

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
GERARD JOSEPH	:	VIOLATIONS:
	:	18 U.S.C. § 1349 (conspiracy to commit wire fraud - 1 count)
	:	18 U.S.C. § 1343 (wire fraud - 2 counts)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

1. The Office of the Sheriff, City and County of Philadelphia ("Philadelphia Sheriff's Office"), located in Philadelphia, Pennsylvania, sold properties subject to mortgage foreclosure, tax liens, and tax delinquency at Philadelphia Sheriff's Office auctions or sales ("Sheriff's sales").
2. Interested purchasers bid on each property sold at a Sheriff's sale, and the highest bidder won each bid.
3. The winning bidder was required to pay the Philadelphia Sheriff's Office a deposit of ten percent of the winning bid at the Sheriff's sale.
4. The winning bidder was required to pay the Philadelphia Sheriff's Office the remaining ninety percent of the winning bid within thirty days of the Sheriff's sale.
5. The Philadelphia Sheriff's Office received the payments for each property sold at Sheriff's sale, documented each payment in the Philadelphia Sheriff's Office records, and

deposited the payments received into the Philadelphia Sheriff's Office's bank accounts.

6. The Accounting Department of the Philadelphia Sheriff's Office was responsible for verifying the payments received for each property sold at Sheriff's sale and paying the expenses, debts, and liens owing with regard to each property sold at Sheriff's sale from the money received from the sale of the property.

7. Richard Bell, charged elsewhere, worked in the Accounting Department of the Philadelphia Sheriff's Office.

8. Defendant GERARD JOSEPH was in the business of buying, renovating, and selling properties in the Philadelphia area.

9. From in or about 2007, to at least in or about 2008, defendant

GERARD JOSEPH

conspired and agreed, together and with others known and unknown to the grand jury, to knowingly devise a scheme to defraud the Philadelphia Sheriff's Office and to cause interstate wire communications to further the scheme to defraud, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS

It was part of the conspiracy that:

10. Richard Bell proposed to defendant GERARD JOSEPH that, for a fee, defendant JOSEPH could purchase properties at Sheriff's sale, pay the ten percent deposit on the day of the sale, and pay the remaining ninety percent within thirty days of the sale, and Bell would remove defendant JOSEPH's payment of the remaining ninety percent after the payment was recorded as being received at the Philadelphia Sheriff's Office and before the payment was deposited into the Philadelphia Sheriff's Office bank account, therefore, allowing defendant

JOSEPH to resell the properties at a profit (“fraudulent scheme”).

11. Defendant GERARD JOSEPH agreed to participate in this fraudulent scheme and to pay Richard Bell a fee for Bell’s removing defendant JOSEPH’s ninety percent payment.

12. From in or about April 2007, through in or about November 2007, defendant GERARD JOSEPH purchased approximately four properties at Sheriff’s sales through this fraudulent scheme with the intent to resell those properties and profit from the resale.

13. Richard Bell removed the ninety percent payments that defendant GERARD JOSEPH paid to the Philadelphia Sheriff’s Office on these approximately four properties.

14. Defendant GERARD JOSEPH paid Richard Bell a fee as agreed for purchasing the approximately four properties for only ten percent of the bid price under this fraudulent scheme.

15. Defendant GERARD JOSEPH sold two of the properties purchased through this fraudulent scheme and received for himself the profit that should have been paid to the Philadelphia Sheriff’s Office.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendant GERARD JOSEPH and others committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

1. On or about April 26, 2007, in Philadelphia, Pennsylvania, defendant GERARD JOSEPH bid on 5155 Parrish Street, Philadelphia, Pennsylvania, at a Sheriff’s sale, won the bid at a price of approximately \$36,700.00, and paid to the Philadelphia Sheriff’s Office ten

percent of the winning bid price, that is, approximately \$3,670.00.

2. On or about May 29, 2007, defendant GERARD JOSEPH paid to the Philadelphia Sheriff's Office the remaining ninety percent of the winning bid price owed on the purchase of 5155 Parrish Street, Philadelphia, Pennsylvania, that is, approximately \$33,115.00, and told Richard Bell that he had made the payment.

3. On or about May 29, 2007, Richard Bell fraudulently removed defendant GERARD JOSEPH's payment to the Philadelphia Sheriff's Office of the remaining approximately \$33,115.00 from the monies received at the Philadelphia Sheriff's Office, after the payment was recorded as being received in the Philadelphia Sheriff's Office records and before the money was deposited into the Philadelphia Sheriff's Office's bank account.

4. On or about July 19, 2007, in Philadelphia, Pennsylvania, defendant GERARD JOSEPH bid on 5156 Parrish Street, Philadelphia, Pennsylvania, at a Sheriff's sale, won the bid at a price of approximately \$15,000.00, and paid to the Philadelphia Sheriff's Office ten percent of the winning bid price, that is, approximately \$1,500.00.

5. On or about August 15, 2007, defendant GERARD JOSEPH paid to the Philadelphia Sheriff's Office the remaining ninety percent of the winning bid price owed on the purchase of 5156 Parrish Street, Philadelphia, Pennsylvania, that is, approximately \$13,585.00, and told Richard Bell that he had made the payment.

6. On or about August 15, 2007, Richard Bell fraudulently removed defendant GERARD JOSEPH's payment to the Philadelphia Sheriff's Office of the remaining approximately \$13,585.00 from the monies received at the Philadelphia Sheriff's Office, after the payment was recorded as being received in the Philadelphia Sheriff's Office records and before the money was deposited into the Philadelphia Sheriff's Office's bank account.

7. On or about August 23, 2007, in Philadelphia, Pennsylvania, defendant GERARD JOSEPH bid on 3722 North Darien Street, Philadelphia, Pennsylvania, at a Sheriff's sale, won the bid at a price of approximately \$13,200.00, and paid to the Philadelphia Sheriff's Office ten percent of the winning bid price, that is, approximately \$1,320.00.

8. On or about September 21, 2007, defendant GERARD JOSEPH paid to the Philadelphia Sheriff's Office the remaining ninety percent of the winning bid price owed on the purchase of 3722 North Darien Street, Philadelphia, Pennsylvania, that is, approximately \$11,965.00, and told Richard Bell that he had made the payment.

9. On or about September 21, 2007, Richard Bell fraudulently removed defendant GERARD JOSEPH's payment to the Philadelphia Sheriff's Office of the remaining approximately \$11,965.00 from the monies received at the Philadelphia Sheriff's Office, after the payment was recorded as being received in the Philadelphia Sheriff's Office records and before the money was deposited into the Philadelphia Sheriff's Office's bank account.

10. On or about September 27, 2007, in Philadelphia, Pennsylvania, defendant GERARD JOSEPH bid on purchasing 6010 North 20th Street, Philadelphia, Pennsylvania, at a Sheriff's sale, and won the bid at a price of approximately \$37,500.00.

11. On or about November 25, 2007, defendant GERARD JOSEPH paid to the Philadelphia Sheriff's Office the remaining ninety percent of the winning bid price owed on the purchase of 6010 North 20th Street, Philadelphia, Pennsylvania, that is, approximately \$33,925.00, and told Richard Bell that he had made the payment.

12. On or about November 25, 2007, Richard Bell fraudulently removed defendant GERARD JOSEPH's payment to the Philadelphia Sheriff's Office of the remaining approximately \$33,925.00 from the monies received at the Philadelphia Sheriff's Office, after the

payment was recorded as being received in the Philadelphia Sheriff's Office records and before the money was deposited into the Philadelphia Sheriff's Office's bank account.

13. Defendant GERARD JOSEPH paid Richard Bell approximately \$6,500 for Bell's removal of defendant JOSEPH's payments to the Philadelphia Sheriff's Office of the remaining ninety percent owed on these approximately four properties.

14. On or about June 10, 2008, defendant GERARD JOSEPH sold 5155 Parrish Street, Philadelphia, Pennsylvania, for approximately \$22,500.00, and received from Assurance Abstract, the settlement agent at the closing for the property, Check No. 035866 drawn on Assurance Abstract's Wachovia Bank account, in the amount of approximately \$19,989.09, as his payment for the property at closing.

15. On or about June 10, 2008, defendant GERARD JOSEPH sold 5156 Parrish Street, Philadelphia, Pennsylvania, for approximately \$22,500.00, and received from Assurance Abstract, the settlement agent at the closing for the property, Check No. 035856 drawn on Assurance Abstract's Wachovia Bank account, in the amount of approximately \$19,977.46, as defendant JOSEPH's payment for the property.

16. On or about June 10, 2008, defendant GERARD JOSEPH deposited into defendant JOSEPH's PNC Bank business account Wachovia Bank Check No. 035866 in the amount of approximately \$19,989.09 and Wachovia Bank Check No. 035856 in the amount of approximately \$19,977.46, which he had received at closing for 5155 Parrish Street and 5156 Parrish Street, respectively.

17. On or about June 10, 2008, defendant GERARD JOSEPH, for the purpose of executing the scheme and obtaining the money from the scheme, caused PNC Bank to electronically transmit by means of wire communication in interstate commerce, that is, from

Philadelphia, Pennsylvania, to New York, New York, a message to credit PNC Bank in the amount of approximately \$19,989.09, for the funds reflected on Wachovia Bank Check No. 035866, drawn on Assurance Abstract's Wachovia Bank account.

18. On or about June 10, 2008, defendant GERARD JOSEPH, for the purpose of executing the scheme and obtaining the money from the scheme, caused PNC Bank to electronically transmit by means of wire communication in interstate commerce, that is, from Philadelphia, Pennsylvania, to New York, New York, a message to credit PNC Bank in the amount of approximately \$19,977.46, for the funds reflected on Wachovia Bank Check No. 035856, drawn on Assurance Abstract's Wachovia Bank account.

All in violation of Title 18, United States Code, Section 1349.

COUNTS TWO AND THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 8 of Count One are incorporated here.
2. From in or about 2007, to at least in or about 2008, defendant

GERARD JOSEPH

devised and intended to devise a scheme to defraud the Philadelphia Sheriff's Office and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

3. Paragraphs 10 through 15 of Count One are incorporated here
4. On or about the dates set forth below, in Philadelphia, Pennsylvania, in the

Eastern District of Pennsylvania, and elsewhere, defendant GERARD JOSEPH, for the purpose of executing the scheme described above and obtaining the money from that scheme, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below:

COUNT	DATE	DESCRIPTION
2	June 10, 2008	The credit to PNC Bank in the amount of approximately \$19,989.09, for the funds reflected on Wachovia Bank Check No. 035866 drawn on Assurance Abstract's Wachovia Bank account, electronically transmitted by PNC Bank from Philadelphia, Pennsylvania, to New York, New York.

3	June 10, 2008	The credit to PNC Bank in the amount of approximately \$19,977.46, for the funds reflected on Wachovia Bank Check No. 035856 drawn on Assurance Abstract's Wachovia Bank account, electronically transmitted by PNC Bank from Philadelphia, Pennsylvania, to New York, New York.
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All in violation of Title 18, United States Code, Section 1343.

A TRUE BILL:

GRAND JURY FOREPERSON



ZANE DAVID MEMEGER
UNITED STATES ATTORNEY