

f. Lenders required applicants for modifications to mortgage loans to provide truthful information, including truthful information about the applicant's income, employment, assets, liabilities, and intent to occupy the property, all of which information was material to the lenders' approval and terms of the modifications.

g. Lenders sold mortgage loans to other lenders and institutions. Lenders disclosed to loan applicants that the mortgage loans could be sold and the likelihood that the mortgage loans would be sold. The information provided in loan applications and supporting documents, including the sales price of the property and the applicant's income, assets, liabilities, source of down payment, and intention to occupy the property, was material to successors' decisions to purchase mortgage loans.

2. Beginning not later than March 2009 and continuing through the present, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERREK L. CAMPBELL, II,

defendant herein, devised, intended to devise, and participated in a scheme to defraud lenders and successors and to obtain money and property from lenders by means of materially false and fraudulent pretenses, representations, and promises, and by concealment of material facts, which scheme is further described below.

3. It was part of the scheme that defendant DERREK L. CAMPBELL, II fraudulently obtained a mortgage loan in the amount of approximately \$162,000, fraudulently applied for a modification of the loan, and caused Individual A to fraudulently obtain a mortgage loan in the amount of approximately \$140,400, by concealing material facts and making and causing to be made materially false representations in documents submitted to lenders, including

loan applications, occupancy affidavits, HUD-1 settlement statements, homeowner financial assistance forms, and money orders, concerning, among other things, the sales price of the properties and the income, assets, liabilities, source of down payment, and intention of defendant CAMPBELL and Individual A to occupy the properties, and for the purpose of executing the scheme caused interstate wire transmissions.

8821 S. Emerald Avenue in Chicago, Illinois

4. It was further part of the scheme that defendant DERREK L. CAMPBELL, II signed and caused to be submitted to Assurity Financial Services, LLC the following documents in order to obtain a \$162,011 mortgage loan to finance the purchase of 8821 S. Emerald Avenue in Chicago, Illinois:

(a) On or about June 13, 2009, a real estate contract that defendant CAMPBELL knew contained materially false and fraudulent information, including that defendant CAMPBELL agreed to pay \$165,000 to purchase the property at 8821 S. Emerald Avenue in Chicago, Illinois.

(b) On or about June 27, 2009, a loan application that defendant CAMPBELL knew contained materially false and fraudulent information, including that defendant CAMPBELL: (i) had approximately \$4,931 in gross monthly income; (ii) did not borrow any of the down payment to purchase 8821 S. Emerald Avenue; and (iii) intended to occupy 8821 S. Emerald Avenue as his primary residence.

(c) On or about July 9, 2009, two Internal Revenue Service W-2 Forms that defendant CAMPBELL knew contained materially false and fraudulent information, including

that defendant CAMPBELL: (i) had wages of approximately \$59,176 in 2007; and (ii) had wages of approximately \$58,155 in 2008.

(d) On or about July 22, 2009, a loan application that defendant CAMPBELL knew contained materially false and fraudulent information, including that defendant CAMPBELL: (i) had approximately \$4,948 in gross monthly income; (ii) paid \$1,050 in monthly rent; (iii) did not borrow any of the down payment to purchase 8821 S. Emerald Avenue; and (iv) intended to occupy 8821 S. Emerald Avenue as his primary residence.

(e) On or about July 22, 2009, a HUD-1 settlement statement that defendant CAMPBELL knew contained materially false and fraudulent information, including that the statement concealed that: (i) defendant CAMPBELL was to be paid \$8,000 for purchasing the property at 8821 S. Emerald Avenue; and (ii) Individual C was to be paid \$10,000 for defendant CAMPBELL's purchase of the property at 8821 S. Emerald Avenue.

(f) On or about July 22, 2009, an occupancy statement that defendant CAMPBELL knew falsely certified that he would occupy the property at 8821 S. Emerald Avenue as his primary residence.

5. It was further part of the scheme that, on or about July 22, 2009, as a result of the fraudulent loan application, documentation of wages, occupancy statement, and HUD-1 settlement statement, defendant DERREK L. CAMPBELL, II caused Assurity Financial Services, LLC to fund a mortgage loan in the amount of \$162,011 to finance the purchase of 8821 S. Emerald Avenue in Chicago, Illinois.

6. It was further part of the scheme that, following his purchase of 8821 S. Emerald Avenue in Chicago, Illinois, defendant DERREK L. CAMPBELL, II resided at an address in the

9200 block of South Halsted Street in Chicago, Illinois, and elsewhere, and rented the Emerald property to Renter B, knowing that this was contrary to defendant CAMPBELL's certification to Assurity Financial Services, LLC that he would occupy the Emerald property as his primary residence.

7. It was further part of the scheme that defendant DERREK L. CAMPBELL, II signed and caused to be submitted to Wells Fargo Bank, N.A., the following documents in an attempt to obtain a modification of the mortgage loan to finance the purchase of 8821 S. Emerald Avenue in Chicago, Illinois:

(a) On or about July 17, 2013, a Homeowner Financial Assistance Form and affidavit that defendant CAMPBELL knew contained materially false and fraudulent information, including that: (i) the property at 8821 S. Emerald Avenue in Chicago, Illinois was defendant CAMPBELL's primary residence; and (ii) the property at 8821 S. Emerald Avenue in Chicago, Illinois was occupied by defendant CAMPBELL.

(b) On or about July 17, 2013, a letter that defendant CAMPBELL knew contained materially false and fraudulent information, including that defendant CAMPBELL worked from home at 8821 S. Emerald Avenue.

10915 S. State Street in Chicago, Illinois

8. It was further part of the scheme that, on or about September 3, 2009, defendant DERREK L. CAMPBELL, II caused to be submitted to Open Mortgage, LLC a fraudulent document in order for Individual A to obtain a \$140,409 mortgage loan to finance the purchase of 10915 S. State Street in Chicago, Illinois, namely, what falsely appeared to be an \$863 money order from J.P. Morgan Chase Bank payable from Individual A to the "Illinois Department of

Child Support,” to satisfy a child-support debt, knowing that the check would, instead, be made payable to defendant CAMPBELL himself.

9. It was further part of the scheme that, on or about September 5, 2009, defendant DERREK L. CAMPBELL, II cashed an \$863 money order from J.P. Morgan Chase Bank, knowing that he had previously caused Individual A to submit what falsely appeared to be the same check to Open Mortgage, LLC in order to obtain a \$140,409 mortgage loan to finance the purchase of 10915 S. State Street in Chicago, Illinois.

10. It was further part of the scheme that, on or about September 23, 2009, defendant DERREK L. CAMPBELL, II caused to be submitted to the Chicago Housing Authority, or CHA, a Change of Ownership Form directing that any rental payments made by the CHA on behalf of renters of the property owned by Individual A at 10915 S. State Street should be mailed to defendant CAMPBELL at an address in the 9200 block of South Halsted Street in Chicago, Illinois, knowing that residing at the Halsted property was contrary to defendant CAMPBELL’s prior certification to Assurity Financial Services, LLC that he would occupy the property at 8821 S. Emerald Avenue as his primary residence.

11. It was further part of the scheme that defendant DERREK L. CAMPBELL, II obtained and used the proceeds of the scheme for himself and others, knowing that the proceeds were based on false statements in loan applications.

12. It was further part of the scheme that defendant DERREK L. CAMPBELL, II did misrepresent, conceal, and hide, and cause to be misrepresented, concealed, and hidden, acts done in furtherance of the scheme and the purpose of those acts.

13. On or about July 22, 2009, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERREK L. CAMPBELL, II,

defendant herein, for the purpose of executing the scheme to defraud, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, and signals, namely, an interstate wire transfer processed through the Federal Reserve System in the amount of approximately \$158,490.53 from an A.C. Assurity Financial Services LLC account at National City Bank in Louisville, Kentucky to a Great Lakes Title Company account at Harris Bank in Chicago, which funds represented the proceeds of a mortgage loan from Assurity Financial Services LLC to finance the purchase of a property located at 8821 S. Emerald Avenue in Chicago, Illinois;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL JANUARY 2014 GRAND JURY further charges:

On or about July 22, 2009, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERREK L. CAMPBELL, II,

defendant herein, knowingly made and caused to be made a false statement to Assurity Financial Services LLC, a mortgage lending business, for the purpose of influencing the action of Assurity Financial Services LLC upon a request for a mortgage loan to purchase the property located at 8821 S. Emerald Avenue in Chicago, Illinois, in that defendant stated and caused to be stated in a Uniform Loan Application dated July 22, 2009 that:

- (a) defendant CAMPBELL had \$4,948 in gross monthly income;
- (b) defendant CAMPBELL paid \$1,050 in monthly rent;
- (c) defendant CAMPBELL did not borrow any of the down payment to purchase 8821 S. Emerald Avenue; and
- (d) defendant CAMPBELL intended to occupy 8821 S. Emerald Avenue as his primary residence;

when defendant knew that such statements were false;

In violation of Title 18, United States Code, Section 1014.

COUNT THREE

The SPECIAL JANUARY 2014 GRAND JURY further charges:

On or about July 17, 2013, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERREK L. CAMPBELL, II,

defendant herein, knowingly made and caused to be made a false statement to Wells Fargo Bank, N.A., the deposits of which were insured by the Federal Deposit Insurance Corporation, for the purpose of influencing the action of Wells Fargo Bank, N.A. upon a request for a mortgage loan modification for the property located at 8821 S. Emerald Avenue in Chicago, Illinois, in that defendant stated and caused to be stated in a Homeowner Financial Assistance Form dated June 27, 2013 that:

- (a) the property at 8821 S. Emerald Avenue in Chicago, Illinois was defendant's primary residence;
- (b) the property at 8821 S. Emerald Avenue in Chicago, Illinois was owner-occupied; and
- (c) defendant's household received rental income of \$600 per month;

when defendant knew that such statements were false;

In violation of Title 18, United States Code, Section 1014.

COUNT FOUR

The SPECIAL JANUARY 2014 GRAND JURY further charges:

On or about October 24, 2011, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

DERREK L. CAMPBELL, II,

defendant herein, did knowingly and willfully misapply and obtain by fraud, and false statement, funds, assets, and property under Title 20, United States Code, Chapter 28, Subchapter IV, namely, approximately \$3,806 in federal student aid funds issued in a check payable to Individual A at an address in the 9200 block of South Halsted in Chicago, Illinois;

In violation of Title 20, United States Code, Section 1097(a).

FORFEITURE ALLEGATION

The SPECIAL JANUARY 2014 GRAND JURY alleges:

1. The allegations of Counts One through Three are incorporated here for the purpose of alleging forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Section 982(a)(2)(A) and Title 28, United States Code, Section 2461(c).

2. As a result of the violations as alleged in Counts One through Three of the foregoing indictment,

DERREK L. CAMPBELL, II,

defendant herein, shall forfeit to the United States, any and all right, title, and interest he may have in any property, real and personal, which constitutes and is derived from proceeds traceable to the offenses charged in Counts One through Three.

3. The interests of the defendant subject to forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Section 982(a)(2)(A) include, but are not limited to, funds in the amount of approximately \$302,420 and any property constituting, derived from, and traceable to, the proceeds that defendant obtained directly or indirectly as a result of the offenses.

4. If any of the forfeitable property described above, as a result of any act or omission by 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 28, United States Code, Section 2461(c), such substitute property to include, but not limited to:

- i. The property located at 4808 S. Drexel Boulevard, Unit C in Chicago, Illinois; and
- ii. One 1977 Pontiac Grand Prix, VIN Number 2H57Z7A211351.

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

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY