

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
MAHN HUU DOAN,	:	VIOLATIONS:
a/k/a “Bruce Doan,”	:	18 U.S.C. § 371 (conspiracy - 1 count)
VINCENT SIROLLI	:	18 U.S.C. § 1343 (wire fraud - 8 counts)
CIRIACO GATTA,	:	18 U.S.C. § 1010 (false statements to HUD
a/k/a “Jack Gatta,”	:	- 5 counts)
ANTHONY GIAMPIETRO	:	18 U.S.C. § 1028(a)(7) (identity fraud -
MARY DIANTONIO	:	4 counts)
DANA SICILIANO	:	18 U.S.C. § 2 (aiding and abetting)
JUNE KODIAK	:	
KEITH LYON	:	
TRUNG TAM DANG	:	
ZU-YUN KIM,	:	
a/k/a “Andy Kim”	:	

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

The Defendants

At all times material to this indictment:

1. Defendant MAHN HUU DOAN, a/k/a “Bruce Doan,” bought and sold houses; owned a construction company known as Lucky Construction, Inc., 7501-13 Grays Avenue, Philadelphia, Pennsylvania; and, with defendant VINCENT SIROLLI, formed and operated a

management company known as “Genesis Financial,” 1628 Pine Street, Philadelphia, Pennsylvania.

2. Defendant VINCENT SIROLI was the chairman and chief executive officer of Encore Mortgage Services, Inc. (“Encore”), 1010 Laurel Oak Corporate Center, Suite 301, Voorhees, New Jersey, a licensed mortgage broker.

3. Defendant CIRIACO GATTA, a/k/a “Jack Gatta,” was a licensed real estate appraiser and the owner of C.A. Gatta & Associates, 2525 South Broad Street, 2nd Floor, Philadelphia, Pennsylvania.

4. Defendant ANTHONY GIAMPIETRO was a settlement agent for Rittenhouse Abstract, Inc. (“Rittenhouse Abstract”), 2617 South 21st Street, Philadelphia, Pennsylvania.

5. Defendant MARY DIANTONIO was a settlement agent for Rittenhouse Abstract and First City Abstract Agency, Inc. (“First City”), 1429 Walnut Street, 6th Floor, Philadelphia, Pennsylvania.

6. Defendant DANA SICILIANO was a loan officer for Encore.

7. Defendant JUNE KODIAK was a loan underwriter for Encore and an employee of “Genesis Financial.”

8. Defendant KEITH LYON was the chief operating officer of Encore.

9. Defendant TRUNG TAM DANG was a computer programmer with Glaxo Smith Kline, Philadelphia, Pennsylvania, and an associate of defendant MAHN HUU DOAN. Defendant DANG was also a partner of defendant DOAN in a venture called M & T Consultants, Philadelphia, Pennsylvania.

10. Defendant ZU-YUN KIM, a/k/a “Andy Kim,” was an associate of defendant MAHN HUU DOAN.

The FHA Program

11. The Department of Housing and Urban Development (“HUD”) was a department of the United States government that administered the Single Family Mortgage Insurance Program to encourage private lenders to provide mortgage loans to home buyers.

12. The Federal Housing Administration (“FHA”) was the agency within HUD that administered HUD’s mortgage insurance program. For this reason, the loans in the program are often referred to as “FHA-insured loans.”

13. Under HUD’s insurance program, FHA insured home mortgages that private lenders provided to borrowers, thereby protecting the lenders from any loss in the event that the borrower defaulted on the loan.

14. By this means, HUD shifted the financial risk of issuing its insured mortgages from the lender to the taxpayers.

15. HUD had rules, regulations, and guidelines governing the minimum requirements in the documentation of every mortgage loan transaction that was to be FHA-insured. The primary responsibility for gathering and completing the documentation lay with the lender. Other professionals – including a settlement agent and an appraiser – also had responsibility with respect to gathering and completing certain documentation. So, too, did the home buyer, the individual (or individuals) who was (or were) to receive an FHA-insured loan.

16. The accuracy and truthfulness of the information contained in the documentation underlying an FHA-insured mortgage loan transaction was vital. Such

information was used in the underwriting process, a process that assessed the risk that the loan will go into foreclosure and estimated the potential costs associated with a foreclosure. Both the lenders and HUD relied on that information in determining whether a loan was to be FHA-insured. Included among the information that the lender and HUD relied on were the borrower's income, employment, and credit histories; the amount of the borrower's own money used to purchase the house; whether the borrower planned to live in the house (rather than rent it out or purchase it as an investment); and the appraised value of the house at the time of the purchase. Should such information be inaccurate or untruthful, then the underwriting process was undermined. Any assessment of the risk of the loan's going into foreclosure or of the costs associated with such a foreclosure would be based on false and inaccurate information. Such an assessment would deny FHA the opportunity to protect taxpayer funds by an accurate evaluation of the mortgage application.

17. The information described above was collected in a number of documents. Those documents were included in file folders sometimes called "direct endorsement binders." These file folders – and the original documents therein – were provided to HUD in the process of a lender's obtaining FHA insurance for a mortgage loan. The lender maintained copies of such documents in its own folders. Among the documents contained in "direct endorsement binders" were the following:

(a). The Uniform Residential Loan Application Form, which required the prospective buyers to represent truthfully their income, their assets, and their liabilities on a standard form. Lending institutions used this form to evaluate whether the prospective buyers could afford the loan they needed to buy the house, that is, whether they could make the

necessary monthly mortgage payments. Typically, a representative of the lender filled out the application using information provided to him/her by the borrower. That lender representative signed the application.

(b). A Uniform Residential Appraisal Report, which presented an appraiser's evaluation of the value of the property to be mortgaged. The appraiser signed the report in several places certifying that he had, among other things, personally inspected the subject property, personally inspected the comparable properties, and stated accurately the facts on which he based his appraisal including any statements about improvements to the subject property.

(c). A Settlement Statement on a HUD-approved form (called the "HUD-1"), prepared by the settlement company representative for the closing. The HUD-1 reflected all sources of funds used for the purchase of the property, including the source of any cash brought to closing, and all disbursements made by the settlement agent on behalf of the buyer and the seller from the proceeds of the transaction. The settlement agent signed the HUD-1, certifying that the HUD-1 "which I have prepared is a true and accurate account of this transaction." The settlement agent also certified that "I have caused or will cause the funds to be disbursed in accordance with this statement." Immediately below these HUD-1 certifications, the form included a notice that it was a crime to knowingly make false statements to the United States on "this or any similar form," including a violation of Title 18, United States Code, Section 1010 (the "Section 1010 Notice").

(d). An Addendum to HUD-1 Settlement Statement, in which the buyer, seller, and settlement agent certified, among other things, that the seller did not provide to the buyer any part of the cash down payment to purchase the house and that the HUD-1 was a true and accurate

accounting of the manner by which all funds in the transaction were received and disbursed.

This form, too, included a Section 1010 Notice.

(e). Verification documents, such as, for instance, a signed form verifying the employment history of the borrower; bank statements for accounts held by the borrower; utility bills paid by the borrower; signed forms or letters verifying that the borrower was paying rent; and W-2s or other similar wage and tax documents.

(f). A HUD/VA Addendum to Uniform Residential Loan Application or “form HUD-92900-A,” which contained numerous certifications made by the lender and the borrower. The lender had to certify, among other things, that the loan application was true and correct and that the borrower met the guidelines for an FHA-insured loan. The borrower had to certify, among other things, that he planned to live in the house he was purchasing.

18. Like FHA-insured loans, conventional loans – those not insured by the government – underwent an underwriting process similar to the process described above. That is, mortgage lenders evaluated loan documentation to determine whether an applicant met lending criteria set by those lenders. Such documentation included, among other information, the Uniform Residential Loan Application Form, the Uniform Residential Appraisal Report, a HUD-1, and verification documents. Mortgage lenders relied on the truthfulness and accuracy of the information in such documentation. That information was material to the lenders’ decisions to provide mortgage loans.

The Conspiracy

19. From in or about March 2001, to in or about February 2003, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MAHN HUU DOAN,
a/k/a “Bruce Doan,”
VINCENT SIROLI,
CIRIACO GATTA,
a/k/a “Jack Gatta,”
ANTHONY GIAMPIETRO,
DANA SICILIANO,
JUNE KODIAK,
KEITH LYON,
TRUNG TAM DANG, and
ZU-YUN KIM,
a/k/a “Andy Kim,”**

conspired and agreed, together and with others known and unknown to the grand jury, to commit offenses against the United States, that is, devising a scheme to defraud by wire, in violation of Title 18, United States Code, Section 1343; knowingly making false statements for the purpose of obtaining loans from mortgage lenders with the intent that such loans shall be offered to and accepted by HUD for insurance, in violation of Title 18, United States Code, Section 1010; and knowingly using without lawful authority means of identification of other persons in connection with unlawful activity in violation of federal law, in violation of Title 18, United States Code, Section 1028(a)(7).

MANNER AND MEANS

20. It was part of the conspiracy that the defendants purchased approximately 180 real properties in Philadelphia, Pennsylvania (the “flipped properties”) and, after a short period of time, re-sold the properties to fictitious purchasers at inflated prices and then pocketed the illicit proceeds.

It was further part of the conspiracy that:

21. For nearly all of the approximately 180 flipped properties, defendant MAHN HUU DOAN utilized a misappropriated or false identity for the initial cash purchase of a property (referred to as the "A" transaction). At the same time, defendant DOAN used another misappropriated or false identity to apply for and obtain an FHA-insured or a conventional mortgage through Encore. Defendant DOAN used that fraudulently obtained mortgage to finance the purchase of the property at a second sale (referred to as the "B" transaction). That is, defendant DOAN would buy a property – with cash and a fraudulent identity – then re-sell or “flip” that same property to himself – with an FHA-insured or a conventional mortgage and a different fraudulent identity – at an inflated price. The proceeds of the flip were the difference between the inflated price of the property in the “B” deal and the price of the property in the “A” deal. It was common for the “A” and the “B” deals to occur almost simultaneously. Defendant DOAN and his co-conspirators pocketed the proceeds.

22. For example, on or about July 19, 2001, defendants MAHN HUU DOAN and TRUNG TAM DANG executed the flipping scheme using a property defendant DANG owned at 2508 S. 2nd Street, Philadelphia, Pennsylvania:

(a). To finance a purchase of this property, using the false identity “Khang Dang,” defendant MAHN HUU DOAN applied for and received an FHA-insured mortgage through Encore. No such “Khang Dang” existed, let alone was going to be responsible for repaying the FHA mortgage or was going to be living in the mortgaged property.

(b). Defendant MAHN HUU DOAN then used that fraudulently obtained mortgage to finance the purchase of 2508 S. 2nd Street from defendant TRUNG TAM DANG.

(c). Defendant TRUNG TAM DANG then gave the profits from the sale to defendant MAHN HUU DOAN.

23. Defendant DANA SICILIANO was the Encore employee responsible for preparing the paper work associated with the FHA-insured mortgage used to purchase 2508 S. 2nd Street. Defendant SICILIANO prepared such paper work knowing that the application for the FHA-insured mortgage was based on false statements.

People Recruited For Their Identities

24. Defendant MAHN HUU DOAN used the identities of real persons to apply for FHA-insured or conventional mortgages, which mortgages were used to finance the “B” transactions.

25. Defendant ZU-YUN KIM and others recruited family members, friends, and others to sell or lend their identities to defendant MAHN HUU DOAN for use in the scheme.

26. Defendant ZU-YUN KIM and others would explain to these recruits that defendant MAHN HUU DOAN would take out a mortgage in the recruit’s name and purchase a house in the recruit’s name. The recruit would not live in the house nor be responsible for the mortgage payments. In return for using the recruit’s identity, defendant DOAN would sometimes pay the recruit a fee.

27. For example, defendant ZU-YUN KIM recruited a friend, K.C., to provide his identity to defendant MAHN HUU DOAN. Defendant DOAN used the identity of K.C. in the purchase and flip of 2624 Holbrook Street, Philadelphia, Pennsylvania on or about November 1, 2002.

False Documents Created to Support Loan Applicants

28. In instances in which defendant MAHN HUU DOAN used false documents to obtain FHA-insured or conventional mortgages, he asked defendant TRUNG TAM DANG to create the documents. Those false documents might include drivers' licenses, bank statements, pay stubs, or W-2s.

29. Defendant TRUNG TAM DANG created the false documents on a computer at his office at Glaxo Smith Kline. He put those documents in a package and provided them at times to defendant ZU-YUN KIM or others who, in turn, brought the packages at times to defendants JUNE KODIAK or DANA SICILIANO, employees of Encore.

30. Defendants JUNE KODIAK and DANA SICILIANO used the false documents to prepare the paper work for the mortgage applications.

31. At times, defendants JUNE KODIAK or DANA SICILIANO noticed that the false documents were imperfect or had mistakes (for instance, mathematical errors in calculating wage taxes on a W-2). Defendants KODIAK and SICILIANO then contacted defendant MAHN HUU DOAN to have defendant TRUNG TAM DANG correct the false documents and provide the corrected false documents to them for inclusion in the mortgage transaction file.

32. An example of such an instance occurred in or about September 2001 in relation to the flipping transaction of 6356 Kingsessing Avenue, Philadelphia, Pennsylvania. In that transaction, defendant TRUNG TAM DANG created false documents concerning the buyer "Anh Pham." Defendants JUNE KODIAK and DANA SICILIANO noticed possible errors in a false W-2 that was to be used in that transaction. The error was communicated to defendants

MAHN HUU DOAN and DANG; the false document was fixed and then used to support the flipping transaction of the property, which transaction closed on or about September 27, 2001.

Fraudulent Settlement Documents

33. In many flipped property transactions, defendant TRUNG TAM DANG created false identities through the use of false documents.

34. At a closing on a flipped property in which a false identity was used as a purchaser in the "B" transaction, defendants MAHN HUU DOAN and ZU-YUN KIM and others signed papers posing as the person with the false identity.

35. Defendant ANTHONY GIAMPIETRO acted as a closing agent on dozens of the flipped property transactions. He prepared closing documentation which required the signatures of the actual purchaser in the "B" transaction. Defendant GIAMPIETRO allowed defendants MAHN HUU DOAN and ZU-YUN KIM and others to sign papers posing as the actual purchaser in the "B" transaction, knowing that the signatures were false.

36. Defendant ANTHONY GIAMPIETRO also prepared closing documentation which required the truthful and accurate description of the sources of funds used for the purchase of the property, including the source of any cash brought to closing, and of all disbursements made by the settlement agent on behalf of the buyer and the seller from the proceeds of the transaction. Defendant GIAMPIETRO misrepresented the flow of money in the flipped property transactions. He did so by, among other things, misrepresenting the true source of the cash brought to closing on the "A" and "B" deals and failing to disclose "disbursements," such as payoffs made from proceeds on the "B" deal to participants in the conspiracy.

37. For example, on or about September 13, 2002, at the closing for the property at 1118 South Alder Street, Philadelphia, Pennsylvania, defendant MAHN HUU DOAN posed as the fake “B” transaction purchaser “Ki Bae” and signed documents as “Ki Bae.” That same day, at the closing for 634 Tasker Street, Philadelphia, Pennsylvania, defendant DOAN posed as the fake “B” transaction purchaser “Myung No” and signed documents as “Myung No.” Defendant ANTHONY GIAMPIETRO was the closing agent on each of those two deals. In each of those two deals, defendant GIAMPIETRO misrepresented the flow of money.

Encore’s Owner Discovers The Scheme And Perpetuates It

38. In or about early 2002, defendant VINCENT SIROLLI, as the owner of Encore, learned of the fraud. Rather than reporting the fraud to authorities, defendant SIROLLI instituted changes at Encore and gave a series of directions to defendants MAHN HUU DOAN, JUNE KODIAK, DANA SICILIANO, and KEITH LYON, all of which allowed the fraud to continue undetected and allowed defendant SIROLLI, through Encore, to continue to earn money from the fraud. Defendant SIROLLI also attempted to insulate himself by directing others at Encore to deal directly with the fraudulent transactions so that defendant SIROLLI’s own participation in the fraud would not be discovered by others.

39. Defendant VINCENT SIROLLI’s changes and directions included, among other things:

- (a). setting up a quasi-quality control system at Encore’s New Jersey offices;
- (b). using Encore employees to ensure that the false documents looked real;
- (c). creating a Philadelphia Encore office to better manage the fraudulent transactions;

(d). directing that defendant DANA SICILIANO maintain records of the loans on the flipped properties regarding the mortgage payments made on the fraudulent loans to make sure that proceeds from any future flipped property transactions be used to make payments on the mortgages from the earlier flipped property transactions; and

(e). directing that defendant JUNE KODIAK serve as both the originator and the underwriter for future loans.

40. As the fraudulent transactions continued under defendant VINCENT SIROLLI's new system and direction, Encore and defendant SIROLLI continued to earn commissions and fees from the transactions and to generate profits.

41. Moreover, defendant VINCENT SIROLLI began to charge additional fees to defendant MAHN HUU DOAN for Encore's processing and underwriting the fraudulent loans.

42. Defendant VINCENT SIROLLI directed that the documents skip several steps in Encore's normal procedures, thereby limiting the number of people at Encore who examined the flipped property loans. To create the illusion that all was normal with the flipped property loans, defendant KEITH LYON would make it appear that he was personally reviewing the paper for those loans.

43. To ensure defendant KEITH LYON'S continued commitment to the fraud scheme, defendant VINCENT SIROLLI gave defendant LYON several thousand dollars in cash, telling him that the money came from defendant MAHN HUU DOAN and that it was to help defendant LYON pay off a debt that he (defendant LYON) owed.

Fraudulent Appraisals Supported the Scheme

44. The price of the property in the “B” deals was supported by fraudulent appraisals.

45. To justify the fraudulently inflated prices, defendant CIRIACO GATTA falsely reported in the appraisals that defendant MAHN HUU DOAN had repaired the flipped properties. Had the repairs actually been done, the properties would have been worth more.

46. Defendant CIRIACO GATTA also falsely reported in the appraisals that he had personally inspected the flipped properties prior to preparing his appraisals.

47. For example, defendant CIRIACO GATTA falsified the appraisal used in the sale of 2312 Belgrade Street, Philadelphia, Pennsylvania, on or about October 4, 2002. He reported in his appraisal, dated on or about September 25, 2002, that he personally inspected the property and that it had a new kitchen, with formica counter tops, and a stainless steel sink. He also reported that the property was well kept and that there were no factors to detract from its marketability. In fact, at the time of the sale, the property was in disrepair. It had water damage from a leaking ceiling and had holes in its walls. The property needed new flooring, new carpets to replace those that had been destroyed, and new paint. The kitchen had no counter tops, formica or otherwise, and the sink was decades old and damaged.

The Conspirators Obtain Money for the Mortgages on the Fraudulent Flipped Properties

48. By in or about the fall of 2002, many of the loans used to finance the “B” deals were delinquent and in danger of falling into foreclosure. A number of the conspirators were concerned that, should there be large-scale foreclosures, government authorities would become suspicious.

49. To decide how to deal with the potential problem, some of the conspirators held several meetings at Encore's offices in New Jersey. The various meetings included defendants VINCENT SIROLI, MAHN HUU DOAN, TRUNG TAM DANG, CIRIACO GATTA, JUNE KODIAK, KEITH LYON, and DANA SICILIANO. The conspirators recognized that they needed money to bring the delinquent, fraudulent loans current or to pay them off altogether.

50. As a result of the meetings and at defendant VINCENT SIROLI'S urging, defendant MAHN HUU DOAN searched for ways to get an infusion of cash. He convinced defendant CIRIACO GATTA to lend him some of that cash. He also asked C.D. to lend even more money, matching defendant GATTA's loan. The money was to be used to pay past due mortgages that had been obtained fraudulently. By bringing those mortgages current, the conspirators would keep the scheme running, prevent foreclosures, and cut off the possibility that government authorities would become suspicious.

51. Defendants MAHN HUU DOAN and CIRIACO GATTA and C.D. met at the offices of Rittenhouse Abstract to close the loan deal. Others – including defendant DANA SICILIANO – were at the meeting. Defendant GATTA and C.D. brought cash to the meeting and handed it to defendant SICILIANO in a brown paper bag. The cash totaled approximately one hundred thousand dollars (\$100,000). Defendant SICILIANO took the cash, counted it, and ultimately brought it to a check cashing store. There, she had the money wired to the mortgage companies.

52. Defendant DANA SICILIANO advised defendant VINCENT SIROLI of the loan transaction. Defendant SIROLI had insisted that defendant SICILIANO handle the cash and make the mortgage payments.

The Last Two Flipped Property Deals

53. In or about February 2003, defendant MAHN HUU DOAN became unavailable. The conspirators feared that, with defendant DOAN gone, the scheme would fall apart. Mortgages on the “B” deals had to be kept current, but there was no money to pay for them.

54. Defendant CIRIACO GATTA called a meeting at his office. The meeting included, in addition to defendant GATTA, defendants TRUNG TAM DANG, ZU-YUN KIM, and DANA SICILIANO, and others.

55. At the meeting, the conspirators discussed the need for money to pay the mortgage payments on the “B” deals and to pay to fix up the flipped properties, which had never been repaired. They decided to do two more fraudulent deals by re-selling two of the flipped properties they had earlier flipped. They would simply flip them again, at even higher prices, and then use the proceeds from those two more deals to make past due mortgage payments and to pre-pay the mortgage payments on the new fraudulent deals. The conspirators wanted to pre-pay those mortgages to avoid early foreclosures on the deals, which might make authorities suspicious.

56. Defendant CIRIACO GATTA decided which two of the flipped properties would be flipped again for the most profit. He chose 1215 S. 8th Street and 1235 S. 8th Street, and other defendants prepared the loan transaction paper work using fraudulent documents.

57. Defendant DANA SICILIANO advised defendant VINCENT SIROLI of the February 2003 plan. He agreed, with certain conditions. Defendant SIROLI demanded that defendant SICILIANO personally take some of the proceeds to a check cashing store to make the payments on the past due mortgages. He also demanded that defendant SICILIANO bring him the rest of the proceeds. Defendant SIROLI used those proceeds to pre-pay the mortgages on the last two fraudulent loans in the scheme to delay foreclosure on those loans.

58. The two deals closed on or about February 21, 2003. Defendant ANTHONY GIAMPIETRO was the closing agent. He witnessed the conspirators falsifying signatures on the transaction paper work and then issued the proceeds checks pursuant to defendant DANA SICILIANO'S instructions. Defendant GIAMPIETRO paid some of the proceeds directly to defendant SICILIANO by check. To issue the checks as defendant SICILIANO had asked, defendant GIAMPIETRO misrepresented on the transaction documentation how the proceeds were disbursed. That is, none of the documentation accurately reflected where the proceeds money was going.

59. The loans closed on or about February 21, 2003, and were the last loans closed by the conspirators.

Scope of Defendants' Involvement in the Conspiracy

60. From in or about March 2001, to in or about February 2003, defendant MAHN HUU DOAN gave, and caused to be given, cash and other things of value to defendants VINCENT SIROLI, CIRIACO GATTA, ANTHONY GIAMPIETRO, DANA SICILIANO, JUNE KODIAK, KEITH LYON, and TRUNG TAM DANG, and others, to ensure that they continued to participate as needed in the property flipping scheme and that they did not disclose

the scheme to authorities. Defendant DOAN directed others to create false documents used in support of loan applications. Defendant DOAN posed as real estate buyers and sellers – and directed others to do the same – signing names to documents associated with flipped property transactions. In all, defendant DOAN participated in approximately 180 fraudulent real estate transactions.

61. From in or about February 2002, through in or about February 2003, defendant VINCENT SIROLI, as owner of Encore, created a system to allow defendant DOAN and others to apply for and obtain fraudulent mortgage loans, through his company, which loans were used in approximately 100 real estate transactions. Defendant SIROLI oversaw the processing of fraudulent mortgage loan applications. He approved fraudulent loans, earning fees for his company and for himself. He signed false mortgage loan application documents. He directed that his employees, defendants DANA SICILIANO and JUNE KODIAK, approve loans using false documentation. He directed that defendant SICILIANO keep track of the money generated by the fraudulent flipped property transactions and use that money, in part, to hide the fraud. He directed that his employee defendant KEITH LYON take special steps in the processing of flipped property transactions to hide the fraudulent nature of those transactions.

62. From in or about March 2001, to in or about February 2003, defendant CIRIACO GATTA prepared approximately 180 appraisals for the flipped properties. By no later than in or about July 2002, defendant GATTA was aware that defendant DOAN had not repaired some of the flipped properties prior to re-selling them. Still, defendant GATTA continued to prepare appraisals certifying that he had inspected the flipped properties and that defendant DOAN had repaired them. That is, defendant GATTA prepared, and caused to be prepared,

fraudulently inflated appraisals for the “B” transactions involving the flipped properties. Defendant GATTA loaned money to defendant DOAN to make current certain mortgages on the flipped properties that were then in default and to ensure that the property flipping scheme remained undetected. Defendant GATTA convened a meeting at his office, in or about February 2003, at which meeting he helped to choose which two flipped properties the conspirators would re-flip so as to allow the scheme to continue. Defendant GATTA prepared the appraisals for the last two flipped property transactions knowing that those last two deals were fraudulent.

63. From in or about May 2001, to in or about February 2003, defendant ANTHONY GIAMPIETRO prepared false and fraudulent settlement documentation for approximately 95 flipped property transactions. Defendant GIAMPIETRO closed mortgages on the “B” transactions for the flipped properties even though the purported buyers and sellers were not present, the “A” transaction often had not yet closed, the proceeds of the “B” transactions went to other than the purported seller, and the settlement sheets misrepresented the flow of money in the real estate transaction. Defendant GIAMPIETRO signed documents falsely certifying that the settlement documents truthfully and accurately reflected the disbursements of money from the real estate transaction.

64. From in or about March 2001, to in or about February 2003, defendant DANA SICILIANO processed and helped to process fraudulent loan papers for approximately 180 flipped properties. She maintained a master list of the flipped properties by which she attempted to keep track of the mortgage payments for those properties. By keeping track of the mortgage payments, defendant SICILIANO helped to hide the fraud from detection.

65. From in or about March 2001, to in or about February 2003, defendant JUNE KODIAK processed and underwrote the fraudulent loan papers for approximately 180 flipped properties, often suggesting to defendant MAHN HUU DOAN how to prepare the false documentation so that the fraud would remain undetected. Defendant KODIAK processed and underwrote, in the name of her husband, fraudulent loan papers for the flipped properties.

66. From in or about July 2002, to in or about January 2003, defendant KEITH LYON personally oversaw the manner by which Encore's New Jersey office handled approximately 80 flipped properties. Defendant LYON made sure that, as the loan files for the flipped properties arrived from Philadelphia at Encore's New Jersey offices, he took possession of the files. He then took those files directly to Encore's closing department. At the direction of defendant VINCENT SIROLLI, defendant LYON made sure that the loans files skipped the normal quality assurance procedures at Encore and that no one at Encore's New Jersey offices reviewed those loan files for any kind of irregularity.

67. From in or about March 2001, to in or about February 2003, defendant TRUNG TAM DANG invested in the property flipping scheme by providing money to defendant MAHN HUU DOAN to help him fraudulently purchase properties. Defendant DANG also created fraudulent identification documents, such as drivers' licenses, bank statements, pay stubs, and W-2s, to be used by the alleged purchasers and sellers of the flipped properties. Defendant DANG prepared false documents that were used in dozens of flipped property transactions, including false documents used in the last two flipped property transactions.

68. From in or about May 2001, to in or about February 2003, on approximately 50 occasions, defendant ZU-YUN KIM signed the names of the alleged purchasers and sellers of

the flipped properties. Defendant KIM made cash payments to other persons involved in the property flipping scheme. Defendant KIM also recruited people, largely from the Asian-American community in Philadelphia, to sell or lend their identities to defendant DOAN, which identities were used to purchase and sell flipped properties.

69. In the normal course of completing the transactions on the flipped properties, the conspirators used and caused to be used the interstate wires. For example, the cash used at the real estate closings for the flipped properties flowed from an Encore bank account in New York to a settlement company bank account in Pennsylvania via a wire transfer of funds. And, to obtain those funds, defendants caused employees of Encore to make a request of a bank in New York by sending a facsimile from New Jersey to New York.

70. Encore sold most of the mortgages on the flipped properties to Washington Mutual Bank, Seattle, Washington, and Wells Fargo Home Mortgage, Inc., Harrisburg, Pennsylvania.

71. As a result of the conspiracy, the potential loss exposure to the FHA and to mortgage lenders is approximately \$11,781,000, which is the difference in value between the "A" and "B" transactions on the flipped properties.

OVERT ACTS

In furtherance of the conspiracy, defendants, and others known and unknown to the grand jury, committed the following overt acts in the Eastern District of Pennsylvania and elsewhere:

1. On or about July 19, 2001, defendant MAHN HUU DOAN created or directed the creation of false documents bearing the identity “Khang Dang,” which document he used to obtain a mortgage for the purchase of 2508 S. 2nd Street, Philadelphia, Pennsylvania.

2. On or about February 15, 2002, defendant VINCENT SIROLLI sent or caused to be sent, by facsimile, a request for funds to a bank in New York and signed or caused to be signed an Encore check for funds to be used in the sale of 1027 S. 10th Street, Philadelphia, Pennsylvania.

3. On or about September 25, 2002, defendant CIRIACO GATTA prepared a false appraisal report to support the sale of 2312 Belgrade Street, Philadelphia, Pennsylvania.

4. On or about September 13, 2002, defendant ANTHONY GIAMPIETRO prepared and signed settlement documentation, including, without limitation, a HUD-1 and an Addendum to HUD-1 Settlement Statement, used in the sale of 1118 South Alder Street, Philadelphia, Pennsylvania, to “Ki Bae,” a false identity.

5. On or about September 27, 2001, defendant DANA SICILIANO processed and approved a mortgage loan, by relying on false documentation, used in the sale of 6356 Kingsessing Avenue, Philadelphia, Pennsylvania, to “Anh Pham,” a false identity.

6. On or about September 27 2001, defendant JUNE KODIAK processed and approved a mortgage loan, by relying on false documentation, used in the sale of 6356 Kingsessing Avenue, Philadelphia, Pennsylvania, to “Anh Pham,” a false identity.

7. In or about July 2002, defendant KEITH LYON accepted a cash payment from defendant MAHN HUU DOAN, which cash defendant VINCENT SIROLLI handed to defendant

LYON, and, soon thereafter, defendant LYON began to oversee the handling of the files, at Encore, associated with the flipped properties.

8. On or about July 19, 2001, defendant TRUNG TAM DANG created false documents bearing the identity “Khang Dang,” which documents he provided to defendant MAHN HUU DOAN to be used to obtain a mortgage for the purchase of 2508 S. 2nd Street, Philadelphia, Pennsylvania.

9. On or about November 1, 2002, defendant ZU YUN KIM convinced his friend K.C. to provide his identity to defendant MAHN HUU DOAN so that the identity could be used in the sale of 2624 Holbrook Street, Philadelphia, Pennsylvania.

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

COUNTS TWO THROUGH NINE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 18 of Count One are incorporated here.

THE SCHEME

2. From in or about March 2001, to in or about February 2003, defendants

**MAHN HUU DOAN,
a/k/a "Bruce Doan,"
VINCENT SIROLI,
CIRIACO GATTA,
a/k/a "Jack Gatta,"
ANTHONY GIAMPIETRO,
DANA SICILIANO,
JUNE KODIAK,
KEITH LYON,
TRUNG TAM DANG, and
ZU-YUN KIM,
a/k/a "Andy Kim,"**

devised and intended to devise, and aided and abetted the devising of, a scheme to defraud mortgage lenders and the United States, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

3. Paragraphs 20 through 71 of the Manner and Means section of Count One are incorporated here.

4. On or about each of the dates set forth below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MAHN HUU DOAN,
a/k/a "Bruce Doan,"
VINCENT SIROLI,
CIRIACO GATTA,**

**a/k/a "Jack Gatta,"
 ANTHONY GIAMPIETRO,
 DANA SICILIANO,
 JUNE KODIAK,
 KEITH LYON,
 TRUNG TAM DANG, and
 ZU-YUN KIM,
 a/k/a "Andy Kim,"**

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 signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DEFENDANT(S)	PROPERTY SOLD	DESCRIPTION
2.	MAHN HUU DOAN, a/k/a "Bruce Doan" TRUNG TAM DANG	2508 S.2nd Street, Philadelphia	On or about July 19, 2001, \$52,132.59 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
3.	JUNE KODIAK DANA SICILIANO	6356 Kingsessing Avenue, Philadelphia	On or about Sept. 27, 2001, \$46,920.09 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
4.	VINCENT SIROLI	1027 S.10th Street, Philadelphia	On or about Feb. 15, 2002, facsimile from Encore Mortgage in New Jersey to Chinatrust Bank in New York requesting an advance of funds

5.	KEITH LYON	6831 Regent Street, Philadelphia	On or about July 25, 2002, \$64,455.91 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
6.	ANTHONY GIAMPIETRO	1118 S. Alder Street, Philadelphia	On or about Sept. 13, 2002, \$71,089.98 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
7.	CIRIACO GATTA, a/k/a "Jack Gatta"	2312 Belgrade Street, Philadelphia	On or about Oct. 4, 2002, \$54,976.71 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
8.	VINCENT SIROLLI ANTHONY GIAMPIETRO	1215 S. 8 th Street, Philadelphia	On or about Feb. 21, 2003, \$249,480.00 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing
9.	VINCENT SIROLLI ANTHONY GIAMPIETRO ZU YUN KIM, a/k/a "Andy Kim"	1235 S. 8 th Street, Philadelphia	On or about Feb. 21, 2003, \$225,720.00 wired from Chinatrust Bank in New York to a bank account in Pennsylvania, such funds to be used at a real estate closing

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

COUNTS TEN THROUGH FOURTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 18 of Count One and paragraphs 20 through 71 of the Manner and Means section of Count One are incorporated here.

2. On or about each of the dates set forth below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MAHN HUU DOAN,
a/k/a "Bruce Doan,"
VINCENT SIROLI,
CIRIACO GATTA,
a/k/a "Jack Gatta,"
ANTHONY GIAMPIETRO,
MARY DIANTONIO,
DANA SICILIANO,
JUNE KODIAK,
KEITH LYON,
TRUNG TAM DANG, and
ZU-YUN KIM,
a/k/a "Andy Kim,"**

for the purpose of obtaining a loan and with the intent that such loan be offered and accepted by HUD for insurance, knowingly made, and aided and abetted the making of, false statements, as described below, in that defendants caused to be submitted, and aided and abetted the submission of, false documents to HUD, as described below:

COUNT	DEFENDANT(S)	PROPERTY SOLD	FALSE STATEMENTS
10.	MAHN HUU DOAN, a/k/a "Bruce Doan" TRUNG TAM DANG JUNE KODIAK DANA SICILIANO	6356 Kingsessing Avenue, Philadelphia	On or about Sept. 27, 2001, (a) a HUD-1 falsely certified that the source of cash in the transaction was the borrower "Anh Pham"; (b) a HUD-1 Addendum falsely certified that the borrower was the source of cash in the transaction; (c) a loan application falsely certified that the borrower had funds in bank accounts; (d) a HUD form 92900A falsely certified that the borrower would live in the house; (e) a false employment verification form that verified employment at the University of Pennsylvania; (f) a false pay stub purportedly from the University of Pennsylvania; (g) a false form W-2 purportedly from the University of Pennsylvania; and (h) false bank statements from Mellon PSFS.

11.	ZU-YUN KIM, a/k/a “Andy Kim”	5930 N. 4 th Street, Philadelphia	On or about Jan. 29, 2002, (a) a HUD-1 falsely certified that the source of cash in the transaction was the borrower “Min Yi”; (b) a HUD-1 Addendum falsely certified that the borrower was the source of cash in the transaction; (c) a loan application falsely certified that the borrower had funds in bank accounts; (d) a HUD form 92900A falsely certified that the borrower would live in the house; (e) a false employment verification form that verified employment at Laneko Engineering; (f) a false pay stub purportedly from Laneko Engineering; (g) a false form W-2 purportedly from Laneko Engineering; and (h) false bank statements purportedly from First Union
12.	MARY DIANTONIO	6135 Reedland Street, Philadelphia	On or about Feb. 26, 2002, (a) HUD-1 falsely certified that the source of cash in the transaction was the borrower “Thu Doan;” and (b) a HUD-1 Addendum falsely certified that the borrower was the source of cash in the transaction.

13.	VINCENT SIROLI ANTHONY GIAMPIETRO KEITH LYON	634 Tasker Street, Philadelphia	On or about Sept. 13, 2002, (a) a HUD-1 falsely certified that the source of cash in the transaction was the borrower "Myung No"; (b) a HUD-1 Addendum falsely certified that the borrower was the source of cash in the transaction; (c) a loan application falsely certified that the borrower had funds in bank accounts; (d) a HUD form 92900A falsely certified that the borrower would live in the house; (e) a false employment verification form that verified employment at Salon Equipment; (f) a false pay stub purportedly from Salon Equipment; (g) a false form W-2 purportedly from Salon Equipment; and (h) false bank statements purportedly from First Union.
14.	CIRIACO GATTA, a/k/a "Jack Gatta"	2312 Belgrade Street, Philadelphia	September 25, 2002, appraisal report falsely described the conditions of the kitchen and bathroom.

All in violation of Title 18, United States Code, Sections 1010 and 2.

COUNTS FIFTEEN THROUGH EIGHTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 18 of Count One and paragraphs 20 through 71 of the Manner and Means section of Count One are incorporated here.
2. On or about each of the dates set forth below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MAHN HUU DOAN,
a/k/a "Bruce Doan,"
VINCENT SIROLI,
ANTHONY GIAMPIETRO,
DANA SICILIANO,
JUNE KODIAK,
KEITH LYON,
TRUNG TAM DANG, and
ZU-YUN KIM,
a/k/a "Andy Kim,"**

knowingly and without lawful authority used, and aided and abetted and willfully caused the use of, a means of identification of another person with the intent to commit, and to aid and abet, a violation of federal law, that is, wire fraud and false statements, in violation of Title 18, United States Code, Sections 1343 and 1010, by falsifying, among other documents, pay stubs, W-2 forms, HUD-1 Settlement Sheets, and bank statements, to obtain, and attempt to obtain, things of value totaling at least \$1,000 during a one year period, and thereby affecting interstate commerce:

COUNT	DEFENDANT	PROPERTY SOLD	MEANS OF IDENTIFICATION
15.	MAHN HUU DOAN, a/k/a "Bruce Doan" JUNE KODIAK	6356 Kingsessing Avenue, Philadelphia	On or about Sept. 27, 2001, (a) a HUD-1 using a false name, "Anh Pham;" (b) a false pay stub from the University of Pennsylvania using taxpayer and/or employer identification numbers; (c) a false form W-2 from the University of Pennsylvania using taxpayer and/or employer identification numbers; and (d) false bank statements from Mellon PSFS using false names.
16.	KEITH LYON	634 Tasker Street, Philadelphia	On or about Sept. 13, 2002, (a) a HUD-1 using a false name, "Myung No"; (b) a false pay stub purportedly from Salon Equipment using taxpayer and/or employer identification numbers; (c) a false form W-2 purportedly from Salon Equipment using taxpayer and/or employer identification numbers; and (d) false bank statements purportedly from First Union using false names.

17.	VINCENT SIROLI TRUNG TAM DANG ANTHONY GIAMPIETRO ZU YUN KIM, a/k/a "Andy Kim" DANA SICILIANO	1215 S. 8 th Street, Philadelphia	On or about Feb. 21, 2003, (a) a HUD-1 using an unauthorized name of P.H.; (b) a fraudulent bank statement from Sovereign Bank using the name P.H.; and (c) a false pay stub purportedly from System Search Consultants using taxpayer and/or employer identification numbers.
18.	VINCENT SIROLI ANTHONY GIAMPIETRO	1235 S. 8 th Street, Philadelphia	On or about Feb. 21, 2003, (a) a HUD-1 using an unauthorized name, S.Y.; (b) a fraudulent bank statement purportedly from First Union using the name S.Y.; (c) a fraudulent bank statement purportedly from Commerce Bank using the name S.Y.; and (d) unauthorized use of a Pennsylvania driver's license for identification of S.Y.

All in violation of Title 18, United States Code, Sections 1028(a)(7), (b)(1)(D),

(c)(3)(A) and 2.

A TRUE BILL:

GRAND JURY FOREPERSON

First Assistant U.S. Attorney

Patrick L. Meehan
PATRICK L. MEEHAN
UNITED STATES ATTORNEY

For