

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 8:13-CR-

575717 MAP

18 U.S.C. § 371

MICHELE CARDUCCI

18 U.S.C. § 981(a)(2) - Forfeiture

INFORMATION

The United States Attorney charges:

COUNT ONE

(Conspiracy)

A. Introduction

At times material to this Indictment:

1. In 2002, MICHELE CARDUCCI, became a Florida-licensed mortgage broker.

2. Wells Fargo Bank, N.A., ("Wells Fargo") was an FDIC-insured financial institution. It was the practice of Wells Fargo to make loans secured by real property, commonly known as mortgages. In determining whether or not to extend any particular loan, it was also the practice of the financial institution to rely upon the information contained in a borrower's mortgage-related documents, including the Uniform Residential Loan Application (Form 1003), Settlement Statement (HUD-1), and the mortgage itself.

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3. One of the essential representations made upon both the Forms 1003 and HUD-1s was the amount of the borrower's contribution, that is, the amount of money that the borrower was to put into the transaction. The "borrower's contribution" was also sometimes called a "down payment," "funds to close," "money down," or "cash from borrower."

4. Both Forms 1003 and HUD-1s required that the information on them be true.

B. The Conspiratorial Agreement

5. From at least as early as in and around 2003, and continuing through at least 2008, in the Middle District of Florida, and elsewhere,

MICHELE CARDUCCI,

the defendant herein, did knowingly and willfully combine, conspire, confederate and agree with others known and unknown to commit the following offenses:

- (a) wire fraud affecting a financial institution, in violation of 18 U.S.C. § 1343; and
- (b) false statement to a federal agency, in violation of 18 U.S.C. § 1001.

C. The Manner and Means of the Conspiracy

6. The manner and means through which the conspirators sought to accomplish the objects of the conspiracy included, among others:

7. It was part of the conspiracy that conspirators would and did purchase and cause to be purchased properties in order to resell them for a profit.

8. It was part of the conspiracy that conspirators would and did recruit and cause to be recruited investors by offering them and causing them to be offered an opportunity to purchase properties, owned by conspirators or owned by companies owned by conspirators, without the investors having to put any of their own money into the transactions.

9. It was part of the conspiracy that the conspirators would and did place and cause to be placed advertisements in publications for the purpose of recruiting investors.

10. It was part of the conspiracy that the conspirators would and did steer investors and cause investors to be steered to certain mortgage brokers to obtain mortgage loans to buy the properties.

11. It was part of the conspiracy that the conspirators would and did obtain and cause to be obtained mortgage loans for the investors from lenders, including financial institutions.

12. It was part of the conspiracy that the conspirators would and did cause closings to occur with certain closing agents and title companies.

13. It was part of the conspiracy that the conspirators would and did submit and cause to be submitted to financial institutions mortgage-related documents that contained materially false and fraudulent information, including that the borrowers were putting their own money into the transactions, in order to cause the lenders to fund the loans.

14. It was part of the conspiracy that the conspirators would and did fraudulently provide and cause to be provided the borrowers' contributions that were being falsely represented as having come from the borrowers.

15. It was part of the conspiracy that the conspirators would and did conduct and cause to be conducted closings at which:

- (i) false and fraudulent mortgage loan-related documents were signed,
- (ii) properties owned by conspirators were purchased by the investors,
- (iii) the proceeds of the loans were obtained from the lenders, and
- (iv) the loan proceeds were disbursed.

16. It was part of the conspiracy that the conspirators would and did recoup and cause to be recouped the money fraudulently provided to the investors as their borrower's contributions to the transactions, including recouping the money from:

- (i) the contract sales price,
- (ii) false and fraudulent pay offs of a debt,
- (iii) false and fraudulent settlement charges, and
- (iv) the cash to seller.

17. It was a part of the conspiracy that the conspirators would and did misrepresent, conceal, hide, and cause to be misrepresented, concealed, and hidden, acts done in furtherance of the conspiracy and the purpose of those acts.

D. Overt Acts

18. In furtherance of the conspiracy and to accomplish the objectives of the conspiracy, the defendant and other conspirators, known and unknown, committed and caused to be committed the following Overt Acts within the Middle District of Florida and elsewhere, which are described in substance below:

A. On or about December 13, 2005, MICHELE CARDUCCI, signed a Form 1003 that falsely and fraudulently indicated that an AmSouth bank account of the borrower (A.C.) contained \$98,853.25, when, in truth and fact and as she then and there well knew, it did not.

B. On or about December 13, 2005, MICHELE CARDUCCI, signed a Form 1003 that falsely and fraudulently indicated that the borrower (A.C.) was to contribute \$17,780.26 to the transaction, when, in truth and fact as she then and there well knew, A.C. was not going to contribute any money to the transaction.

C. On or about January 5, 2006, the HUD-1 was signed and it indicated that the borrower was contributing to the transaction \$26,108.92, when, in truth and fact as the conspirators then and there well knew, was false because the borrower (A.C.) contributed nothing to the transaction.

D. On or about January 5, 2006, the loan was closed and, although the Form 1003 and the HUD-1 represented to lender that the borrower (A.C.) had made a contribution to the transaction, no such contribution was made by A.C.

E. On or about January 5, 2006, Wells Fargo Bank, N.A., in Des Moines, Iowa, wire transferred \$113,170.31 to Synovus Bank in Tampa, Florida, for the purpose of funding the loan.

F. On or about January 9, 2006, the borrower's contribution was recouped from the transaction by conspirators through the use of a false and fraudulent pay off and settlement charge and, in this way, from the proceeds of the loan itself.

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

FORFEITURES

1. The allegations contained in Count One of this Information are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 982(a)(2).

2. Upon conviction of any or all of the violations alleged in Count One of this Information, punishable by imprisonment by more than one year, the defendant,

MICHELE CARDUCCI,

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(2), all of his interest in any property constituting or derived from the proceeds obtained, directly or indirectly, as the result of such violations.

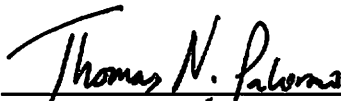
3. The property to be forfeited includes, but is not limited to, a forfeiture money judgment in an amount representing the proceeds obtained as a result of the violations.

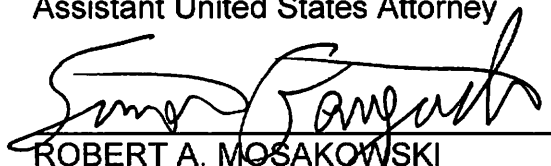
4. If any of the property described above, as a result of any act or omission of the defendant:

- 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,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 981(b).

A. LEE BENTLEY, III
Acting United States Attorney

By: 
THOMAS N. PALERMO
Assistant United States Attorney

By: 
ROBERT A. MOSAKOWSKI
Assistant United States Attorney
Chief, Economic Crimes Section