

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

UNITED STATES OF AMERICA : **CRIMINAL NO. 09-_____**
v. : **DATE FILED: 7/2/09**
JASON BLOOM : **VIOLATION:**
: **18 U.S.C. § 1343 (wire fraud affecting a**
: **financial institution – 1 count)**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

_____ 1. From in or about 2001 through in or about July 2007, defendant JASON BLOOM was employed as a settlement agent and an agent for title insurance companies. From in or about at least August 2007 through at least January 2008, defendant BLOOM operated his own company, A Great Title Company LLC, in Marlton, New Jersey, where he also acted as a settlement agent and an agent for title insurance companies. Defendant BLOOM handled real estate closings and home refinancing settlements, including title insurance and real estate tax matters pertaining to those transactions.

2. In this capacity, defendant JASON BLOOM was required to disburse funds from these transactions as detailed on a settlement sheet known as a “HUD-1 form,” including to pay off existing mortgages on the property and all applicable taxes with monies received at closing. Any excess funds were to be distributed to the seller or homeowner.

3. As detailed below, failure to pay off mortgages after a sale or a refinancing variously impacted the buyer, seller, homeowner, or financing company. If the original mortgage was not satisfied:

(a) the homeowner in a refinancing was obligated to pay both existing and new mortgages, increasing the size of the homeowner's debt;

(b) the seller was obligated to pay mortgages on the home that was sold and on the seller's new residence;

(c) the homeowner's credit rating could be adversely affected because his or her credit report would reflect both the existing mortgage and new mortgage;

(d) the finance company holding the existing mortgage would be placed at greater risk because the seller or homeowner, now having two mortgages, could not afford to repay the loan;

(e) in a refinancing, the finance company holding the new mortgage would not be able to obtain any funds from the sale of the property in the event of foreclosure until after the holder of the existing mortgage received all of the money it was owed, despite the fact that the new mortgage company had already paid the money to retire the existing mortgage;

(f) both the finance company holding the existing mortgage and the company holding the new mortgage would face an increased risk that the homeowner would default on one or both of the mortgages, because the homeowner would have obligations on two mortgages instead of one; and

(g) the title insurance company would be at increased risk that it would be liable for the amount of at least one of the outstanding mortgages, because it was unlikely that a

homeowner could afford to pay both mortgages, and because the value of the home would likely not be sufficient to satisfy both the new and the existing mortgage in the event of foreclosure.

THE SCHEME

4. From at least March, 2004 through January, 2008, in the Eastern District of Pennsylvania, and elsewhere, defendant

JASON BLOOM

devised and intended to devise a scheme to defraud Wachovia Bank N.A, a financial institution insured by the Federal Deposit Insurance Corporation, certificate number 33869, various clients of defendant BLOOM, financial institutions, and a title insurance company, and to obtain money and property by means of knowingly false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

5. Defendant JASON BLOOM fraudulently handled settlements for home sales and mortgage refinancings, causing losses to financial institutions and finance companies, homeowners, and title insurance companies of approximately \$1,730,874.

6. Defendant JASON BLOOM did not pay off existing mortgages as stated on the HUD-1 form after settlements and kept the funds for himself.

7. After some settlements, defendant JASON BLOOM kept the proceeds for himself and sent checks and wire transfers he knew were written on accounts with insufficient funds to financial institutions to get those institutions to withdraw liens from the property.

8. After settlement for some properties in Philadelphia, defendant JASON BLOOM falsely claimed to the City of Philadelphia that the transfer of the property had been between related parties, and that, therefore, no taxes were due. Defendant BLOOM kept for himself the funds that the buyer and seller had paid at the closing for those transfer taxes.

9. After settlement for some properties, defendant JASON BLOOM diverted refunds for overpayment of taxes to himself by depositing checks intended for homeowners into accounts defendant BLOOM controlled.

10. After settlement for some properties, defendant JASON BLOOM, to prevent his scheme from becoming detected, made payments to financial institutions knowing that those payments were drawn on accounts with insufficient funds.

11. On or about January 25, 2008, in the Eastern District of Pennsylvania and elsewhere, defendant

JASON BLOOM,

for the purpose of executing the scheme described above and affecting the financial institution described above, caused to be transmitted by means of wire communication in interstate commerce signals and sounds, that is, a wire transfer of \$181,535, intended as payment for the mortgage of client V.G., from Wachovia Bank N.A., in Philadelphia, to Bank of America, in New York, New York, knowing that the balance in the account at Wachovia had been artificially inflated by the deposit of an insufficient funds check, and that the Wachovia account, therefore, had insufficient funds to cover the wire transfer.

In violation of Title 18, United States Code, Section 1343. _____

MICHAEL L. LEVY
United States Attorney