



REDACTED FOR
PUBLIC DISCLOSURE

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America,
Plaintiff,

v.

Eitan Maximov
dba Connect America Worldwide
dba Aragon Stables
dba Eilon Properties;
(Counts 1-4)
Defendant.

No. CR

CR 10 08 22 PHX NVW DKO

INDICTMENT

VIO: 18 U.S.C. § 1349
(Conspiracy)
Count 1

18 U.S.C. § 1343
(Wire Fraud)
Counts 2 & 3

18 U.S.C. § 1344
(Bank Fraud)
Count 4

18 U.S.C. § 982(a)(1) and (2)
18 U.S.C. § 981(a)(1)(C)
28 U.S.C. § 2461
(Forfeiture Allegations)

THE GRAND JURY CHARGES:

INTRODUCTORY ALLEGATIONS

At all times material to this indictment:

1. EITAN MAXIMOV ("MAXIMOV"), (date of birth March 25, 1972), was a real estate investor and operated businesses known as Connect America Worldwide LLC, Aragon Stables LLC, Nogara Financial, LLC, and Eilon Properties LLC. MAXIMOV, a resident of

1 Scottsdale, Arizona, held himself out to be an “investor” doing business as Connect America
2 Worldwide LLC, Aragon Stables LLC, Nogara Financial, LLC, and Eilon Properties LLC.

3 2. Chris Bartlemus was, during the period of time alleged in this indictment, an
4 escrow officer at Security Title Agency and handled all closings for the properties referred in
5 the paragraphs which follow.

6 3. Joshua Lewis was a former employee of MAXIMOV and, at MAXIMOV'S
7 request, acted as a “straw buyer” of one of the properties referred to in the paragraphs which
8 follow.

9 4. Ricky Lewis is the wife of Joshua Lewis and acted as a “straw buyer” of one of
10 the properties referred to in the paragraphs which follow.

11 5. For purposes of this indictment, a “straw buyer” was someone recruited by
12 MAXIMOV to take out a mortgage loan in his or her name and purchase a house in his or her
13 name. The “straw buyer” was told by MAXIMOV that she would not be responsible for the
14 mortgage payments. In return for using the “straw buyer’s” identity, MAXIMOV and the
15 “straw buyer” would split the profit upon resale of the property.

16 6. JP Morgan Chase, First Horizon Home Loans and Wells Fargo are financial
17 institutions whose deposits were then insured by the Federal Deposit Insurance Corporation
18 (“FDIC”), and which engaged in and the activities of which affected interstate commerce.

19 **Real Estate Obtained by False and Fraudulent Statements and Documents**

20 7. MAXIMOV acquired, or attempted to acquire, and finance the properties listed
21 below by making or causing to be made false and fraudulent statements in documents and
22 submitting or causing to be submitted those documents to lenders:

23 Addresses:

24 XX41 East Tracker Trail, Phoenix, Arizona

25 XXX21 North 39th Avenue, Phoenix, Arizona

26 The property referred to as XXX21 North 39th Avenue, Lot 1, Phoenix, Arizona

COUNT 1

Conspiracy to Commit Wire Fraud and Bank Fraud

[18 U.S.C. § 1349]

8. Paragraphs 1 through 7 of the Introductory Allegations are realleged and reincorporated as if fully set forth herein.

9. On or about July 2006 and continuing to and including a date unknown to the grand jury, but at least until January 8, 2008, within the District of Arizona and elsewhere, defendant MAXIMOV, Chris Bartlemus, R. Lewis, J. Lewis and others, known and unknown to the grand jury, knowingly combined, conspired and agreed with each other and with others, known and unknown to the grand jury, to commit certain offenses against the United States, to wit: Wire Fraud and Bank Fraud, in violation of Title 18 U.S.C. §§ 1343 and 1344, respectively.

PURPOSE OF THE CONSPIRACY

10. The purpose of the conspiracy was as follows:

a. To falsely and fraudulently inflate the value of the subject real estate in order to justify a loan for an amount that was substantially more than the actual value of the properties.

b. To find people to act as “straw buyers” in furtherance of this scheme.

c. To purchase properties by providing false or misleading information to lending institutions in order to qualify “straw buyers” for residential loans.

d. To create escrow documents that concealed, minimized or misrepresented where funds would be distributed at the property closings.

e. To withdraw at closing as much cash as possible based upon the escrow documents and the appraised value of the home.

f. To enable defendant MAXIMOV to receive money in the form of “cash back” to himself or his company, Nogara Financial LLC, a fictitious shell company used for the purpose of obtaining monies from real estate transactions.

THE MANNER AND MEANS OF THE CONSPIRACY

11. It was part of the conspiracy and among the manner and means to execute it that:

a. Defendant MAXIMOV developed a scheme to defraud various mortgage lenders by purchasing residential houses at inflated prices and profited from the difference between the sales price and the amount the seller agreed to receive from the sale of the properties. At or after the closing, MAXIMOV received "cash back" in the form of a check to his company, Nogara Financial LLC. MAXIMOV used this money, in part, to continue the scheme.

b. MAXIMOV recruited his friends to be "straw buyers" to purchase houses at inflated prices.

c. Each "straw buyer" would falsely state in an Uniform Residential Loan Application his or her income and/or assets and liabilities and also that no part of the down payment would be borrowed, when in fact, MAXIMOV provided or intended to provide some or all of the down payment and the source of the down payment was not disclosed to the lender.

Overt Acts

12. In furtherance of the aforementioned conspiracy, MAXIMOV and others performed the following overt acts in the District of Arizona and elsewhere:

XXX21 N. 39th Avenue, Phoenix, Arizona

13. In June 2006, MAXIMOV purchased property at XXX21 N. 39th Avenue, Phoenix, Arizona for \$1,600,000. According to the HUD-1 Pre-Audit Settlement Statement, Nogara Financial LLC was to receive \$352,000 "cash back" at the close of escrow. The HUD-1 was prepared by Chris Bartlemus at Security Title Agency.

14. In June 2006, several addenda were made to the Residential Sales Contract during the course of the transaction. One addendum stated that "the seller shall credit \$500,000 to Nogara Financial LLC, payable at close of escrow and all parties understand this addendum will not be sent to the lender."

1 15. In June 2006, Chris Bartlemus drafted documentation that stated that MAXIMOV
2 received \$140,118.30 from JP Morgan Chase Bank to use as closing funds to purchase the
3 property.

4 16. On or about June 16, 2006, MAXIMOV received an incoming wire transfer of
5 funds in the amount of \$206,881.70 to his Meridian Bank account in Phoenix, Arizona.

6 **Property Referred to as XXX21 N. 39th Avenue, Lot 1, Phoenix, Arizona**

7 17. In August 2006, MAXIMOV split the property at XXX21 N. 39th Avenue,
8 Phoenix, Arizona, to create Lot 1 and Lot 2. Under the name Aragon Stables LLC, MAXIMOV
9 sold Lot 1 to J. LEWIS for \$350,000. (Subsequent documents refer, perhaps mistakenly, to the
10 Lot 1 property as XXX21 N. 39th Avenue, Lot 1).

11 18. MAXIMOV provided \$96,200 for the down payment to purchase this property
12 even though the loan application stated that no part of the down payment was borrowed.
13 MAXIMOV provided \$84,000 of this down payment via cashier's check from his Meridian
14 Bank account. MAXIMOV also provided an additional \$12,200 from a Bank of America
15 account, making the total down payment on this transaction \$96,200.

16 19. On August 30, 2006, MAXIMOV received an incoming wire transfer of funds in
17 the amount of \$347,844.00 to the same Meridian Bank account from which MAXIMOV
18 provided the \$84,000 for Joshua Lewis' down payment to purchase the Lot 1 property.

19 **XX13 E. Monte Cristo, Scottsdale, Arizona**

20 20. In November 2006, MAXIMOV's friend, Jonathan Shachar, purchased XX13 E.
21 Monte Cristo for \$545,000. MAXIMOV directed Shachar to use Bartlemus at Security Title
22 Agency to close the transaction.

23 21. According to the Monte Cristo HUD-1Pre-Audit Settlement Statement dated
24 November 21, 2006, a "private note" in the amount of \$100,400, was to be paid from the
25 seller's proceeds upon closing. At line 505 of the document, a line is drawn through the
26 amount of \$100,400 and a handwritten amount of "95" is handwritten next to it.

 22. The Final HUD-1 statement for Monte Cristo stated that a payoff of a "private
note" in the amount of \$95,000 was to be paid from seller's proceeds upon closing

1 23. On November 28, 2006, a check was in fact issued from Security Title in the
2 amount of \$95,000 payable to Nogara, MAXIMOV's shell company.

3 **XX41 E. Tracker Trail, Phoenix, Arizona**

4 24. In January 2007, MAXIMOV approached a Cooperating Witness ("CW") and
5 offered to purchase the CW's house, which was listed for the sale price of \$1,300,000.
6 MAXIMOV proposed that he would get a loan for approximately \$1,850,000, an amount higher
7 than the asking price, and keep the difference, approximately \$550,000, as "cash back" at
8 closing.

9 25. Several consensually taped conversations were conducted between the CW and
10 MAXIMOV in which MAXIMOV detailed how the "cash back" scheme would work.

11 26. MAXIMOV completed the purchase contract initially using his company, "Eilon
12 Properties or nomany [sic]" as the buyer. An addendum written to the contract stated, "1)
13 instructions for title company 2) \$650,000 will be paid to Nogara Financial LLC at close of
14 escrow."

15 27. On February 9, 2007, MAXIMOV told the CW that he would have his friend
16 purchase the property and then he would put it in his company's name. MAXIMOV recruited
17 his friend, R. Lewis, to be a "straw buyer" for the property. MAXIMOV told the CW he had
18 an appraiser that would appraise the property for the value that he needed.

19 28. In February 2007, MAXIMOV directed the CW to Bartlemus at Security Title to
20 close the transaction, also advising the CW that he had a loan officer that would get the loan
21 approved.

22 29. In March 2007, R. Lewis signed a loan application which stated she was and had
23 been employed as the Chief Financial Officer with Connect America Transportation Worldwide
24 at XXX23 North 171st Avenue, Surprise, Arizona for five years, and was making an income
25 of \$45,000 a month. These statements were false. The loan application stated that R. Lewis
26 had \$230,000 in her US Bank account. This statement also was false.

 30. Count 4 below is re-alleged and reincorporated as overt acts in furtherance of the
conspiracy alleged herein.

1 All in violation of 18 U.S.C. §§ 1349 and 2.

2 **COUNTS 2 and 3**

3 **Wire Fraud**

4 **[18 U.S.C. § 1343]**

5 31. Paragraphs 1 through 7 of the Introductory Allegations are re-alleged and
6 reincorporated as if fully set forth herein.

7 32. From on or about June 2006 through on or about January 2008, in the District of
8 Arizona and elsewhere, MAXIMOV and others known and unknown to the Grand Jury devised
9 and intended to devise a scheme and artifice to defraud and purchase real properties with
10 mortgage loan applications falsely representing the true buyer's identity and true buyer's assets,
11 income, mortgage debts, and sources of intended down payment.

12 33. In furtherance of the scheme and artifice to defraud, MAXIMOV transmitted and
13 caused to be transmitted by means of wire communication in interstate commerce the below
14 listed wires, signs and signals on the dates so listed.

15

Counts	Date	Recipient	Description of Transmission
2	June 16, 2006	Meridian Bank, Phoenix, AZ	\$206,881.70 wire transfer
3	August 30, 2006	Meridian Bank, Phoenix, AZ	\$347,844 wire transfer

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21 All in violation of Title 18, United States Code, §§1343, 2 and Pinkerton v. United
22 States, 328 U.S. 640 (1946).

23 **COUNT 4**

24 **Bank Fraud**

25 **[18 U.S.C. § 1344]**

26 34. Paragraphs 1 through 7 of the Introductory Allegations are re-alleged and
reincorporated as if fully set forth herein.

35. From on or about June 2006 through on or about January 2008, MAXIMOV
devised a scheme to defraud and purchase real properties with mortgage loan applications

1 falsely representing the true buyer's identity and true buyer's assets, income, mortgage debts,
 2 and sources of intended down payment. Moreover, it was concealed from the lending
 3 institution that at the close of each sale a portion of the loan was to be paid to MAXIMOV.
 4 This fact was concealed by representing on the HUD-1 that the money would be paid to a
 5 fictitious entity known as Nogara or as a private note.

6 36. On or about August 22, 2006, in the District of Arizona and elsewhere, defendant
 7 MAXIMOV, and others, known and unknown to the grand jury, knowingly executed the above
 8 scheme to defraud or obtain money, funds, credits, assets or other property, owned by or under
 9 the custody and control of federally insured financial institutions, from or through the District
 10 of Arizona and elsewhere, by engaging in the following loan transaction: obtaining a loan of
 11 approximately \$262,500 from lender First Horizon Home Loans, a subsidiary of First Tennessee
 12 Bank, ostensibly to finance the purchase of the property referred to as XXX21 North 39th
 13 Avenue, Lot 1.

14 All in violation of Title 18, United States Code, §§ 1344, 2 and Pinkerton v. United States, 328
 15 U.S. 640 (1946).

16 **FORFEITURE ALLEGATION**

17 37. As a result of committing the conspiracy offense alleged in Count One (1) of this
 18 Indictment, defendants MAXIMOV, shall forfeit to the United States pursuant to 18 U.S.C. §
 19 981(a)(1)(C) and 28 U.S.C. § 2461 any property, real or personal, which constitutes or is
 20 derived from proceeds traceable to a violation of 18 U.S.C. §§1344 and 1349.

21 38. As a result of committing one or more of the bank fraud offenses alleged in Count
 22 Four (4) of this Indictment, defendant shall forfeit to the United States pursuant to 18 U.S.C.
 23 § 982(a)(2), any property constituting, or derived from, proceeds the said defendants obtained
 24 directly or indirectly, as a result of the said violations.

25 39. Cash Proceeds: The government will seek a judgment for the sum of
 26 approximately **\$649,725.00** in U.S. Currency and all interest and proceeds traceable thereto, in
 that such sum in aggregate constitutes the proceeds derived from the criminal violations, for

1 which the defendants who are convicted of one or more of said offenses shall be jointly and
2 severally liable.

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

5 (1) cannot be located upon the exercise of due diligence;

6 (2) has been transferred or sold to, or deposited with, a third person;

7 (3) has been placed beyond the jurisdiction of the Court;

8 (4) has been substantially diminished in value; or

9 (5) has been commingled with other property which cannot be subdivided without
10 difficulty;

11 it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) to seek forfeiture of any
12 other property of said defendant up to the value of the above forfeitable property, including but
13 not limited to all property, both real and personal, owned by the defendant.

14 All in violation of Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(1) and (a)(2) and
15 1344, and Title 28, United States Code, Section 2461.

16
17 A TRUE BILL

18
19 /s/
20 FOREPERSON OF THE GRAND JURY
Date: 06/16/2010

21 DENNIS K. BURKE
22 United States Attorney
District of Arizona

23 /s/

24 FRANK T. GALATI
25 LETA HOLLON
26 Assistant U.S. Attorneys