

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

UNITED STATES OF AMERICA)	
)	Criminal No. 07-331
v.)	
)	(18 U.S.C. §§ 371, and
TIFFANY LYNN SPROUTS)	1956(a)(1)(A)(i))

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 U S DISTRICT COURT

THE INFORMATION

The United States Attorney charges:

At all times material to this Information:

INTRODUCTION

1. Defendant TIFFANY LYNN SPROUTS operated with an another individual, identified as MMP, a business named Sprouts Mortgage, LLC, which was located in Pittsburgh, Pennsylvania. Another business named Pope Financial Services, Inc. was located in the same office. The defendant purported to be a mortgage loan broker.

COUNT ONE

THE CONSPIRACY AND ITS OBJECTS

2. From in or around July 2002, and continuing thereafter until in or around October 2006, in the Western District of Pennsylvania and elsewhere, the defendant, TIFFANY LYNN SPROUTS, knowingly and willfully did conspire, combine, confederate and agree with persons known and unknown to the United States Attorney, to commit offenses against the United States, that is:

(a) Mail Fraud, in violation of Title 18, United States Code, Section 1341;

(b) Wire Fraud, in violation of Title 18, United States Code, Section 1343;

(c) Bank Fraud, in violation of Title 18, United States Code, Section 1344;

(d) Obstruction of Justice, in violation of Title 18, United States Code, Section 1512; and

(e) Money Laundering, in violation of Title 18, United States Code, Section 1956.

MANNER AND MEANS OF THE CONSPIRACY

3. It was a part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP recruited at least six different straw buyers to separately purchase selected unimproved and residential real estate properties located in southwestern Pennsylvania on behalf of the defendant, MMP and others.

4. It was further a part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP, through Sprouts Mortgage and Pope Financial Services, directed the straw buyers to apply separately to various financial institutions and other mortgage lenders for mortgage loans to be secured by the properties selected by the defendant and MMP in exchange for a portion of the loan proceeds.

5. It was further a part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP created false documents in connection with the mortgage loans, including the following:

(a) applications;

- (b) individual income tax returns;
- (c) financial statements;
- (d) verifications of deposit;
- (e) verifications of rent or mortgage;
- (f) verifications of employment;
- (g) telephone verifications;
- (h) property leases; and
- (i) appraisals.

6. It was further a part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP created the documents to falsely inflate the straw buyers' employment and financial condition, to overstate income and assets and understate liabilities, and to increase the dollar amount that could be borrowed against the properties.

7. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP directed appraisers to falsify appraisals to inflate the opinion of value of the properties, in order to increase the dollar amount that could be borrowed against the properties.

8. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP temporarily deposited funds into bank accounts to make it falsely appear that the straw buyers had sufficient assets to qualify for the loans and to make the down payments.

9. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP directed the straw buyers to sign and submit the false documents by United States mail, by interstate wire transmissions, and in person to the financial institutions.

10. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP directed the straw buyers to falsely represent that the properties were to be the primary residences of the straw buyers.

11. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP transferred funds between accounts and used currency to conceal the source of downpayments and the use of loan proceeds from the financial institutions.

12. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP made some loan repayments to lull the financial institutions into believing that the loans would be repaid and to deter further examination and foreclosure of the loans.

13. It was further part of the conspiracy that defendant TIFFANY LYNN SPROUTS and MMP took some of the loan proceeds for their own use and benefit, including the purchase of additional properties and to further the scheme, and to the loss and detriment of the financial institutions.

14. It was further part of the conspiracy that the defendant TIFFANY LYNN SPROUTS, and MMP directed a straw buyer to testify

falsely about the selected properties and related loans and other transactions before a grand jury sitting in the Western District of Pennsylvania.

OVERT ACTS

15. In furtherance of the conspiracy, and to effect the objects of the conspiracy, the defendant, TIFFANY LYNN SPROUTS, and MMP, and others known and unknown, did commit and cause to be committed, the following overt acts, among others, in the Western District of Pennsylvania:

(a) In or around March 2005, the defendant directed a straw buyer to purchase a portion of the property located at 320 Sugar Camp Road, in Venetia, Pennsylvania, with a \$922,500 mortgage loan from Bank of America;

(b) In or around March 2005, the defendant purchased a portion of the property located at 320 Sugar Camp Road, in Venetia, Pennsylvania;

(c) In or around March 2005, the defendant purchased property located at 1505 Scenery Ridge, Pittsburgh, Pennsylvania, with a \$50,000 mortgage loan from World Savings Bank;

(d) In or around April 2005, the defendant directed a straw buyer to obtain a \$190,800 mortgage loan from JP Morgan Chase Bank secured by a portion of the property located at 320 Sugar Camp Road, in Venetia, Pennsylvania;

(e) In or around May 2005, the defendant purchased property located at 514 Griffin Street, Pittsburgh, Pennsylvania;

(f) In or around October 2005, the defendant directed a straw buyer to purchase property located at 1505 Scenery Ridge, Pittsburgh, Pennsylvania, with a \$521,500 mortgage loan from Encore Credit Corporation;

(g) In or around October 2005, the defendant purchased property located at 2338 Aetna Drive, Pittsburgh, Pennsylvania;

(h) In or around December 2005, the defendant directed a straw buyer to purchase property located at 2614 Cedarvue Drive, in Pittsburgh, Pennsylvania with a \$168,750 mortgage loan from First Magnus Financial Corporation and a \$56,250 mortgage loan from JP Morgan Chase Bank;

(i) In or around January 2006, the defendant obtained a \$168,800 mortgage loan and a \$21,100 mortgage loan from GreenPoint Mortgage Funding secured by property located at 2338 Aetna Drive, Pittsburgh, Pennsylvania;

(j) In or around June 2006, the defendant purchased property located at 542 Basset Drive, in Pittsburgh, Pennsylvania, with a \$164,500 mortgage loan from Washington Mutual Bank; and

(k) In or around December 2006, the defendant purchased property located at 924 East McMurray, in Pittsburgh, Pennsylvania with a \$154,850 mortgage loan from Wells Fargo Bank.

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

COUNT TWO

The United States Attorney further charges:

16. The United States Attorney realleges and incorporates by reference the allegations contained in paragraphs 1 through 15 of this Information.

17. In or around March 2005, in the Western District of Pennsylvania, the defendant, TIFFANY LYNN SPROUTS, did knowingly conduct and attempt to conduct a financial transaction affecting interstate commerce, knowing that said financial transaction involved the proceeds of some form of unlawful activity, with the intent to promote the carrying on of the specified unlawful activity of Mail, Wire and Bank Fraud; in that the defendant, TIFFANY LYNN SPROUTS, caused the withdrawal of \$171,995 from her account at National City Bank through the purchase of a cashier's check in that same amount, said funds being the proceeds of Bank Fraud.

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

FORFEITURE ALLEGATIONS

18. The United States Attorney realleges and incorporates by reference the allegations contained in Counts One and Two of this Information for the purpose of alleging criminal forfeitures pursuant to Title 18, United States Code, Sections 982(a)(1) and 982(b)(1), and 28 United States Code, Section 2461(c), which incorporates Title 18, United States Code, Section 981(a)(1)(C) and Title 21, United States Code, Section 853(p).

19. As a result of the commission of the violation charged in Count One of this Information, the defendant, TIFFANY LYNN SPROUTS, did acquire the following property that constitutes, and is derived from, the proceeds obtained, directly and indirectly, from such violations, thereby subjecting said property to forfeiture to the United States of America pursuant to 28 United States Code, Section 2461(c), which incorporates Title 18, United States Code, Section 981(a)(1)(C):

(a) United States currency, cash equivalents, and bank account balances, constituting the gross proceeds of such violations.

20. As a result of the commission of the violations charged in Count Two of this Information, the defendant, TIFFANY LYNN SPROUTS, acquired the following property that was involved in such violations, or is traceable to property involved in such violations, thereby subjecting said property to forfeiture to the

United States of America pursuant to Title 18, United States Code, Section 982(a)(1):

(a) a cashier's check in the amount of \$171,995.

21. If through any act or omission by the defendant, TIFFANY LYNN SPROUTS, any or all of the property described in paragraphs 19 and 20 of this Information (hereinafter the "Subject Properties"):

(a) Cannot be located upon the exercise of due diligence;


(b) Has been transferred, sold to, or deposited with a third person;

(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 subdivided without difficulty,

the United States intends to seek forfeiture of any other property of the defendant up to the value of the Subject Properties forfeitable above pursuant to Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code, Section 2461(c), which incorporates Title 21, United States Code, Section 853(p).


MARY BETH BUCHANAN
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