be made materially false and fraudulent representations and promises, and omissions of facts, to financially-distressed homeowners, including among other things, that:

i. The defendant and co-conspirators, RHFG, and AGI would drastically lower the victim homeowner's mortgage interest rates, lower their monthly mortgage payments, and/or obtain a loan modification for them;

ii. In some instances, the homeowners would stop making payments to their lender financial institutions; and

iii. In some instances, the homeowners would make their monthly payments to RHFG, AGI and the defendant, instead of to their lender financial institutions.

d. It was further part of the conspiracy that the defendant and co-conspirators provided bogus documents to the victims that were created on victims' behalf to ensure victims felt the "process" was working until their final payments were received by either RHFG and AGI.

e. It was further part of the conspiracy that the defendant and co-conspirators represented to some of the victims that RHFG and AGI had "legal counsel" and a paralegal who reviewed documents and issues that arose.

f. It was further part of the conspiracy that when victim homeowners contacted the defendant and advised they had received notice from the lender financial institution holding their mortgage that their homes were being foreclosed, the defendant and co-conspirators reassured them, telling them in sum and substance, not to worry, that was part of the process.

g. It was further part of the conspiracy that the defendant and co-conspirators represented to victim homeowners who were in financial difficulties, that:

i. The defendant and co-conspirators, RHFG, and AGI would refinance their home loans for a lower amount and interest rate:

ii. RHFG and AGI would lower the monthly payments and interest rate;

iii. The victims would not lose their homes.

iv. Because RHFG and AGI instructed victims to pay them, instead of their lender financial institutions, foreclosure proceedings were initiated, causing financial losses to the lender financial institutions.

h. It was further part of the conspiracy that the defendant and co-conspirators used the United States mail to send documents to victims and lender financial institutions; caused victims to use the United States mail to send payments, correspondence, and documents to the defendant and co-conspirators, RHFG, and AGI; and sent e-mails to victims, all in furtherance of the conspiracy.

i. It was further part of the conspiracy that the defendant and co-conspirators used monies received from the victims for the defendant's personal use.

j. It was further part of the conspiracy that victims and lender financial institutions as defined in Title 18, United States Code, Section 20, suffered losses as a result of the conspiracy, including loss of homes.

This was done in violation of Title 18, United States Code, Section 1349 and 2.

COUNT 2
(Mail Fraud)

5. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 4, including all sub-sections of Count 1 of this Indictment.

6. On or about May 16, 2011, in the District of Kansas, the defendant,

SARAH CORDRY,

did knowingly and intentionally devise and intend to devise a scheme to defraud, and to obtain money and property by means of materially false pretenses, representations, and

promises, and in furtherance of and for the purpose of executing the aforesaid scheme, placed and caused to be placed in an authorized depository for mail, to be sent and delivered by the Postal Service, a letter mailed from The Arize Group to Thomas M. at a postal address in Manchester, CT, with that letter containing a formal offer and demand letter. This was done in violation of Title 18, United States Code, Sections 1341 and 2.

COUNTS 3 through 9
(Wire Fraud)

7. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 4, including all sub-sections of Count 1 of this Indictment.

8. On or about the dates listed below, in the District of Kansas, and elsewhere, the defendant,

SARAH CORDRY,

did knowingly and intentionally devise and intend to devise a scheme to defraud and obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, in furtherance of and for the purpose of executing the aforesaid scheme, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and pictures, that is, e-mails, from Kansas, to out of state recipients, as described below, for the purpose of executing such scheme:

Count	Date	Description of Mailing
3	03/30/2011	E-mail from The Arize Group to James J. advertising loan audit package.
4	04/12/2011	Welcome E-mail from The Arize Group to James J. requesting financial documents.
5	05/10/2011	E-mail from The Arize Group, Inc. to James J. with attached Formal Offer and Demand Letter.
6	05/23/2011	Email from The Arize Group, Inc. to Mary J.S. with attached Formal Offer and Demand Letter.

7	03/28/2011	E-mail from The Arize Group to Delmar R. requesting financial documents.
8	05/18/2011	Email from The Arize Group to Bruce S. advising client of that their documents were sent to The Arize Group "paralegal."
9	05/19/2011	Email from The Arize Group, Inc. to Bruce S. with attached Formal Offer and Demand Letter.

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

FORFEITURE ALLEGATION

The allegations contained in Counts 1 through 9 of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 982(a)(2)(B) and 492; and Title 28, United States Code, Section 2461(c).

Upon conviction of the offenses set forth in Counts 1 through 9 of this Indictment, the defendant,

SARAH CORDRY,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(3)(E) and (F), any property constituting or derived from proceeds obtained directly or indirectly as a result of such violations, and shall forfeit pursuant to Title 28, United States Code, Section 2461(c), any and all property purchased or obtained in violation of Title 18, United States Code, Sections 1341, 1343, and 1349.

If any of the forfeitable property described above, 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; the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 18, United States Code, Sections 982(a)(3)(E) and (F), and Title 28, United States Code, Section 2461(c).

A TRUE BILL.

Date: May 9, 2018

/s/Foreperson of the Grand Jury
FOREPERSON OF THE GRAND JURY

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[It is requested that jury trial be held in Kansas City, Kansas.]

PENALTIES

COUNT 1 – 18 USC §1349 – Conspiracy to commit mail and wire fraud

- NMT 30 years imprisonment;
- NMT \$1,000,000.00 fine;
- NMT 3 years of supervised release.

COUNT 2 – 18 § U.S.C. 1341 - Mail Fraud

- NMT 30 years imprisonment;
- NMT \$1,000,000.00 fine;
- NMT 3 years of supervised release.

COUNTS 3-9 – 18 § U.S.C. 1343 - Wire Fraud

- NMT 30 years imprisonment;
- NMT \$1,000,000.00 fine;
- NMT 3 years of supervised release.