

TABLE OF CONTENTS

EXHIBIT D

	Page
Fraudulent Purchase of 17 of JR's Rental Properties Implemented by the Criminal Defendants, Crime #3	
A. The Facts	2
1. TCB's Conduct Illegal	2
2. Proper Tax Sale Procedure	3
3. No 607 Hearing Ever Held	4
B. Criminal Actions by Each of the Criminal Defendants	8
1. Dean, on Behalf of the TCB, Had the TCB Fraudulently Transfer the Deeds to 17 of JR's 28 Rental Properties to Cadle	8
2. Criminal Actions by Luzerne County and the TCB	9
3. Criminal Actions by Fogerty	9
4. Criminal Actions by Cadle	9
5. Criminal Actions by Shucosky	11

EXHIBIT D

Fraudulent Purchase of 17 of JR's Rental Properties Implemented by the Criminal Defendants, Crime #3

1. The Facts

1. TCB's Conduct Illegal

1. One of the purposes of the above Criminal Conspiracy was that the TCB, with Dean's guidance, agreed to illegally attempt to sell JR's 28 Rental Properties to Cadle as part of a fraudulent tax sale process.

2. The above fraudulent sale to Cadle was to be in exchange for a small portion of the \$1,295,303 that Cadle had already stolen from JR, which funds, as described above, were to be expended by Cadle to pay the real estate taxes for each of JR's 28 Rental Properties, for the entire seven-year period, being 2004, 2005, 2006, 2007, 2008, 2009 and 2010.

3. During 2008 and 2009, the TCB, in furtherance of the above Criminal Conspiracy with all the other named Criminal Defendants, attempted to effectuate the tax sale of some of JR's 28 Rental Properties.

4. Therefore, Dean on behalf of the TCB, and Fogerty on behalf of Cadle, illegally rigged the tax sale of the above properties, as described herein.

5. Cadle, as part of the Criminal Conspiracy with Dean and the TCB, intended to use a small portion of the funds that it had already stolen from JR

during 2004, 2005, 2006, 2007, 2008, 2009 and 2010, that were to have been expended by Cadle for the payment of all of JR's real estate taxes related to his 28 Rental Properties, to then attempt to purchase 17 of JR's Rental Properties from the TCB.

2. Proper Tax Sale Procedure

3. Because of an incredible amount of incompetence on the part of Dean, during the time he has been representing the TCB, Dean has had the TCB improperly conduct the tax sale procedures of all rental properties.

4. For example, the first tax sale provided by the Real Estate Tax Sales Act is the upset price sale, at which time the general public has an opportunity to bid to buy each of the listed properties, but at the time of the above sale all of the liens that are imposed on a particular tax sale property remain in place.

5. Because of the fact that there is no loan or debt discharge as part of an upset price tax sale, most prospective purchasers do not submit bids to buy a property listed for sale at that time.

6. Then, after the upset price sale, the TCB must, within 60 days, schedule a §607 hearing (72 P.S. §5860.607(d)) in due course, giving notice to the owner of each property who was exposed to an upset price sale.

7. The purpose of the above hearing is, pursuant to §607 of the Real Estate Tax Sales Act, to provide the owner of a property who was listed at the above

upset price sale an opportunity to contest the above tax sale process of his/her/its tax sale property.

8. If the upset price sale of a property is not objected to by the listed owner of that property, then the Court will confirm the upset price tax sale as being proper and then schedule a free and clear sale.

9. However, if there are objections to the upset price tax sale listed above, then the Court will entertain determining the merit of those claims by the owner and, if meritorious, void the upset price tax sale.

10. Because of the above theft of \$1,295,303 of JR's money, obviously, the above tax sales of JR's Rental Properties were fatally defective and, therefore, judicially void.

3. No §607 Hearing Ever Held

11. In fact, Dean in this case had the TCB send out 28 §607 Notices to JR after the above illegal free and clear sale of his 28 Rental Properties and not after the upset price sale, as set forth in the applicable statutes.

12. Further, after the TCB sent JR the above 28 §607 Notices after the free and clear sale of his 28 Rental Properties, JR filed a petition to object, in reference to the tax sale of each of the above 28 Rental Properties, and a copy of the petition to object that was filed to Case #2009-09623, is previously attached to Exhibit C.

13. Later, JR filed a supplement to the Petition to Object on August 8, 2010, in reference to the illegal tax sale of his 28 Rental Properties and a copy of the status memo in the above Case #2009-09623 is previously attached to Exhibit C.

14. Once Dean and Fogerty saw the merits of all of JR's numerous objections to the TCB's illegal attempted free and clear tax sales of his properties, as set forth in the above Petition to Object and Supplement, all of the Criminal Defendants agreed to ignore the §607 procedure requirement that there be a §607 hearing related to each of JR's 28 Rental Properties.

15. Therefore, after JR received the 28 §607 Notices from the TCB, and then filed 28 very meritorious Petitions to Object, which was then followed by the above Supplement, the TCB, to this present date has never held any §607 hearing related to the attempted fraudulent tax sale of each of JR's above 28 Rental Properties, 1,859 days late, and counting.

16. Further, once Fogerty, on behalf of Cadle, and Dean, on behalf of the TCB, became aware of the fact that at that point JR discovered that for the period of 2004 to 2010, Cadle had never paid any real estate taxes related to his 28 Rental Properties, the TCB and Cadle made arrangements to have Cadle pay \$484,000 for the attempted fraudulent tax sale purchase of 17 of JR's Rental Properties from the TCB, to then begin annually paying the real estate taxes related to 17 of JR's 28

Rental Properties, with the remaining 11 Rental Properties intentionally being cannibalized by Cadle, as described in Exhibit D – Fraudulent Purchase of 17 of JR's Rental Properties.

17. In the above regard, Cadle paid a small amount of the funds that Cadle had stolen from JR (\$484,000 of the stolen \$1,295,303) to then illegally purchase 17 of JR's Rental Properties from Cadle's co-conspirator, the TCB.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

18. The comparison of the tax sale process that is normally applied, as required by the Real Estate Tax Sales Act, as to what happened in this case, is set forth below:

Proper Procedure

a. upset price sale

- 1) notice of the sale
- 2) sale
- 3) notice to owner to file objections
- 4) owner files objections
- 5) Court holds a §607 Hearing

b. free and clear sale

- 1) notice of the sale
- 2) free and clear sale
- 3) bid received
- 4) bid accepted
- 5) deed issued

What Happened In This Case

a. upset price sale

- 1) notice of the sale
- 2) sale
- 3) notice to owner to file objections
- 4) owner files objections
- 5) ~~Court never held a §607 Hearing~~

b. free and clear sale

- 1) notice of the sale
- 2) free and clear sale
- 3) bid received
- 4) bid accepted
- 5) deed issued

19. In sum, as a result of the above Criminal Conspiracy, Cadle is now the illegal record owner of 17 of JR's 28 Rental Properties that were fraudulently conveyed from the TCB to Cadle, as part of the above Criminal Conspiracy, and therefore legally void.

B. Criminal Actions by each of the Criminal Defendants

1. Dean, on Behalf of the TCB, Had the TCB Fraudulently Transfer the Deeds to 17 of JR's 28 Rental Properties to Cadle

20. Dean, in furtherance of the Criminal Conspiracy, had the TCB illegally transfer the deeds to 17 of JR's Rental Properties to Cadle as part of a fraudulent tax sale process.

21. The above was despite the fact that Cadle did not qualify as a legal bidder at the above tax sale due to the fact that it had never remitted all of JR's above real estate tax payments to the TCB, in regard to JR's 28 Rental Properties.

22. Additionally, as part of the above Criminal Conspiracy, Dean refused to allow the TCB to hold the §607 hearings in 2009 and, to date, Dean has never scheduled the §607 hearings as required by the Real Estate Tax Sales Act to address each of JR's concerns that he has expressed in his 28 Petitions to Object, which was supposed to be statutorily held shortly after the sixty-day notice period after the upset price sale and prior to any judicial sale.

23. Again, to date, Dean has never scheduled the §607 hearings, as required by the Real Estate Tax Sales Act, to dispose of all of JR's Petitions to Object, which is now over 2,200 days after the date of the upset price sale, which was December 5, 2008, for additional detail. Please see Exhibit C, attached to the Criminal Complaint.

2. Criminal Actions by Luzerne County and the TCB

24. Luzerne County and the TCB, based on the recommendations they received from Dean, approved all of Dean's criminal actions, allegedly on their behalf.

3. Criminal Actions by Fogerty

25. Fogerty and Dean conspired to deprive JR of his 28 Rental Properties using the free and clear tax sale process as a vehicle to effectuate the illegal transfer of the ownership of 17 of his 28 Rental Properties to Cadle. In this case, the above theft occurred by having the title to JR's Rental Properties first passed from JR to the TCB by way of the upset price sale and, then, from the TCB to Cadle, by way of the fraudulent free and clear tax sale of JR's Rental Properties, all again in furtherance of the above Criminal Conspiracy.

26. Thus, in furtherance of the above Criminal Conspiracy, Dean and Fogerty would, from time to time, over the above seven-year period, agree to take various steps to continue the above criminal relationship between the above Criminal Defendants, ultimately resulting in a seven-year period in which no real estate taxes were ever paid by Cadle in regard to JR's 28 Rental Properties, thereby making the illegal tax sale described above possible.

4. Criminal Actions by Cadle

27. As stated above, Cadle, when it started to receive the monthly real estate tax payments from JR, intentionally refused to pay any of those funds to the

TCB as it was contractually obligated to do, pursuant to the loan modification agreement.

28. Additionally, since the disgraced former judge Lokuta authorized Cadle to begin collecting rents directly from the tenants of JR's 28 Rental Properties in December of 2006, Cadle has continued to refuse to submit a portion of those rents to the TCB in payment of the real estate taxes due on JR's 28 Rental Properties.

29. Further, due to the fact that Cadle had outstanding taxes due to the TCB at the time of the judicial tax sale, Cadle was not a valid bidder at that sale, based on the TCB's regulations.

30. Next, Cadle used a portion of the funds it collected both from JR and the tenants to illegally bid at the judicial tax sale, resulting in the transfer of the deeds to 17 of the original 28 Rental Properties to Cadle.

31. At all times relevant hereto, Cadle's actions were performed with the approval of and, at the direction of, their attorney, Fogerty.

32. In addition to the above, the above criminal actions by Cadle were pursuant to the directions Cadle received from its company president and owner, D. Cadle, who was the chief corruptor in the above crimes.

5. Criminal Actions By Shucosky

33. Shucosky, as Court Administrator, was to schedule the §607 hearings related to the real estate tax sales procedures pertaining to JR's 28 Rental Properties.

34. Because Shucosky was part of the above Criminal Conspiracy, Shucosky never had Judge Brown schedule the above §607 hearings because Cadle would lose.

35. Further, as part of the above Criminal Conspiracy, Shucosky, as Court Administrator, never scheduled the §607 hearings before Judge Brown, which were supposed to have been scheduled within due course, after JR received the §607 Notices in September/October of 2009.

36. Therefore, because of Shucosky's above corrupt criminal actions, his refusal to schedule the §607 hearings resulted in the TCB conducting the judicial tax sale.