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CIVIL DIVISION
CASE PROCESSING

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SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - BERGEN COUNTY
DOCKET NO.: L-7834-08

ANNE MILGRAM, Attorney General
of the State of New Jersey, and
DAVID SZUCHMAN, Director of the
New Jersey Division of Consumer
Affairs,

Plaintiffs,

Civil Action

v.

JP GLOBAL PROPERTY MANAGEMENT,
INC., PETER H. ECKHARDT, JR.,
JEREMY P. SORVINO, JEFFREY M.
MALEN, RHYS A. HERRMANN, CHRIS
WILLIAM ECKHARDT, FELIX
NIHAMIN, GLEN B. THOMPSON,
MICHAEL ANDALAFT, ANTHONY
SCORDO III, CAPITAL HILL
MORTGAGE COMPANY, INC., STANLEY
CAPITAL MORTGAGE COMPANY, INC.,
BRENDAN J. FLYNN, JENNIFER R.
KORTMAN a/k/a JENNIFER
ECKHARDT, REBECCA A. KORTMAN
a/k/a REBECCA LATORRE, MARYANN
E. SORVINO, VINCENT F. LATORRE,
FRANCES P. BENNA, WILLIAM
MCVEIGH, MAURICIO V. ALMEIDA,

COMPLAINT

Defendants.

Plaintiffs Anne Milgram, Attorney General of the State of New Jersey ("Attorney General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and David Szuchman, Director ("Director") of the New Jersey Division of Consumer Affairs, with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint allege as follows:

PRELIMINARY STATEMENT

1. Many New Jersey homeowners are facing the prospect of losing their homes in foreclosure. These homeowners are desperate for a solution that will enable them to get back on their feet and remain in their homes.

2. Defendants have colluded to take advantage of such homeowners facing foreclosure. Preying on their financial distress and lack of economic sophistication, Defendants persuade distressed homeowners to enter into a complex real estate transaction wherein the homeowner surrenders title to their property to a third-party buyer ("straw-buyer") on the promise that the homeowner will (1) be able to inhabit his or her home temporarily as a renter, (2) use the proceeds from the transaction - the equity in the home - to pay "rent" on the property, (3) re-establish his or her credit, and (4) buy the property back in a year (hereinafter referred to as a "sale/lease-back transaction").

3. These promises are false. In reality, Defendants divert the majority of proceeds from the sale/lease-back transaction to themselves, thereby pilfering most of the equity value accumulated in the property and leaving consumers no means to pay the rent, re-establish their credit, or buy the property back. Moreover, without informing the consumer, Defendants often sell the property to a second straw-buyer or refinance the mortgage during the lease term, thereby further encumbering the property, and making it impossible for the consumer to buy it back.

4. In many instances, when the distressed homeowner is not able to re-purchase the property at the end of the lease term, Defendants subject them to eviction proceedings and/or place the property for sale on the open market, forcing the consumer to leave the home they sought to preserve. In other instances, the Defendants continue to take monthly rent from the consumer but cease applying these payments toward the mortgage, leaving consumers to discover that the property is, once again, in foreclosure.

5. The distressed homeowners are left in a far worse position than they were in before entering the sale/lease-back transaction. Not only must they leave their homes, but they cannot even sell their homes and benefit from the equity that had accrued in their property over time.

6. Defendants' conduct constitutes multiple violations of

the New Jersey Racketeer Influenced and Corrupt Organizations Act, N.J.S.A. 2C:41-2 et seq., as well as the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq.

JURISDICTION AND THE PARTIES

7. The Attorney General is charged with the responsibility of enforcing the Consumer Fraud Act ("CFA"), N.J.S.A. 56:8-1 et seq. The Director is charged with the responsibility of administering the CFA and its attendant regulations on behalf of the Attorney General. This action seeking injunctive and other relief is brought by the Attorney General and the Director in their official capacities pursuant to their authority under N.J.S.A. 56:8-8, 56:8-11 and 56:8-13.

8. The Attorney General is also authorized by N.J.S.A. 2C:41-4(b) to proceed by way of civil action in Superior Court for violations of N.J.S.A. 2C:41-2 et seq., New Jersey's Racketeer Influenced and Corrupt Organizations Act (hereinafter "RICO").

9. Venue is proper in Bergen County, pursuant to R. 4:3-2(b), because it is a county in which the Defendants have conducted business, and where several of the affected properties are situated.

DEFENDANTS

10. Defendant JP Global Property Management, L.L.C. (hereinafter "JP Global") is a limited liability company

incorporated in New Jersey on July 21, 2005, with offices formerly located at 2 Broad Street, Suite 509, Bloomfield, New Jersey.

11. Defendant Peter H. Eckhardt, Jr. (hereinafter "Pete Eckhardt") of 3 Sunshine Lane, Livingston, New Jersey, is the registered agent and Chief Executive Officer of JP Global.

12. Defendant Jeffrey M. Malen (hereinafter "Jeff Malen") of 12 Windbeam Avenue, Ringwood, New Jersey, at all times relevant herein held himself out to consumers as an employee of JP Global.

13. Defendant Jeremy P. Sorvino (hereinafter "Jeremy Sorvino") of 40 Stuart Street, Waldwick, New Jersey, at all times relevant herein held himself out to consumers as an employee of JP Global.

14. Defendant Christopher William Eckhardt (hereinafter "Chris William") of 670 Kennedy Drive, Washington Township, New Jersey, at all times relevant herein held himself out to consumers as an employee of JP Global.

15. Defendant Anthony Scordo, III (hereinafter "Tony Scordo, Esq.") of 5 Blueberry Lane, Leonardo, New Jersey, is an attorney licensed in the State of New Jersey with offices at 1425 Pompton Avenue, Cedar Grove, New Jersey.

16. Defendant Felix Nihamin (hereinafter "Felix Nihamin, Esq.") of 707 Cinnamon Lane, Franklin Lakes, New Jersey, is an attorney licensed in the State of New Jersey and maintains a law

office at 270 Sylvan Avenue, Suite 255, Englewood Cliffs, New Jersey.

17. Upon information and belief, Defendant Glenn B. Thompson (hereinafter "Glen Thompson") is or was at one time employed by the office of Felix Nihamin.

18. Defendant Michael J. Andalaft (hereinafter "Mike Andalaft, Esq.") is an attorney licensed in the State of New Jersey, with offices located at 870-A2 Pompton Avenue, Cedar Grove, New Jersey.

19. Defendant Capital Hill Mortgage Co., Inc. (hereinafter "Capital Hill Mortgage") is a company incorporated in New Jersey on February 6, 2001, with offices formerly located at 325 Sylvan Avenue, Third Floor, Englewood Cliffs, New Jersey. Capital Hill Mortgage is an active lender licensed by the New Jersey Department of Banking, and is or was in the business of obtaining mortgage loans for its customers.

20. Defendant Stanley Capital Mortgage Company, Inc. (hereinafter Stanley Capital Mortgage) is a company incorporated in New Jersey on August 18, 1998, with offices located at 270 Sylvan Avenue, Suite 260, Englewood Cliffs, New Jersey. Stanley Capital Mortgage is an active lender licensed by the New Jersey Department of Banking, and is or was in the business of obtaining mortgage loans for its customers.

21. Defendant Rhys A. Herrmann (hereinafter "Rhys Herrmann") of 511 Franklin Avenue, Belleville, New Jersey, is a

former employee of Capital Hill Mortgage and a former employee of Stanley Capital Mortgage.

22. Defendant Brendan Joseph Flynn (hereinafter "Brendan Flynn") of 2375 Hudson Terrace, Apt. 5C, Fort Lee, New Jersey, is an actively licensed mortgage solicitor with Stanley Capital Mortgage.

23. Defendant Maryann E. Sorvino (hereinafter "Maryann Sorvino") of 359 Queens Court, Ridgewood, New Jersey, obtained multiple mortgages and purchased properties that are the subject of this action.

24. Defendant Frances B. Benna (hereinafter "Francis Benna") of 46 Fournier Crescent, Elmwood Park, New Jersey, obtained multiple mortgages and purchased properties that are the subject of this action.

25. Defendant Jennifer R. Kortman, also known as Jennifer Eckhardt (hereinafter "Jennifer Kortman") of 3 Sunshine Lane, Livingston, New Jersey, obtained multiple mortgages and purchased properties that are the subject of this action.

26. Defendant Rebecca A. Kortman, also known as Rebecca Latorre (hereinafter "Rebecca Kortman") of 49 South Passaic Avenue, Chatham, New Jersey, obtained multiple mortgages and purchased properties that are the subject of this action.

27. Defendant William McVeigh (hereinafter "William McVeigh") of 18 Oxford Road, Wharton, New Jersey, obtained multiple mortgages and purchased properties that are the subject

of this action.

28. Defendant Mauricio V. Almeida (hereinafter "Mauricio Almeida") of 295 Colonia Boulevard, Colonia, obtained multiple mortgages and purchased properties that are the subject of this action.

29. Defendants John and Jane Does 1 through 10 are fictitious names for additional purchasers, mortgage brokers, and/or attorneys who, by their actions, furthered a foreclosure rescue scheme as described herein below. As the identity of these individuals becomes known to Plaintiffs, Plaintiffs will seek permission to amend this Complaint to allege the true names and capacities of such defendants.

30. Defendant XYZ companies 1 through 10 are fictitious names for additional corporations, limited liability companies, and proprietorships which furthered a foreclosure rescue scheme as described herein below. As the identity of these entities becomes known to Plaintiffs, Plaintiffs will seek permission to amend this Complaint to allege the true names and capacities of such defendants.

THE SCHEME

31. Defendants solicit consumers facing the foreclosure of their homes or otherwise experiencing financial difficulties that could result in the foreclosure of their homes (hereinafter "distressed homeowners"). Defendants advertise their foreclosure rescue services over the Internet, and by word of mouth to

members of the real estate and mortgage broker communities.

32. The Defendants lead distressed homeowners to believe that the Defendants will save their homes from foreclosure and aid them in relieving their financial stress. The Defendants persuade distressed homeowners to enter into a complex real estate transaction whereby the homeowner surrenders title to their property to a buyer (hereafter referred to as a "straw buyer") on the promise that they will be able to continue to inhabit their home as a renter and buy the property back in one year (hereinafter referred to as a "sale/lease-back" transaction).

33. To date, Plaintiffs have identified eleven (11) properties transferred from distressed homeowners by operation of the Defendants' foreclosure rescue scheme. Upon information and belief, at least twenty-two (22) additional properties have been similarly transferred.

34. Plaintiffs intend to seek restitution for all consumers identified to date who have been injured by Defendant's unlawful actions, as well as for any additional injured consumers Plaintiffs identify. Upon information and belief, the unlawful activities of Defendants are ongoing and Plaintiff reserves the right to amend this Complaint to include other consumers who are injured as a result of Defendants' unlawful practices.

35. The following allegations are pled as illustrations of Defendants' unlawful business practices and are not meant to be

exhaustive.

*Mr. and Mrs. Brick**

36. Mr. and Mrs. Brick have lived in their home located in Brick, New Jersey since they purchased it in 2002. They currently reside there.

37. By operation of the Defendants' foreclosure rescue scheme, the Defendants stole approximately \$50,000 in equity from the Bricks, and obtained more than \$290,000 in fraudulent loans. The Bricks' home is currently in foreclosure.

38. In January 2006, after experiencing several financial setbacks, the couple was facing a foreclosure of their home within ninety days. Unexpectedly, Jeffrey Malen of JP Global called Mrs. Brick at home and told her that JP Global could help them avoid the foreclosure sale and remain in their home. He said that JP Global would offer to buy their home for the amount that was owed to the lender, and that they would have to buy it back within two years. Upon information and belief, JP Global and Capital Hill Mortgage commissioned an appraisal of the property before they had even spoken to Mrs. Brick.

39. During several conversations with JP Global, Mrs. Brick was assured that she and her husband would be able to remain in their home, buy it back at the Sheriff's Sale price, which was \$216,000, and keep any accrued equity. Jeffrey Malen told Mrs. Brick that her monthly payments would be lowered. Desperate for

* Fictitious names are provided herein for all illustrations; true names to be provided at the

a solution to their problem, Mr. and Mrs. Brick agreed to the transaction.

40. On or about February 11, 2006, Rhys Herrmann, through Capital Hill Mortgage, prepared a loan application for Brendan Flynn, who was 28 years old at the time. The application requested a loan in the amount of \$198,250, with an adjustable interest rate starting at 6.5% amortized over 30 years. Rhys Herrmann also processed an application for a subordinate loan to Brendan Flynn in the amount of \$76,250 with an adjustable interest rate starting at 11.75% amortized over 30 years.

41. Brendan Flynn's loan applications stated that he was employed as a loan officer for five and one-half years by Stanley Capital Mortgage, and, upon information and belief, falsely stated that he had a gross monthly commission income of \$12,500. Each application stated that the purpose of the loan was to purchase the property for an investment, and a proposed monthly rental income of \$1,275 was included for underwriting purposes.

42. To substantiate Brendan Flynn's assets on the loan applications, three additional properties in New Jersey were listed as being owned, occupied and/or rented by Brendan Flynn. Upon information and belief, two of those properties, including a property in Willingboro which Brendan Flynn stated was his residence, were properties transferred to him by operation of the foreclosure rescue scheme described herein, and were occupied at

that time by consumers who had faced foreclosure but sold their properties to Brendan Flynn by a sale/lease-back.

43. Upon information and belief, Rhys Herrmann and Brendan Flynn caused falsified income, employment and rent payment verifications to be submitted to Capital Hill Mortgage and/or other lenders to obtain a loan to purchase the Bricks' property.

44. A Contract of Sale, purportedly signed by Mr. and Mrs. Brick on January 16, 2006, stated that a balance of \$30,500 was to be paid to the couple at closing. The contract also stated that the closing would be held at the law office of Felix Nihamin, Esq. in New York, New York.

45. On March 6, 2006, the eve of the Sheriff's Sale of the Bricks' property, Mr. and Mrs. Brick traveled to JP Global's office in Bloomfield for the closing meeting. Despite their advance requests to JP Global, they were not given any figures regarding the transaction beforehand.

46. A JP Global employee, Jeremy Sorvino, handed the couple a pile of papers and told them that their monthly payments going forward would be \$2,308, with a late charge of \$115 for payments more than ten days late. Mr. and Mrs. Brick were very surprised by these figures, given that this payment was higher than their original mortgage payment, and Jeffrey Malen had told them their payments would be lowered.

47. The couple never met the "buyer" of their property, Brendan Flynn. They reluctantly signed all the documents placed

before them at the closing because they were desperate and they believed that they would be able to re-purchase their home.

48. As of March 6, 2006, the outstanding liens against the Bricks' property, including late payment fees and costs related to the foreclosure proceedings, totaled approximately \$225,000. If the couple had sold their home for the stated purchase price of \$305,000, they would have received approximately \$80,000 from such a sale.

49. At the closing that took place on March 6, 2006 however, under the direction and authority of Felix Nihamin, Esq., or someone representing the law office of Felix Nihamin, Esq., the Bricks did not receive any money. According to the Settlement Statement, JP Global received \$81,273.71, despite assurances to the Bricks that the equity in their home was theirs to keep. Capital Hill Mortgage received a \$3,469 Loan Origination Fee, plus \$1,000 as Application, Commitment and Warehouse fees; attorney Felix Nihamin, Esq. received \$1,750 for the primary loan closing and \$250 for the subordinate loan closing; and, again according to the settlement statement, Cash to Seller totaled \$0.0 (line 603).

50. Upon information and belief, Pete Eckhardt received \$37,953 via wire transfer from the New Jersey trust account for the Law Offices of Felix Nihamin, P.C. on March 7, 2006. This debit was taken directly from the loan proceeds obtained by Brendan Flynn to purchase the Bricks' property. In addition,

Glen Thompson received \$400 from the loan proceeds as a "closing fee," over and above the \$1,750 legal fee charged by Felix Nihamin. Neither of these payees or amounts appeared on the Settlement Statement presented to the Bricks at the closing meeting.

51. Felix Nihamin, Esq., or someone representing the law office of Felix Nihamin, Esq., witnessed execution of the Deed, falsely attesting that Mr. and Mrs. Brick stated to his satisfaction that they received \$305,000 as the full and actual consideration for transferring ownership of the property. The new loans encumbering the property as of March 6, 2006, totaled \$274,500.

52. On or about November 28, 2006, Brendan Flynn applied for a loan to refinance the two loans he obtained in the first sale/lease-back transaction involving the Bricks' home. He employed Rhys Herrmann again and obtained two mortgages totaling \$292,500. None of the Defendants involved in the refinance transaction disclosed it to Mr. or Mrs. Brick, even though their property would now be further encumbered by the new loans, well within the lease period the Bricks had to try to repurchase their home under the sale/lease-back agreement.

53. The refinance loan was closed on or about December 22, 2006, by Felix Nihamin, Esq., or someone representing the law office of Felix Nihamin, Esq. In connection with the refinance, Brendan Flynn transferred ownership of the property to himself

and Pete Eckhardt as joint tenants. The Bricks were never told about the refinance or that title to their home was now in the name of Pete Eckhardt and Brendan Flynn.

54. Mr. and Mrs. Brick continued to make their monthly rent payments to JP Global, although eventually they fell behind. On or about February 21, 2007, Brendan Flynn filed a complaint against them in Ocean County Court, Special Civil Part, for unpaid rents. The couple was able to borrow the arrears amount from family and friends to avoid eviction and remain in their home.

55. On or about October 31, 2007, a Notice of Lis Pendens was filed in Ocean County Court to foreclose the mortgages held by Brendan Flynn secured by the property. Upon receipt of the notice, Mr. and Mrs. Brick ceased sending rent payments to Brendan Flynn. They remain in their home, but are anxious about what it will cost them to re-purchase it, and where they will go if they cannot afford to do so.

Mr. Pompton

56. Mr. Pompton and his wife have lived in their home in Pompton Plains, New Jersey since they purchased it in 1988. They currently reside there.

57. By operation of the Defendants' foreclosure rescue scheme, the Defendants stole approximately \$133,000 in equity from Mr. Pompton, and obtained more than \$710,000 in fraudulent loans. Mr. Pompton's home is currently in foreclosure.

58. In December of 2004, Mr. Pompton had been experiencing financial difficulties and had missed payments on the mortgage secured by his property. His bankruptcy attorney, Mike Andalaft, Esq., gave him a business card for JP Global and told him to get in touch with them for a way to save his house. At that time, the existing liens encumbering Mr. Pompton's property, including outstanding taxes and utilities, totaled approximately \$427,000, and his monthly payments (mortgage plus bankruptcy plan payments) totaled approximately \$5,100.

59. Mr. Pompton contacted JP Global and Pete Eckhardt sent him a number of documents overnight in the mail, including a letter stating that ". . . this is a unique program. . . As a branch of Stanley Capital Mortgage Company, we have the unique ability to work on every step of this process in-house." Pete Eckhardt told Mr. Pompton that an "angel investor" would purchase the home from him temporarily, and that the monthly payments during the lease period would be \$4,500. Desperate for a solution, Mr. Pompton agreed to let the "angel investor" buy his home temporarily, because he was sure that with his equity, he could regain his financial footing and repurchase the property.

60. In truth and fact, JP Global orchestrated the sale of Mr. Pompton's property to Frances Benna for a sale price of \$575,000. Rhys Herrmann completed a loan application for Frances Benna through Capital Hill Mortgage on or about April 25, 2005, for two variable rate loans to purchase the property: one in the

amount of \$460,000 and the other in the amount of \$100,000.

61. The applications stated that Frances Benna was the manager of a café in Bloomfield, and that her gross monthly income was \$12,820. The applications also stated that Frances Benna would occupy the property she was purchasing, and that she would be contributing \$56,000 to the purchase price.

62. The applications stated that Frances Benna had been a tenant for the previous 2.5 months at 46 Fournier Crescent, Elmwood Park, New Jersey. The applications also stated that Frances Benna resided as a tenant for the preceding 9 years at a property in Wayne, New Jersey, and that "JPG Property Management Services, L.L.C.," was her landlord. Chris William completed a Verification of Rent dated May 3, 2005 stating that Frances Benna was a tenant at the Wayne property and paid \$2,675 monthly for rent. Upon information and belief, this property in Wayne, New Jersey was transferred to Maryann Sorvino just six months prior to Frances Benna's loan application by operation of the Defendants' foreclosure rescue scheme, and the distressed homeowners - not Frances Benna - resided in the property at that time.

63. Upon information and belief, all of the foregoing statements on the loan applications were false. Frances Benna never intended to occupy Mr. Pompton's property, she did not work for a café in Bloomfield earning almost \$13,000 per month, and she did not reside at the address in Wayne, New Jersey. Further,

although a Cashier's Check in the amount of \$56,000 was made out to "Felix Nihamin, P.C. Trust Account" on or about March 10, 2005, ostensibly as a down-payment for the purchase of Mr. Pompton's property, upon information and belief, the check was never deposited into said account.

64. A representative from Felix Nihamin's office came to Mr. Pompton's house on or about May 11, 2005 to conduct the closing meeting. Mr. Pompton contacted Mike Andalaft, Esq., to ask whether he should go through with the deal, and Mike Andalaft, Esq., assured him he had reviewed the documents and that it was okay to sign them.

65. The representative from Felix Nihamin's office assured Mr. Pompton that copies of everything he was signing would be sent to him in the mail. Of the many documents put before him to sign, Mr. Pompton signed a Settlement Statement indicating he was to receive \$76,197 at the closing. The form also stated that the buyer, Frances Benna, was to receive \$34,015 at the closing, which was atypical because she was borrowing money for the purchase. According to the Settlement Statement, Mike Andalaft, Esq., received \$2,500 from Mr. Pompton's sale proceeds as a "Bankruptcy Attorney Fee," even though he was not owed any money from Mr. Pompton in connection with the bankruptcy. The office of Felix Nihamin, Esq. received \$1,750 as "Settlement fees."

66. Unusual charges appeared on the Settlement Statement as being paid by the seller, Mr. Pompton: a Broker Discount Fee in

the amount of \$4,600 was paid to Capital Hill Mortgage, and \$3,200 was paid to the title insurer. Both of these expenses are usually paid by the buyer who is borrowing the funds.

67. Despite the fact that he was supposed to receive more than \$76,000, Mr. Pompton received nothing at the closing. Mr. Pompton contacted Pete Eckhardt immediately after the closing and told him he wanted the money owed to him. Pete Eckhardt sent Mr. Pompton a check, drawn on his personal account and not on the account of JP Global, for \$41,300, with "partial proceeds" written in the memo section.

68. In July 2005, approximately two months after the closing and after Mr. Pompton had repeatedly requested copies of the closing documents from both Mike Andalaft, Esq., and Pete Eckhardt, the office of Felix Nihamin, Esq. sent Mr. Pompton a check in the amount of \$7,256. Mr. Pompton did not receive a copy of the Settlement Statement until June 2006, almost 13 months after the closing.

69. Mr. Pompton paid Pete Eckhardt \$4,500 each month from June 2005 until February 2007, when water pipes burst in the property and caused severe damage. Pete Eckhardt would not submit the repair bill to the insurer of the property despite Mr. Pompton's urging, and instead instructed Mr. Pompton to make the necessary repairs.

70. On or about November 19, 2007, a Complaint for Foreclosure was filed against Frances Benna for failure to pay

the mortgage. Jeremy Sorvino called Mr. Pompton on or about November 28, 2007 and told him that his aunt, Frances Benna, had received notice of the foreclosure, and Mr. Pompton began trying to qualify once again for a mortgage.

71. On or about January 20, 2008, Frances Benna, Jeremy Sorvino and Maryann Sorvino went to Mr. Pompton's home for a meeting. Mary Ann Sorvino gave Mr. Pompton a one week ultimatum at the meeting: give the bank \$35,000 to stop the foreclosure and assume Frances Benna's mortgage, or obtain a mortgage commitment with a closing date. Otherwise, she threatened that Frances Benna would come to collect the keys to the house and evict Mr. Pompton and his family. Mr. Pompton did not pay the bank to stop the foreclosure, nor was he able to obtain a mortgage commitment within the one-week timeframe.

72. On or about February 15, 2008, France Benna filed a Complaint in Morris County Court against Mr. Pompton for non-payment of rent. The Complaint alleged non-payment of rent for ten months, at a monthly rent of \$6,000, for a total of \$60,000. At the hearing, the case was dismissed after Mr. Pompton's attorney explained to the judge the complicated process by which Mr. Pompton came to be a tenant.

73. In July 2006, and unbeknownst to Mr. Pompton, Frances Benna obtained a second mortgage on the property in the amount of \$150,000, so the total mortgage liens are currently more than \$700,000, plus costs associated with the foreclosures.

74. Mr. Pompton currently lives with the daily anxiety that the bank will foreclose on his property before he can secure a new mortgage large enough to repurchase his beloved home.

Mr. Hanover

75. Mr. Hanover, his wife, and their four children had lived in their Hanover, New Jersey home for six years before they purchased it in 2000. They currently reside there.

76. By operation of the Defendants' foreclosure rescue scheme, the Defendants stole approximately \$120,000 in equity from the Hanovers, and obtained more than \$450,000 in fraudulent loans. The Hanovers' home is currently in foreclosure.

77. By Spring of 2007, Mr. Hanover had missed several payments on his mortgage and was looking to refinance. When a conventional mortgage lender could not help them, an employee there recommended JP Global, and offered to pass along Mr. Hanover's contact information, to which he agreed.

78. Chris William contacted Mr. Hanover by phone and promised him that JP Global could help him save his home from foreclosure and reduce his monthly payments, which were almost \$3,000. Chris William also said that the deal would result in Mr. Hanover receiving \$30,000 from the proceeds. Chris William assured Mr. Hanover that "this is gonna be a good deal for you." Persuaded by the offer, Mr. Hanover agreed to enter a sale/lease-back with JP Global.

79. Upon information and belief, Jennifer Kortman applied

for a loan in the amount of \$459,000 to purchase Mr. Hanover's property on or about May 14, 2007. This application contained numerous false statements. Jennifer Kortman listed her current address as 903 Kensington Lane, Livingston, New Jersey, and stated that she had been renting this property for the previous five years from JoAnn Schulze. A document entitled "Verification of Rent" was submitted to the lender to substantiate Jennifer Kortman's rental payment history, and it purports to be the verification by JoAnn Schulze that Jennifer Kortman satisfactorily rented the Kensington Lane property for more than five years.

80. Jennifer Kortman did not rent the Kensington Lane property from JoAnn Schulze at the time of the application. Upon information and belief, she actually co-owned the property with Pete Eckhardt, as evidenced by a mortgage from Citibank FSB that was recorded in December 2005 listing Jennifer Kortman and Peter Eckhardt as co-buyers of the mortgaged property.

81. On the Verification of Rent, JoAnn Schulze, the stated landlord of the Kensington Lane property, is listed as residing at 670 Kennedy Drive in Washington Township. The actual owners of the Kennedy Drive property since 1994 are JoAnn and Peter H. Eckhardt, Sr., and JoAnn Shulze a/k/a JoAnn Eckhardt has never owned the Kensington Lane property.

82. Further, on the loan application Jennifer Kortman listed her employer as JP Global and listed her mailing address

as 2 Broad Street, Bloomfield, which was JP Global's office address. She stated that she had worked for JP Global for five years, and that her position was a Senior Regional Sales Executive. She stated that her monthly gross salary as \$12,475. Chris William twice verified to the mortgage broker that Jennifer Kortman was indeed a Senior Regional Sales Executive for JP Global. However, upon information and belief, Jennifer Kortman had not worked for JP Global for the preceding five years and her stated income was grossly inflated.

83. Greenpoint Mortgage Funding, Inc., approved the loan to Jennifer Kortman for the purchase of Mr. Hanover's property. On or about June 29, 2007, an attorney came to Mr. Hanover's home for the closing meeting. Upon information and belief, the attorney was Felix Nihamin, Esq., or someone representing the law office of Graubard & Nihamin.

84. At the closing Mr. Hanover discovered that JP Global wanted him to pay \$3,600 per month in rent. Knowing he could never afford that much, Mr. Hanover refused to sign the documents until the attorney made a phone call and reduced the payments to \$3,000 - still a bit more than Mr. Hanover was paying before he ever talked to JP Global.

85. The attorney told Mr. Hanover that he would receive copies of the signed documents and the sale proceeds in the mail. However, neither came in the weeks following the closing meeting. Chris William called Mr. Hanover several weeks after the closing

asking for the first month's rent, and Mr. Hanover asked him for his \$30,000 from the sale. Not long after that conversation, Mr. Hanover received a personal check drawn on Pete Eckhardt's personal account, but it was for far less than the \$30,000 Chris William had promised he would receive.

86. Mr. Hanover has not had much contact with JP Global since the closing in June last year. During a call to JP Global, Mr. Hanover was told by "Vinnie" that "investors have taken over the management of their properties."

COUNT ONE

VIOLATIONS OF N.J.S.A. 2C:41-1 ET SEQ.
NEW JERSEY CIVIL RICO

87. Plaintiffs repeat and reallege Paragraphs 1 through 86 as if set forth at length herein.

88. Pursuant to N.J.S.A. 2C:41-2(c):

It shall be unlawful for any person employed by or associated with any enterprise engaged in or activities of which affect trade or commerce to conduct or participate, directly or indirectly, in the conduct of the enterprise's affairs through a pattern of racketeering activity.

89. Defendants JP Global, Pete Eckhardt, Jeremy Sorvino, Jeff Malen, Rhys Herrmann, Chris William, Felix Nihamin, Esq., Glen Thompson, Mike Andalaft, Tony Scordo, Esq., Capital Hill Mortgage, Stanley Capital Mortgage, Maryann Sorvino, Frances Benna, Jennifer Kortman, Rebecca Kortman, Vincent Latorre,

William McVeigh, Mauricio Almeida, and Brendan Flynn together constitute an enterprise within the meaning of N.J.S.A. 2C:41-1(c) (hereafter the "JP Global Enterprise Defendants").

90. The JP Global Enterprise Defendants engage in trade or commerce, or in activities which affect trade or commerce.

91. The JP Global Enterprise Defendants are persons within the meaning of N.J.S.A. 2C:41-1(b).

92. The JP Global Enterprise Defendants were either employed by or associated with JP Global, and conducted or participated, directly or indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity in violation of N.J.S.A. 2C:41-2(c).

93. A pattern of racketeering activity includes two or more incidents of racketeering conduct that have "either the same or similar purposes, results, participants or victims or methods of commission or are otherwise interrelated by distinguishing characteristics and are not isolated incidents." N.J.S.A. 2C:41-1(d).

94. The JP Global Enterprise Defendants participated in crimes under Chapters 20 and 21 of Title 2C of the New Jersey Statutes, and 18 U.S.C.S §1344, which had the same or similar purposes, results, participants, victims or methods of commission and were otherwise interrelated by distinguishing characteristics and were not isolated incidents.

95. The crimes perpetrated by the JP Global Enterprise

Defendants in furtherance of the pattern of racketeering activity include:

- a. **Theft by deception, N.J.S.A. 2C:20-4.** By purposely creating and reinforcing false impressions as to law, intention or other state of mind, for the purpose of influencing consumers to enter sale/lease-back transactions, the Defendants deceptively and purposely took money from consumers' when they absconded with sale proceeds (Defendants JP Global, Pete Eckhardt, Brendan Flynn, Felix Nihamin, Mike Andalaft, Glen Thompson), charged consumers excessive and unwarranted attorney's fees and loan costs (Defendants Tony Scordo, Felix Nihamin, and Mike Andalaft, Capital Hill Mortgage, Stanley Capital Mortgage), and accepted monthly rent payments from consumers after agreeing to hold rent in advance (Defendants Pete Eckhardt, Brendan Flynn, JP Global, Jeremy Sorvino);
- b. **Theft by failure to make required disposition of property received, N.J.S.A. 2C:20-9.** By failing to disperse to distressed homeowners proceeds from the sale of their properties as they were legally obligated to do, and instead siphoning off these funds to themselves and others, Defendants Felix

Nihamin, Tony Scordo, Mike Andalaft, JP Global, Pete Eckhardt, Brendan Flynn, Jeremy Sorvino, Maryann Sorvino, Rebecca Kortman, Jennifer Kortman, William McVeigh, Mauricio Almeida Vincent Latorre and Frances Benna violated N.J.S.A. 2C:20-9;

c. **Forgery, N.J.S.A. 2C:21-1.** By executing, authenticating and transferring unauthorized contracts of sale, loan applications, occupancy agreements, real property affidavits and deeds or other writings which purport to be the acts of consumers, and with the knowledge that fraud or injury is being perpetrated by another, Defendants Capital Hill Mortgage, Stanley Capital Mortgage, Rhys Herrmann, JP Global, Tony Scordo, Felix Nihamin, Glen Thompson, Jeremy Sorvino, Chris William, Jeff Malen, Jennifer Kortman, Rebecca Kortman, and Frances Benna violated N.J.S.A. 2C:21-1;

d. **Issuing false financial statements, N.J.S.A. 2C:21-4(b).** By knowingly issuing written employment and income verifications, mortgage loan applications, deeds, and real estate settlement statements, Defendants Capital Hill Mortgage, Stanley Capital Mortgage, JP Global, Pete

Eckhardt, Rhys Herrmann, Brendan Flynn, Jeremy Sorvino, Jennifer Kortman, Rebecca Kortman, Frances Benna, William McVeigh, Mauricio Almeida, Vincent Latorre, Felix Nihamin, Mike Andalaft, and Tony Scordo violated N.J.S.A. 2C:21-4(b);

e. **Deceptive business practices**, N.J.S.A. 2C:21-7(e).

By advertising that their businesses would help consumers facing foreclosure to obtain financing and remain in their homes as owners, Defendants JP Global, Pete Eckhardt, Jeremy Sorvino, Jeff Malen and Brendan Flynn made false and misleading statements in advertisements addressed to a substantial segment of the public for the purpose of promoting the purchase or sale of property, in violation of N.J.S.A. 2C:21-7(e);

f. **Bank fraud**, 18 U.S.C.S §1344. By submitting to mortgage lenders and/or brokers documents containing fraudulent information, material misrepresentations and/or forged signatures, Defendants Rhys Herrmann, Pete Eckhardt, JP Global, Capital Hill Mortgage, Stanley Capital Mortgage, Frances Benna, Maryann Sorvino, Jeremy Sorvino, Brendan Flynn, Chris William, Jeff Malen, Jennifer Kortman, Rebecca Kortman, William McVeigh, Mauricio Almeida, and Vincent Latorre

executed a scheme to defraud financial institutions and to obtain money from financial institutions by means of fraudulent representations, in violation of 18 U.S.C. § 1344.

g. **Money laundering, illegal investment, N.J.S.A. 2C:21-25.** By depositing illegally obtained proceeds into bank accounts for the purpose of substantiating loan applications to purchase additional properties by operation of a foreclosure rescue scheme, Defendants Pete Eckhardt, Brendan Flynn, Jeremy Sorvino, JP Global, Rebecca Kortman, Rhys Herrmann, Jennifer Kortman, Tony Scordo, Esq., Felix Nihamin, Esq., and Mike Andalaft, engaged in transactions involving property known to be derived from criminal activities with the intent to facilitate or promote the criminal activity, in violation of N.J.S.A. 2C:21-25.

96. The JP Global Enterprise Defendants have conspired with and amongst themselves and others to violate the provisions of N.J.S.A. 2C:41-2.

COUNT TWO

VIOLATIONS OF CFA
(UNCONSCIONABLE COMMERCIAL PRACTICES)

As to Defendants JP Global, Capital Hill Mortgage, Stanley Capital Mortgage, Pete Eckhardt, Brendan Flynn, Jeremy Sorvino, Jeff Malen, Jennifer Kortman, Rebecca Kortman, Maryann Sorvino, Vincent Latorre, Frances Benna, William McVeigh, Mauricio Almeida

("JP Global CFA Defendants")

97. Plaintiffs repeat and reallege Paragraphs 1 through 98 as if set forth at length herein.

98. The CFA, N.J.S.A. 56:8-2, prohibits:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing [] concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate. . .

99. The CFA defines "merchandise" as including "any objects, wares, goods, commodities, services or anything offered, directly or indirectly to the public for sale." N.J.S.A. 56:8-1(c).

100. The JP Global CFA Defendants have engaged in the use of unconscionable commercial practices, false promises, misrepresentations and/or the knowing concealment, suppression or omission of material facts in connection with the sale of merchandise or real estate.

101. The JP Global CFA Defendants have engaged in

unconscionable commercial practices against financially distressed consumers including, but not limited to, the following activities:

- a. Soliciting consumers for whom a foreclosure sale is imminent with the false promise that the Defendants can save their home for them, when in fact Defendants never intended to do so;
- b. Inducing distressed consumers to enter into complex real estate transactions without explaining or adequately disclosing the terms of the transactions;
- c. Inducing consumers to enter into a transaction to save their home yet failing to disclose to them that they will have to procure a much larger mortgage than the one they held prior to the sale/lease-back transaction in order to re-purchase their home after the lease ends;
- d. Representing to consumers that there would be little or no costs to them to participate in a sale/lease-back transaction, when in truth and fact, unconscionable commissions, closing costs and exorbitant fees were charged to consumers;
- e. Structuring a transaction that takes title of the property away from distressed consumers, denies consumers the equity value in the property, and

structuring lease agreements that vest all of the burdens of homeownership (mortgage payments, taxes, utilities and repairs) on the consumer, effectively disabling consumers from re-purchasing their properties;

- f. Falsifying information on loan applications to secure loans to purchase distressed consumers' homes;
- g. Utilizing high pressure tactics to rush closings on properties;
- h. Failing to properly conduct settlement proceedings, including, but not limited to, indicating that an attorney at the closing was representing the consumer, failing to answer questions raised by the consumer, and giving false and/or misleading information to consumers about the transaction;
- i. Refusing to provide consumers with copies of sales contracts and other loan documents relevant to their transactions;
- j. Forging consumers' names on documents.

102. By engaging in the foregoing unconscionable commercial practices, the JP Global CFA Defendants have repeatedly violated the CFA, N.J.S.A. 56:8-2.

103. Each unconscionable commercial practice by the JP

Global CFA Defendants constitutes a separate violation of the CFA, N.J.S.A. 56:8-2.

COUNT THREE

**VIOLATIONS OF THE CFA
(FALSE PROMISES, MISREPRESENTATIONS AND KNOWING
OMISSIONS OF FACT)**

(As to the JP Global CFA Defendants)

104. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 103 above as if set forth at length herein.

105. With intent to deceive and/or induce reliance, the JP Global CFA Defendants have made false promises, misrepresentations and/or knowing omissions of material facts in connection with the marketing, sale and financing of merchandise and real estate pursuant to sale/lease-back transactions, including, but not limited to:

- a. Representing and promising to consumers that an attorney would represent them in the transaction, when, in truth and fact, consumers needed their own attorneys and/or appraisers to protect their interests;
- b. Representing to consumers that there would be little or no costs to them to participate in a sale/lease-back transaction, when in truth and fact, closing costs and exorbitant fees and commissions were charged to consumers;

- c. Promising distressed homeowners that by entering the sale/lease-back transaction, they could easily re-purchase the property after the lease ends, when in truth and fact, the JP Global CFA Defendants knew or should have known that consumers with financial delinquencies would not likely be able to qualify for mortgages larger than those they were not able to maintain originally;
- d. Falsifying loan applications with respect to name, address, income, assets, employment, and intended occupancy of the subject properties in order to obtain financing from lenders;
- e. Failing to notify consumers of the existence of a "seller's concession" in the sale of their property;
- f. Failing to notify consumers of changes in lease terms and costs until it was too late for the consumers to seek alternative financing or otherwise prevent foreclosure of their properties;
- g. Promising to repair consumers' credit and accepting fees for credit repair services, and then failing to perform said services;
- h. Representing and promising consumers that they can

re-purchase their homes at any point during the lease term of the transaction, and that any monies held by Defendants in escrow would be refunded to the consumer as a deposit for the purchase, when in truth and fact, the Defendants failed to so provide any monies;

- i. Representing and promising to consumers that taxes and insurance for their property would be paid by Defendants and/or their agents, when in fact, Defendants failed to make such payments;
- j. Representing and promising that consumers would be provided with copies of all documents relating to their transactions, when in fact, they were not.

106. Each separate false promise, misrepresentation and/or knowing omission of material fact made by each Defendant in this matter constitutes a separate and distinct violation under the CFA, N.J.S.A. 56:8-2.

COUNT FOUR

VIOLATIONS OF THE CFA (FALSE AND/OR DECEPTIVE ADVERTISING)

As to JP Global, Pete Eckhardt, Jeff Malen, Jeremy Sorvino,
Chris William ("JP Global CFA-Advertising Defendants")

107. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 106 above as if set forth at length herein.

108. The JP Global CFA-Advertising Defendants, by themselves and through their founders, owners, agents, servants, employees, attorneys and/or affiliates, have advertised and otherwise solicited consumers to participate in sale/lease-back and other real estate transactions in this State.

109. Through the use of unconscionable commercial practices, deception, fraud, false promises, misrepresentations and/or the knowing concealment, suppression or omission of material facts, these defendants led distressed homeowners and other consumers to believe that services provided by the defendants would relieve, and/or facilitate the relief of, consumers' financial distress.

110. Such unlawful acts include, but are not limited to, engaging in false and/or deceptive advertising through postal solicitation which misled consumers into believing that:

- a. Defendants' services assist distressed homeowners in saving their homes from foreclosure;
- b. Defendants provide consumers with legal representation and financial counseling at little or no cost to the consumer;
- c. Sale/lease-back transactions benefit distressed homeowners and are the only way to save their homes from foreclosure.

111. The aforesaid representations were false. Accordingly, the JP Global CFA-Advertising Defendants' false and/or deceptive advertising constitutes multiple violations of the CFA, N.J.S.A.

PRAYER FOR RELIEF - COUNT I

WHEREFORE, as to Count One, Plaintiff Anne Milgram, Attorney General of New Jersey, respectfully demands the entry of a judgment pursuant to N.J.S.A. 2C:41-4 against the JP Global Enterprise Defendants:

- (A) Finding that the acts of the JP Global Enterprise Defendants constitute a pattern of racketeering activity in violation of N.J.S.A. 2C:41-2;
- (B) Ordering the restitution of monies and/or property unlawfully obtained or retained by any person found to be in violation of N.J.S.A. 2C:41-2;
- (C) Permanently enjoining the JP Global Enterprise Defendants from engaging in any direct or indirect activity, in any capacity whatsoever, relating to the offer of foreclosure rescue services, sale/lease-back transactions, or credit repair assistance services within the State of New Jersey and from engaging in the same type of endeavor as the enterprise found to be in violation of

N.J.S.A. 2C:41-2;

- (D) Permanently enjoining the JP Global Enterprise Defendants from registering as mortgage solicitors and/or licensed lenders with the New Jersey Department of Banking and Insurance;
- (E) Permanently enjoining the JP Global Enterprise Defendants from having any direct or indirect ownership or control of any consumer financial service entity licensed with the New Jersey Division of Banking and Insurance;
- (F) Assessing civil monetary penalties against the JP Global Enterprise Defendants in amounts of three times the amount of gains acquired or maintained through the violation of N.J.S.A. 2C:41-2, to deter future violations;
- (G) Any additional legal or equitable relief that the Court finds to be necessary and proper to effectuate remedial purposes and to prevent any future violations.

PRAYER FOR RELIEF - CFA COUNTS II, III AND IV

WHEREFORE, as to Counts II, III, and IV, based upon the

foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against the JP Global CFA Defendants and JP Global CFA-Advertising Defendants as follows:

- (A) Finding that the acts and practices engaged in by the CFA Defendants constitute multiple violations of the CFA, N.J.S.A. 56:8-1 et seq.;
- (B) Permanently enjoining the CFA Defendants and their owners, officers, directors, shareholders, managers, agents, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in, or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., including, but not limited to, the acts and practices alleged in this Complaint;
- (C) Impounding all records, books, and documents of all CFA Defendants, in accordance with N.J.S.A. 56:8-3(d);
- (D) Freezing all assets of the CFA Defendants and preventing same from engaging in any act of disposition of those assets, in accordance

with N.J.S.A. 56:8-8;

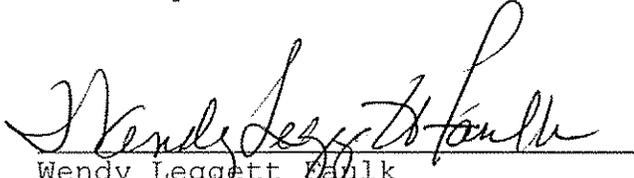
- (E) Directing the assessment of restitution amounts against the CFA Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any alleged practice herein to be unlawful and found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;
- (F) Assessing the maximum statutory civil penalties against the CFA Defendants, jointly and severally, for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (G) Assessing additional penalties against the CFA Defendants, jointly and severally, for each and every violation of the CFA where the victim of the violation is a senior citizen or a person with a disability, in accordance with N.J.S.A. 56:8-14.3(a)(1);
- (H) Directing the assessment of costs and fees, including attorneys' fees, against the CFA Defendants, jointly and severally, for the use of the State of New Jersey, as

authorized by the CFA, N.J.S.A. 56: 8-11 and
N.J.S.A. 56:8-19; and

- (I) Granting such other relief that the Court finds to be necessary and proper to effectuate remedial purposes and to prevent any continuing violations.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By:

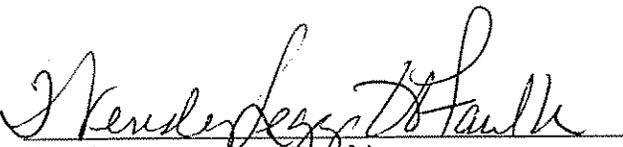

Wendy Leggett Paulk
Deputy Attorney General

Dated: 10/15/08

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Wendy Leggett Faulk, Deputy Attorney General, is hereby designated as trial counsel on behalf of Plaintiffs.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Wendy Leggett Faulk
Deputy Attorney General

Dated: 10/15/08

RULE 4:5-1 CERTIFICATION

I certify, to the best of my information and belief, that the matter in controversy in this action is not the subject of any other action between the parties. Plaintiffs are concurrently filing a separate complaint containing similar allegations against JP Global, Pete Eckhardt, and Rhys Herrmann for their participation in a separate foreclosure rescue enterprise (*Anne Milgram v. Vest Financial L.L.C., et al.*, docket number unavailable).

I further certify that the matter in controversy in this action is not the subject of a pending arbitration proceeding, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action.

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By:


Wendy Leggett Faulk
Deputy Attorney General

Dated: 10/15/08

Appendix XII-B1

 CIVIL CASE INFORMATION STATEMENT (CIS)		FOR USE BY CLERK'S OFFICE ONLY
Use for initial Law Division Civil Part pleadings (not motions) under Rule 4:5-1 Pleading will be rejected for filing, under Rule 1:5-6(c), if information above the black bar is not completed or if attorney's signature is not affixed.		PAYMENT TYPE: CK CG CA CHG/CK NO. AMOUNT: OVERPAYMENT: BATCH NUMBER:
ATTORNEY/PRO SE NAME Wendy Leggett Faulk, D.A.G.	TELEPHONE NUMBER (973) 648-2500	COUNTY OF VENUE Bergen
FIRM NAME (If applicable) Office of the Attorney General, Division of Law	DOCKET NUMBER (When available) L-7834-08	
OFFICE ADDRESS 124 Halsey Street - 5th Floor P.O. Box 45029 Newark, New Jersey 07101	DOCUMENT TYPE Complaint	
NAME OF PARTY (e.g., John Doe, Plaintiff) Anne Milgram, Attorney General of New Jersey and David Szuchman, Dir., Division of Consumer Affairs		JURY DEMAND <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
CAPTION Anne Milgram, Attorney General of New Jersey and David Szuchman, Director, Division of Consumer Affairs v. JP Global Property Management, Inc., et al.		
CASE TYPE NUMBER (See reverse side for listing) 508	IS THIS A PROFESSIONAL MALPRACTICE CASE? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO <small>IF YOU HAVE CHECKED "YES," SEE N.J.S.A. 2A:53A-27 AND APPLICABLE CASE LAW REGARDING YOUR OBLIGATION TO FILE AN AFFIDAVIT OF MERIT.</small>	
RELATED CASES PENDING? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	IF YES, LIST DOCKET NUMBERS Complaint being filed concurrently: Anne Milgram v. Vest Financial, L.L.C., et al.	
DO YOU ANTICIPATE ADDING ANY PARTIES (arising out of same transaction or occurrence)? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	NAME OF DEFENDANT'S PRIMARY INSURANCE COMPANY, IF KNOWN <input type="checkbox"/> NONE <input checked="" type="checkbox"/> UNKNOWN	
THE INFORMATION PROVIDED ON THIS FORM CANNOT BE INTRODUCED INTO EVIDENCE.		
CASE CHARACTERISTICS FOR PURPOSES OF DETERMINING IF CASE IS APPROPRIATE FOR MEDIATION		
DO PARTIES HAVE A CURRENT, PAST OR RECURRENT RELATIONSHIP? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IF YES, IS THAT RELATIONSHIP <input type="checkbox"/> EMPLOYER-EMPLOYEE <input type="checkbox"/> FRIEND/NEIGHBOR <input type="checkbox"/> OTHER (explain) <input type="checkbox"/> FAMILIAL <input type="checkbox"/> BUSINESS	
DOES THE STATUTE GOVERNING THIS CASE PROVIDE FOR PAYMENT OF FEES BY THE LOSING PARTY? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		
USE THIS SPACE TO ALERT THE COURT TO ANY SPECIAL CASE CHARACTERISTICS THAT MAY WARRANT INDIVIDUAL MANAGEMENT OR ACCELERATED DISPOSITION: This is a complex consumer fraud and civil RICO action alleging a mortgage foreclosure rescue scheme involving multiple defendants and multiple properties. The complexity of the transactions and number of parties involved warrants individual case management.		
 DO YOU OR YOUR CLIENT NEED ANY DISABILITY ACCOMMODATIONS? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IF YES, PLEASE IDENTIFY THE REQUESTED ACCOMMODATION:	
WILL AN INTERPRETER BE NEEDED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IF YES, FOR WHAT LANGUAGE:	
ATTORNEY SIGNATURE <i>Wendy Leggett Faulk, DAG</i>		



CIVIL CASE INFORMATION STATEMENT (CIS)

Use for initial pleadings (not motions) under *Rule 4:5-1*

CASE TYPES (Choose one and enter number of case type in appropriate space on the reverse side.)

Track I — 150 days' discovery

- 151 NAME CHANGE
- 175 FORFEITURE
- 302 TENANCY
- 399 REAL PROPERTY (other than Tenancy, Contract, Condemnation, Complex Commercial or Construction)
- 502 BOOK ACCOUNT (debt collection matters only)
- 505 OTHER INSURANCE CLAIM (INCLUDING DECLARATORY JUDGMENT ACTIONS)
- 506 PIP COVERAGE
- 510 UM or UIM CLAIM
- 511 ACTION ON NEGOTIABLE INSTRUMENT
- 512 LEMON LAW
- 801 SUMMARY ACTION
- 802 OPEN PUBLIC RECORDS ACT (SUMMARY ACTION)
- 999 OTHER (Briefly describe nature of action)

Track II — 300 days' discovery

- 305 CONSTRUCTION
- 509 EMPLOYMENT (other than CEPA or LAD)
- 599 CONTRACT/COMMERCIAL TRANSACTION
- 603 AUTO NEGLIGENCE – PERSONAL INJURY
- 605 PERSONAL INJURY
- 610 AUTO NEGLIGENCE – PROPERTY DAMAGE
- 699 TORT – OTHER

Track III — 450 days' discovery

- 005 CIVIL RIGHTS
- 301 CONDEMNATION
- 602 ASSAULT AND BATTERY
- 604 MEDICAL MALPRACTICE
- 606 PRODUCT LIABILITY
- 607 PROFESSIONAL MALPRACTICE
- 608 TOXIC TORT
- 609 DEFAMATION
- 616 WHISTLEBLOWER / CONSCIENTIOUS EMPLOYEE PROTECTION ACT (CEPA) CASES
- 617 INVERSE CONDEMNATION
- 618 LAW AGAINST DISCRIMINATION (LAD) CASES

Track IV — Active Case Management by Individual Judge / 450 days' discovery

- 156 ENVIRONMENTAL/ENVIRONMENTAL COVERAGE LITIGATION
- 303 MT. LAUREL
- 508 COMPLEX COMMERCIAL
- 513 COMPLEX CONSTRUCTION
- 514 INSURANCE FRAUD
- 701 ACTIONS IN LIEU OF PREROGATIVE WRITS

Mass Tort (Track IV)

- | | |
|---------------------------------------|-----------------------|
| 241 TOBACCO | 275 ORTHO EVRA |
| 248 CIBA GEIGY | 276 DEPO-PROVERA |
| 266 HORMONE REPLACEMENT THERAPY (HRT) | 277 MAHWAH TOXIC DUMP |
| 271 ACCUTANE | 278 ZOMETHA/AREZIA |
| 272 BEXTRA/CELEBREX | 601 ASBESTOS |
| 274 RISPERDAL/SEROQUEL/ZYPREXA | 619 VIOXX |

If you believe this case requires a track other than that provided above, please indicate the reason on Side 1, in the space under "Case Characteristics."

Please check off each applicable category:

Verbal Threshold

Putative Class Action

Title 59