

IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : **CRIMINAL NO. 13-**
v. : **DATE FILED:**
PRINCESS ROSARIO : **VIOLATIONS:**
: **18 U.S.C. § 371 (conspiracy–1 count)**
: **Notice of Forfeiture**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Mortgage IT, Inc. (“Mortgage IT”) was a subsidiary of Deutsche Bank, AG, which was a bank holding company as defined in 18 U.S.C. § 20(6) and the parent of Deutsche Bank Trust Company Americas, a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation (FDIC), under certificate number 623.
2. Mortgage IT financed and refinanced debt secured by interests in real estate among other activities that affected interstate and foreign commerce.
3. Mortgage IT provided some loans that were insured by the Federal Housing Administration (“FHA”), which was an agency within the United States Department of Housing and Urban Development (“HUD”). FHA insurance protected lenders by guaranteeing that if the borrower defaulted on a loan, the lender could foreclose on the mortgage, sell the property, and seek reimbursement from the FHA for any losses resulting from the default. Only loans to purchase primary residences were eligible for FHA insurance.

4. Mortgage IT often sold its interest in mortgage loans to other mortgage lending institutions, including but not limited to Citimortgage, a subsidiary of Citi Group, which was a bank holding company and the parent of Citibank National Association (“Citibank”), Bank of America, National Association (“Bank of America”) and Wells Fargo Bank, National Association (“Wells Fargo”), and their affiliates (collectively, the “secondary investors”).

5. Citibank, Bank of America, and Wells Fargo were all financial institutions, the deposits of which were insured by the FDIC. Citibank’s certificate number was 7213. Bank of America’s certificate number was 3510. Wells Fargo’s certificate number was 3511.

6. Defendant PRINCESS ROSARIO worked as a bank representative for Mortgage IT in Allentown, in the Eastern District of Pennsylvania. Her job duties included finding borrowers for Mortgage IT loans. Defendant ROSARIO did not make decisions about which loan applications Mortgage IT should approve, but she helped funnel the loan applications to underwriters at Mortgage IT, who did make approval decisions. Part of defendant ROSARIO’s compensation at Mortgage IT was based on the size and volume of the loans that Mortgage IT provided to borrowers that defendant ROSARIO helped shepherd through the loan application process.

7. In connection with her job, defendant PRINCESS ROSARIO developed and nurtured relationships with employees at loan origination companies, which were hired by would-be real estate purchasers to help them obtain mortgage loans. Defendant ROSARIO tried to convince these loan originators to have their clients borrow money from Mortgage IT instead of from other mortgage lending businesses. One such loan origination company was Madison Funding, Inc. (“Madison Funding”) which had two different branches in Allentown.

8. At one branch of Madison Funding, Joel Tillett was the general manager; Jason Boggs was both the branch manager and a loan officer; other loan officers included Claribel Gonzales, Seemon Georges, and Denise Peralta; and the loan processors included Florentina Peralta, a/k/a "Cindy Peralta," Ghovanna Gonzalez, and Angela Diaz. In or about April 2007, Claribel Gonzalez left this branch to open a new office of Madison Funding, where she was joined at times by Cindy Peralta and Denise Peralta.

9. At both branches of Madison Funding, the loan officers met with potential borrowers, interviewed them, and filled out loan applications on their behalf, which included representations by the purchaser about the intended use of the property. The loan officers then enlisted loan processors to gather documentation in support of the loan applications, such as verifications of the applicant's employment, bank deposits, and rent histories, as well as pay stubs, tax forms, bank statements, "gift letters," and residential leases.

10. Whenever a Madison Funding client applied for a mortgage loan from Mortgage IT, information regarding that application was transmitted by wire back and forth between Madison Funding's offices in Pennsylvania and Mortgage IT's offices in New York, thereby crossing state lines.

11. From at least October 2006 until at least June 2008, in Allentown, in the Eastern District of Pennsylvania, and elsewhere, defendant

PRINCESS ROSARIO

conspired and agreed, with Joel Tillett, Jason Boggs, Claribel Gonzalez, Seemon Georges, Denise Peralta, Florentina Peralta, a/k/a "Cindy Peralta," Ghovanna Gonzalez, and Angela Diaz, all charged elsewhere, and other persons, known and unknown to the United States Attorney, to commit offenses against the United States, that is: (a) the knowing execution of schemes to

defraud financial institutions including Mortgage IT, Citibank, Bank of America, and Wells Fargo, in violation of Title 18, United States Code, Section 1344; (b) the intentional devising and executing of a scheme to defraud financial institutions, involving interstate wires, in violation of Title 18, United States Code, Section 1343; and (c) the knowing making of false statements, altering and forging of documents, and overvaluing of assets and income for the purpose of obtaining a loan insured by HUD, in violation of Title 18, United States Code, Section 1010.

MANNER AND MEANS

It was part of the conspiracy that:

12. Defendant PRINCESS ROSARIO provided information to Madison Funding employees about what information about potential borrowers that they needed to include in Mortgage IT loan applications in order to make the borrowers appear sufficiently creditworthy so their applications would be approved. Such information included minimum income levels and bank account holdings required for the borrowers to qualify for the Mortgage IT loans.

13. With the knowledge and tacit approval of defendant PRINCESS ROSARIO, the loan officers and loan processors at Madison Funding intentionally submitted loan applications to Mortgage IT that contained false statements about the borrowers, including but not limited to false representations of a borrower's employment history, annual income, bank account holdings, and net worth.

14. Also with the knowledge and tacit approval of defendant PRINCESS ROSARIO, the loan officers and loan processors and Madison Funding provided Mortgage IT with forged and falsified documents supporting the fraudulent loan applications, including but

not limited to forged and altered bank statements, tax forms, pay stubs, gift letters, and residential leases.

15. Defendant PRINCESS ROSARIO sometimes told her co-conspirators at Madison Funding what false information to include in the fraudulent loan applications, how to present such false information, and what information and documents would not be scrutinized by the underwriters at Mortgage IT.

16. Defendant PRINCESS ROSARIO knew that Mortgage IT's underwriters would rely on the false statements and falsified information provided by Madison Funding's employees and agree to lend money to people who would not have qualified for loans if truthful information had been provided about them.

17. Defendant PRINCESS ROSARIO also knew that shortly after funding the loans, Mortgage IT would sell its interest in those loans to secondary investors, including but not limited to FDIC-insured banks such as Citibank, Bank of America, and Wells Fargo.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendant PRINCESS ROSARIO and her co-conspirators, including Joel Tillett, Jason Boggs, Claribel Gonzalez, Seemon Georges, Denise Peralta, Florentina Peralta, a/k/a "Cindy Peralta," Ghovanna Gonzalez, and Angela Diaz, all charged elsewhere, committed the following overt acts in the Eastern District of Pennsylvania and elsewhere:

1. On or about May 17, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for A.L., a person known to the United States

Attorney, and induced Mortgage IT to issue a loan for approximately \$147,150 to A.L. for the purchase of real estate located at 618 N. 11th Street in Allentown, Pennsylvania.

2. On or about June 13, 2007, Joel Tillett and Seemon Georges, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for Georges and induced Mortgage IT to issue a loan for approximately \$130,000 to Georges for the purchase of real estate located at 19-27 N. Ellsworth Street in Allentown, Pennsylvania.

3. On or about June 17, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for E.Q., a person known to the United States Attorney, and induced Mortgage IT to issue a loan for approximately \$109,000 to E.Q. for the purchase of real estate located at 829 W. Walnut Street in Allentown, Pennsylvania.

4. On or about June 22, 2007, Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for K.C., a person known to the United States Attorney, and induced Mortgage IT to issue a loan for approximately \$156,000 to K.C. for the purchase of real estate located at 1417 W. Union Street in Allentown, Pennsylvania.

5. On or about June 28, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for Ms. Gonzalez and induced Mortgage IT to issue a loan for approximately \$102,000 to Ms. Gonzalez. for the purchase of real estate located at 803 N. 8th Street in Allentown, Pennsylvania.

6. On or about September 17, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for L.B., a person known to the United States Attorney, and induced Mortgage IT to issue a loan for approximately \$82,737 to L.B. for the purchase of real estate located at 836 N. 6th Street in Allentown, Pennsylvania.

7. On or about October 12, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for C.R., a person known to the United States Attorney, and induced Mortgage IT to issue a loan for approximately \$223,250 to C.R. for the purchase of real estate located at 1559 W. Liberty Street in Allentown, Pennsylvania.

8. On or about October 17, 2007, Claribel Gonzalez and Florentina Peralta, acting with the knowledge, willful blindness, and approval of defendant PRINCESS ROSARIO, submitted to Mortgage IT a loan application for L.B., a person known to the United States Attorney, and induced Mortgage IT to issue a loan for approximately \$54,000 to L.B. for the purchase of real estate located at 420 N. Law Street in Allentown, Pennsylvania.

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

NOTICE OF FORFEITURE

1. As a result of the violation of Title 18, United States Code, Sections 371, 1343 and 1344, described in Count One this information. defendant

PRINCESS ROSARIO

shall forfeit to the United States of America any property, real or personal that constitutes or is derived from proceeds traceable to the commission of such violation, including, but not limited to the following:

- (a) The sum of \$477,307.66 in United States currency (forfeiture money judgment).

2. If any of the property subject to forfeiture, 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;

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), and Title 18, United States Code, Section 982(b), incorporating 21 U.S.C. § 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2), and Title 28, United States Code, Section 2461.

ZANE DAVID MEMEGER
United States Attorney