

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA )  
 )  
 v. ) Criminal No. 1:07-CR-49 Erie  
 )  
 ROBERT L. DODSWORTH ) (18 U.S.C. §§371 and  
 ) 1956(a)(1)(A)(i))

I N F O R M A T I O N

**FILED**

NOV - 9 2007

The United States Attorney charges:

CLERK U.S. DISTRICT COURT  
WEST. DIST. OF PENNSYLVANIA

I. Persons and Entities

At all times material to this Information:

1. The defendant, ROBERT L. DODSWORTH, was a resident of Erie County, Pennsylvania, who was a primary investor in A&M Homes, Inc., and was also a primary investor in and/or corporate officer of RLD Enterprises of Erie, Inc., and K&D Enterprises of Erie, Inc.

2. A&M Homes, Inc. was a Pennsylvania corporation, incorporated on May 1, 2003, for the purpose of "Buying and Selling Real Estate".

3. RLD Enterprises of Erie, Inc. was a Pennsylvania corporation, incorporated on April 7, 2003, for "Investment in Real Estate."

4. K&D Enterprises of Erie, Inc. was a Pennsylvania corporation, incorporated on September 18, 2001, for "Broad" purposes.

5. Regal Financial Services, formerly known as Easy Mortgage, was a mortgage brokerage with both a Pittsburgh, Pennsylvania branch office and an Erie, Pennsylvania branch office.

**II. The Conspiracy and Its Objects**

6. From in or around January 2003, and continuing thereafter until in or around March 2006, in the Western District of Pennsylvania and elsewhere, the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, knowingly, willfully and unlawfully conspired and agreed together to commit the crimes of mail fraud, in violation of Title 18, United States Code, Section 1341, wire fraud, in violation of Title 18, United States Code, Section 1343, and bank fraud, in violation of Title 18, United States Code, Section 1344.

**III. Manner and Means by Which the Conspiracy was Carried Out**

7. It was a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, sought and obtained investors in A&M Homes, RLD Enterprises, and K&D Enterprises for the purpose of procuring funds for the purchase of distressed, low cost properties in Erie, Pennsylvania.

8. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, acting through A&M Homes, RLD Enterprises, and K&D Enterprises, purchased numerous distressed, low cost properties

in Erie, Pennsylvania with the intent of selling these properties at drastically and artificially inflated prices.

9. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, targeted and actively sought individuals with limited sophistication and economic resources as buyers for the properties offered for sale by the defendant, ROBERT L. DODSWORTH and other unnamed co-conspirators, through A&M Homes, RLD Enterprises and K&D Enterprises.

10. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH and other unnamed co-conspirators, falsely inflated the sale prices of the properties by claiming that improvements had been made on the properties which were not, in fact, actually made or which had been performed in an incomplete and/or inferior manner.

11. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, directed prospective home buyers to Regal Financial Services for the preparation and submission of mortgage loan applications and other necessary loan documentation.

12. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, placed, and caused to be placed, money into the bank accounts of prospective home buyers in order to

artificially and fraudulently inflate the prospective home buyers' bank account balances.

13. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, provided private second and/or third mortgages to home buyers, which were not disclosed to the lending institutions providing the primary mortgages for the purchases of the properties.

14. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, caused false and fraudulent information regarding the borrowers' income, assets, and down payments, as well as false and fraudulent contract sales prices for the properties to be purchased to be entered in borrowers' loan documents, including loan applications and HUD-1 settlement statements.

15. It was further a part of the conspiracy that the defendant, ROBERT L. DODSWORTH, and other unnamed co-conspirators, caused the false and fraudulent documents to be submitted, via the United States mail, and/or delivery by private or commercial interstate carrier, and/or interstate wire transmissions, to various commercial lenders for approval and funding of residential mortgage loans.

16. As a result of the conspiracy to commit mail fraud, wire fraud, and bank fraud, the defendant, ROBERT L.

DODSWORTH, and other unnamed co-conspirators, defrauded numerous victims who suffered a loss of more than \$1,000,000.

**IV. Overt Acts**

17. On or about July 1, 2004, the defendant, ROBERT L. DODSWORTH, met H.B. at First Choice Community Credit Union, 3910 Schaper Avenue, Erie, Pennsylvania, and provided her approximately \$1,613.80 in cash to deposit into her account so that H.B. would appear to have the funds needed to purchase and finalize the closing for the property at 755 East 7<sup>th</sup> Street, Erie, Pennsylvania, which H.B. purchased on or about July 1, 2004.

18. On or about September 16, 2004, the defendant, ROBERT L. DODSWORTH, met R.B. and N.B. at Citizens Bank, 2205 West 12<sup>th</sup> Street, Erie, Pennsylvania, and provided them approximately \$6,505 in cash to deposit into their account so that R.B. and N.B. would appear to have the funds needed to purchase and finalize the closing for the property at 556 East 6<sup>th</sup> Street, Erie, Pennsylvania, which R.B. and N.B. purchased on or about September 23, 2004.

19. On or about September 24, 2004, the defendant, ROBERT L. DODSWORTH, met A.N. at First National Bank of Pennsylvania, 2765 West 8<sup>th</sup> Street, Erie, Pennsylvania, and provided her approximately \$2,800 in cash to deposit into her account so that A.N. would appear to have the funds needed to purchase and finalize the closing for the property at 1256 West

20<sup>th</sup> Street, Erie, Pennsylvania, which A.N. purchased on or about October 6, 2004.

20. On or about December 10, 2004, the defendant, ROBERT L. DODSWORTH, drove C.G. to the Erie General Electric Federal Credit Union, 1623 East 38<sup>th</sup> Street, Erie, Pennsylvania, and provided her approximately \$3,806.12 to deposit into her account so that C.G. would appear to have the funds needed to purchase and finalize the closing for the property at 727 East 24<sup>th</sup> Street, Erie, Pennsylvania, which C.G. purchased on or about December 10, 2004.

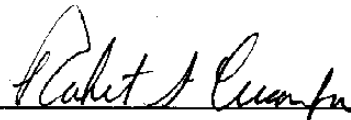
All in violation of Title 18, United States Code, Section 371.

COUNT TWO

The United States Attorney further charges:

On or about July 27, 2004, in the Western District of Pennsylvania, the defendant, ROBERT L. DODSWORTH, did knowingly conduct and attempt to conduct a financial transaction affecting interstate commerce, to wit, he negotiated A&M Homes, Inc. check number 3685, for \$34,593.32, drawn on A&M Homes Inc.'s Northwest Savings Bank account, payable to Robert Dodsworth, which involved the proceeds of a specified unlawful activity, that is mail fraud, wire fraud and bank fraud, with the intent to promote the carrying on of specified unlawful activity, to wit, to purchase a cashiers check for \$34,593.32 toward the subsequent purchase of property at 916 West 5<sup>th</sup> Street, Erie, Pennsylvania in furtherance of the mail fraud, wire fraud, and bank fraud, and that while conducting and attempting to conduct such financial transaction, the defendant, ROBERT L. DODSWORTH, knew that the property involved in the financial transaction, that is funds, represented the proceeds of some form of unlawful activity.

In violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).



MARY BETH BUCHANAN  
United States Attorney  
PA ID No. 50254