



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA :

- v. - : INDICTMENT

IFEANYICHUKWU ERIC ABAKPORO and : 12 Cr.
LATANYA PIERCE, :

Defendants. :

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12 CRIM 340

COUNT ONE

(Conspiracy to Commit Wire Fraud)

The Grand Jury charges:

Background

1. At all times relevant to this Indictment, IFEANYICHUKWU ERIC ABAKPORO, the defendant, was an attorney who maintained a law office in Brooklyn, New York. Abakporo controlled an entity called Top Hill Properties, Inc. ("Top Hill").

2. At all times relevant to this Indictment, LATANYA PIERCE, the defendant, worked in the law office of IFEANYICHUKWU ERIC ABAKPORO, the defendant. PIERCE controlled an entity called Creekhill Realty, LLC ("Creekhill Realty").

The Scheme to Defraud Victim-1

3. From in or about 2006 up to and including at least in or about May 2007, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, and other co-conspirators known and unknown, participated in a scheme to defraud an elderly

individual ("Victim-1") who owned a residential apartment building located at 1070 St. Nicholas Avenue in Manhattan, New York (the "Property"). Up until 2006, Victim-1 had owned and managed the Property for more than 40 years as a rent-stabilized building offering affordable housing to Harlem residents. As Victim-1's physical and mental health declined, ABAKPORO and PIERCE took advantage of Victim-1 to take by fraud Victim-1's money and the Property.

4. As a part of the scheme to defraud, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, earned Victim-1's trust by representing to her that they would help manage the Property by collecting rent from tenants on Victim-1's behalf. Between approximately March 2006 and August 2006, with Victim-1's approval, ABAKPORO and PIERCE collected rent payments from tenants of the Property. However, unbeknownst to Victim-1, ABAKPORO and PIERCE misappropriated those rent payments by depositing them into their own bank accounts.

5. As a further part of the scheme to defraud, in or about 2006, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, made false representations that caused Victim-1 to sell the Property to ABAKPORO and PIERCE. Among other false representations, ABAKPORO and PIERCE represented to Victim-1 that they would pay her \$3.1 million to purchase the Property. Specifically, on or about March 22, 2006, ABAKPORO signed a

contract of sale as President of Top Hill, agreeing to purchase the Property from Victim-1 for \$3.1 million. ABAKPORO later signed a contract assigning the right to purchase the Property to Creekhill Realty, the entity controlled by PIERCE and for which ABAKPORO acted as attorney. In truth and in fact, however, ABAKPORO and PIERCE had no intention of paying Victim-1 \$3.1 million, and did not do so. Instead, at the closing of the sale of the Property, which occurred on or about August 3, 2006 ("the Closing"), ABAKPORO and PIERCE presented Victim-1 with multiple fake and fraudulent checks, including:

a. two cashier's checks ("Check-1" and "Check-2"), each in the amount of \$500,000 and made payable to Victim-1, that ABAKPORO and PIERCE never intended to allow Victim-1 to keep or deposit. ABAKPORO and PIERCE obtained Check-1 and Check-2 with the assistance of an individual ("Individual-1").

Unbeknownst to Victim-1 or Victim-1's attorney, ABAKPORO and PIERCE had pre-arranged with Individual-1 that both of those checks would be returned to Individual-1 after the conclusion of the Closing, which, in fact, is what occurred as described below in paragraph 8; and

b. a check drawn on an account held in the name of "IOLA-IOLA-ERIC ABAKPORO" in the amount of approximately \$799,245.63 made payable to Victim-1 ("Check-3"). Unbeknownst to Victim-1 or Victim-1's attorney, Check-3 was fraudulent too, as

during the month of August 2006, the balance of the IOLA-IOLA-ERIC ABAKPORO account never exceeded approximately \$24,000. ABAKPORO and PIERCE knew the account did not have sufficient funds to cover Check-3, and never intended to allow Victim-1 to keep or deposit Check-3.

6. For the Closing, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, also obtained \$600,000 from a private lender ("Private Lender"). ABAKPORO and PIERCE caused the Private Lender to send an interstate wire transfer totaling \$600,000 to their attorney for the sale of the Property. At the Closing, a check of approximately \$252,754.37, payable to Victim-1, was given to Victim-1 ("Check-4"), which represented the balance of the \$600,000 from the Private Lender after the payment of certain closing costs.

7. While IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, fraudulently promised and contracted to pay \$3.1 million for Creekhill Realty to buy the Property, in fact, ABAKPORO and PIERCE ultimately paid only a small fraction to Victim-1. ABAKPORO and PIERCE provided Victim-1 with \$1,000,000 in checks (Check-1 and Check-2) that they had already promised to return to Individual-1 after the Closing. In addition, ABAKPORO and PIERCE also provided a fraudulent check (Check-3) with insufficient funds and the check from the Private Lender (Check-4), both of which they also intended to recover, as

described below. As a result of the defendants' fraud, Victim-1 deeded the Property to Creekhill Realty on or about August 3, 2006, and the defendants gained control of the Property.

8. As a further part of the scheme to defraud, after Victim-1's attorney left the Closing, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, fraudulently induced Victim-1 to return to them Check-1 (for \$500,000) and Check-2 (for \$500,000). Several days later, ABAKPORO and PIERCE fraudulently induced Victim-1 to return to them Check-3 (\$799,245.63) and Check-4 (for \$252,754.37). ABAKPORO and PIERCE falsely represented that in exchange for returning these four checks to the defendants, Creekhill Realty would pay Victim-1 \$10,000 a month (as set forth in paragraph 10 below) and would pay \$64,000 on behalf of Victim-1's relative in a real estate transaction. In truth and in fact, ABAKPORO and PIERCE knew at the time that nearly all of the purported "funds" that Victim-1 was returning to them were non-existent, because the checks given to Victim-1 at the Closing were fraudulent, expected to be returned to Individual-1, and/or unsupported by actual funds. ABAKPORO and PIERCE knew there were no funds behind Check-3, and that Check-1 and Check-2 were going to be returned to Individual-1. Lastly, ABAKPORO deposited Check-4 (for \$252,754.37) into an account held in the name of "IOLA-ERIC ABAKPORO."

9. As a further part of the scheme to defraud, on or about December 1, 2006, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, caused Victim-1 to sign, and PIERCE herself signed, a document stating that Victim-1 had agreed to loan Creekhill Realty the amount of \$1,988,000.00 as a "private mortgage on the [Property]" (the "Private Mortgage Agreement"). While ABAKPORO and PIERCE thus represented and agreed in writing that Victim-1 maintained a private mortgage on the Property, unbeknownst to Victim-1, ABAKPORO and PIERCE never recorded the private mortgage, and subsequently applied to mortgage the Property through Washington Mutual Bank ("the Bank") for \$1.8 million, while falsely warranting to the Bank that Creekhill Realty owned the Property "free and clear" of any liens or other encumbrances. ABAKPORO and PIERCE in fact obtained a \$1.8 million mortgage loan from the Bank, secured by the Property, on or about May 11, 2007 ("\$1.8 Million Loan").

10. As a further part of the scheme to defraud, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, promised and agreed as part of the Private Mortgage Agreement to make monthly interest payments of \$10,000 to Victim-1 until the entire principal of the Private Mortgage was repaid on or before November 30, 2007. In fact, however, the defendants stopped making those interest payments after only the first few months. Moreover, on or about May 9, 2007, the defendants fraudulently

induced Victim-1 to sign an amendment to the Private Mortgage Agreement, extending the maturity date of the Private Mortgage to November 30, 2011 ("Amended Private Mortgage Agreement"). Since at least on or May 9, 2007, no payments of any amount have been made to Victim-1. The defendants also failed to repay the \$1.8 Million Loan to the Bank, and the mortgage went into default.

11. As a result of their fraud on Victim-1, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, obtained in excess of \$3 million of the Victim's money and Property, comprising substantially all of Victim-1's assets. ABAKPORO and PIERCE used the illicitly obtained money - including the \$1.8 million in mortgage proceeds obtained through the fraud - to benefit themselves and others, including to fund other real properties owned and controlled by them.

Statutory Allegations

12. From at least in or about 2006 through at least in or about May 2007, in the Southern District of New York and elsewhere, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, willfully and knowingly did combine, conspire, confederate, and agree together and with each other, and with others known and unknown, to commit wire fraud, in violation of Section 1343 of Title 18, United States Code.

13. It was a part and an object of the conspiracy that IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants,

and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

Overt Acts

14. In furtherance of the conspiracy and to effect the illegal object thereof, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. ABAKPORO and PIERCE caused \$600,000 to be transferred on or about August 2, 2006, by interstate wire to a bank account located in the Southern District of New York.

b. On or about August 3, 2006, ABAKPORO and PIERCE presented Check-1, Check-2, and Check-3 to Victim-1 at a closing of the sale of the Property.

c. PIERCE signed the Private Mortgage Agreement on or about December 1, 2006.

d. PIERCE signed the Amended Private Mortgage

Agreement on or about May 9, 2007.

(Title 18, United States Code, Section 1349.)

COUNT TWO

(Wire Fraud)

The Grand Jury further charges:

15. The allegations set forth in paragraphs one through eleven and fourteen of this Indictment are repeated and re-alleged as if fully set forth herein.

16. From at least in or about 2006 through in or about 2007, in the Southern District of New York and elsewhere, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire and radio communication in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, ABAKPORO and PIERCE engaged in a scheme to defraud Victim-1 of Property and money, and in furtherance of that scheme caused approximately \$600,000 to be transferred by interstate wire on or about August 2, 2006, to an attorney trust account located in the Southern District of New York.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT THREE

(Conspiracy to Commit Bank Fraud)

The Grand Jury further charges:

17. The allegations set forth in paragraphs one through eleven and fourteen of this Indictment are repeated and re-alleged as if fully set forth herein.

The Scheme to Defraud Washington Mutual Bank

18. In or about March 2007, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, made false and fraudulent statements to the Bank, to obtain a \$1.8 mortgage loan secured by the Property. ABAKPORO and PIERCE then used the mortgage proceeds to benefit themselves and others, and defaulted on the mortgage.

19. As a part of the scheme to defraud, in or about March 2007, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, caused a mortgage loan application containing false statements and representations to be sent to the Bank on behalf of Creekhill Realty, seeking a mortgage secured by the Property.

20. Among other false representations made to the Bank during the loan application process, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, falsely represented that Creekhill Realty had purchased the Property for \$3.1 million, including \$1.9 million in cash. In truth and in fact, however, and as ABAKPORO and PIERCE well knew, Creekhill Realty never paid

\$3.1 million, or \$1.9 million in cash, to purchase the Property. Instead, ABAKPORO and PIERCE obtained the Property through fraud.

21. The mortgage loan application also falsely represented that Creekhill Realty had full power and authority to mortgage the Property to the Bank and that the Property was free and clear of any liens, charges, and other monetary encumbrances. In truth and in fact, however, and as IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, well knew, Creekhill Realty had previously entered into the Private Mortgage Agreement with Victim-1, agreeing that Victim-1 had a private mortgage on the Property in the amount of \$1.9 million. ABAKPORO and PIERCE failed to disclose the Private Mortgage Agreement or the Amended Private Mortgage Agreement to the Bank.

22. In order to obtain the \$1.8 Million Loan, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, also provided the Bank with a letter dated on or about May 11, 2007, signed by ABAKPORO on behalf of Creekhill Realty, which falsely represented that there were no threatened claims, lawsuits or litigation regarding the Property (the "May 11, 2007 Letter"). In truth and in fact, however, prior to the date when ABAKPORO provided the May 11, 2007 Letter to the Bank, Victim-1, through her attorney, had already contacted ABAKPORO and PIERCE and threatened litigation unless the defendants paid the monies owed to Victim-1 on the Property, which included rents collected by the defendants prior to the Closing.

Statutory Allegations

23. From at least in or about 2006 through in or about 2007, in the Southern District of New York and elsewhere, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit bank fraud.

24. It was a part and an object of the conspiracy that IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, and others known and unknown, willfully and knowingly, would and did execute, and attempt to execute, a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations and promises.

(Title 18, United States Code, Sections 1344 and 2.)

Overt Acts

25. In furtherance of the conspiracy and to effect the illegal object thereof, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In or about March 2007, ABAKPORO and PIERCE caused a mortgage application to be submitted to the Bank.

b. On or about May 11, 2007, ABAKPORO and PIERCE caused a letter to be provided to the Bank stating that there were no other liens or encumbrances on the Property.

c. On or about May 11, 2007, ABAKPORO and PIERCE submitted the May 11, 2007 Letter to the Bank representing, among other things, that there were no threatened claims, lawsuits or litigation regarding the Property.

d. On or about May 11, 2007, PIERCE signed the \$1.8 Million Loan on behalf of Creekhill Realty.

e. In or about May 2007, ABAKPORO and PIERCE caused Bank employees and agents to inspect the Property, which is located in Manhattan, New York.

(Title 18, United States Code, Section 1349.)

COUNT FOUR

(Bank Fraud)

The Grand Jury further charges:

26. The allegations set forth in paragraphs one through eleven, fourteen, eighteen through twenty-two and twenty-four of this Indictment are repeated and re-alleged as if fully set forth herein.

27. In or about May 2007, in the Southern District of New York and elsewhere, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, willfully, and knowingly, did execute,

and attempt to execute, a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses, representations and promises, to wit, the defendants submitted and caused to be submitted false information, among other things, to the Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, in order to procure a loan in the amount of approximately \$1.8 Million.

(Title 18, United States Code, Sections 1344 and 2.)

FORFEITURE ALLEGATION

28. As a result of committing the wire fraud and bank fraud offenses alleged in Counts One, Two, Three, and Four of this Indictment, IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, constituting and derived from proceeds traceable to the commission of the offenses, including, but not limited to, the following:

a. All right, title, and interest in the real property and appurtenances located at 1070 St. Nicholas Avenue, New York, New York; and

b. A sum of currency equal to at least approximately \$2.5 million.

Substitute Asset Provision

29. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants --

- i. cannot be located upon the exercise of due diligence;
- ii. has been transferred or sold to, or deposited with, a third person;
- iii. has been placed beyond the jurisdiction of the Court;
- iv. has been substantially diminished in value;
or
- v. has been commingled with other property which cannot be subdivided without difficulty;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b) and Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Section 982 and
Title 21, United States Code, Section 853.)


Foreperson


PREET BHARARA
United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

IFEANYICHUKWU ERIC ABAKPORO and
LATANYA PIERCE,

Defendants.

INDICTMENT

(Title 18, United States Code,
Sections 1343, 1344, 1349, and 2)

PREET BHARARA

United States Attorney.

A TRUE BILL


Foreperson.

4/26/12 FILED INDICTMENT WARRANTS ISSUED

COTY, USMT