

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF KANSAS**

**UNITED STATES OF AMERICA,**

**Plaintiff,**

**v.**

**SARA CORDRY,**

**Defendant.**

**Case No.:18-CR-20033-DDC**

**INFORMATION**

**The U.S. Attorney Charges:**

**Introduction**

1. At all times material herein:

a. **TYLER KORN and AMJAD DAOUD** did business as Reliant Home Financial 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 operated out of the St. Louis, Missouri metro area, but the address listed was a UPS store in Overland Park, Kansas.

c. The Arize Group, Incorporated, was a Kansas for-profit incorporated company, formed on November 1, 2010, by a person known to the United States Attorney. The listed address was a Regus Group rental office space in Overland Park, Kansas. On February 7, 2011, Sara Cordry became the registered agent. Its managing members included Ruby Price, Sara Cordry, and others.

d. The United States Department of Housing and Urban Development (HUD) was founded as a Cabinet department in 1965. The department's mission was to increase homeownership, support community development, and increase access to affordable housing free from discrimination.

e. The United States Congress enacted the Inspector General Act of 1978 to ensure integrity and efficiency in government.

f. The Inspector General is responsible for conducting and supervising audits, as well as investigations relating to the programs and operations of HUD.

g. The mission of the Office of Inspector General is to promote the integrity, efficiency and effectiveness of HUD programs and operations; to assist the department in meeting this mission, to detect and prevent waste, fraud and abuse; and seek administrative sanctions, civil recoveries and/or criminal prosecution of those responsible for waste fraud and abuse in HUD programs and operations.

h. The Federal Housing Administration (FHA) provides mortgage insurance on loans made by FHA-approved lenders throughout the United States. HUD administers FHA residential lending regulations and guarantee programs. FHA mortgage insurance provides lenders with protection against losses if a property owner defaults on their mortgage. The lenders bear less risk because FHA will pay a claim to the lender for the unpaid principal balance of the defaulted mortgage.

i. RHFG operated as a call center and made representations to financially-distressed homeowners that Arize could assist them with drastically lowering their mortgage interest rates, lower their monthly mortgage payments, and obtain a loan modification for the homeowner. In some instances, homeowners stopped making

payments to their lender institutions and homeowners instead, made payments to RHFG for Arize's services.

j. As co-manager, the defendant received compensation in the way of payments from homeowners who contracted with RHFG to have Arize perform mortgage auditing and modification services.

k. RHFG recruited and targeted homeowners who were in financial difficulties with promises that the homeowners and others would be rescued from their financial problems. After RHFG received the initial payment from homeowners, RHFG sent those clients to Arize for processing services.

l. RHFG did advertise their fraudulent scheme, including through the internet, email, United States mail, internet websites, and word of mouth.

m. RHFG 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 RHFG and Arize would drastically lower their mortgage interest rates, lower their monthly mortgage payments, and/or obtain a loan modification for them. Arize then accepted the homeowners as clients.

n. In some instances, the homeowners would stop making payments to their lenders, and instead, make their monthly payments to RHFG.

o. The defendant, along with others, provided documents that were created on the victims' behalf to ensure victims felt the "process" was working until their final payment was received.

p. The defendant, along with others, represented to some of the victims that Arize had "legal counsel" and/or "paralegal" that reviewed documents and issues that arose.

q. When the homeowners contacted the defendant or others working at Arize and homeowners reported receiving notice that their homes were being foreclosed, the defendant and others working at Arize , assured the homeowners, “not to worry, that was part of the process.”

r. The defendant, along with others, sent documents to include “loan restructuring agreements” to victims in order to sign-up for this fraudulent enterprise.

s. The defendant, along with others, used monies received from the victims for her own personal use. RHFG collected fees directly from the homeowners. RHFG sent \$700 of that fee to Arize for processing services. Ruby Price and Sara Cordry retained \$350. The remainder was paid to the alleged paralegal.

t. As a result of the defendant’s actions, some homeowners went into default on their mortgages and were ultimately foreclosed by their lender. After the foreclosure process, FHA, an agency under the authority of HUD, paid claims to at least five lenders whose borrowers defaulted on their mortgages.

u. The victims and the “financial institutions” as defined in Title 18, United States Code, Section 20, suffered losses as a result of the defendant's fraudulent actions.

**COUNT 1**  
**Fraud Against Housing and Urban Development**  
**(18 U.S.C. 1012)**

2. Paragraph 1 of this Information is reallaged and incorporated by reference as though fully set forth herein.

3. Between approximately November 2010 and June 2011, in the District of Kansas and elsewhere, the defendant,

**SARA CORDRY,**

received compensation from homeowners with Housing and Urban Development and Federal Housing Authority backed mortgages, with the intent to defraud and to defeat the purposes of the Department of Housing and Urban Development, by taking these funds instead of them being paid to the government-backed mortgages, whereby lenders were later compensated by the Federal Housing Authority after homeowners defaulted on their Housing and Urban Development backed mortgages.

4. This was all in violation of Title 18, United States Code Section, 1012.

Date: October 28, 2020

**Stephen R. McAllister**  
United States Attorney  
District of Kansas

**s/Jabari Wamble**

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**PENALTIES**

**COUNT 1 – 18 USC § 1012 –Fraud Against Housing and Urban Development**

- NMT 1 year imprisonment;
- NMT \$100,000 fine;
- NMT 1year of supervised release;
- \$50 mandatory special assessment.