

THE UNITED STATES ATTORNEY'S OFFICE  
NORTHERN DISTRICT *of* OHIO

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Department of Justice

U.S. Attorney's Office

Northern District of Ohio

FOR IMMEDIATE RELEASE

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## **Akron Man Sentenced To More Than Three Years In Prison, Ordered To Pay \$15 Million In Restitution For Mortgage Schemes**

An Akron man was sentenced to more than three years in prison and ordered to pay more than \$15 million in restitution for his role in a mortgage fraud scheme in Florida and a separate scheme to defraud two elderly investors, said Steven M. Dettelbach, United States Attorney for the Northern District of Ohio.

Andrew D. Norman, 36, previously pleaded guilty to conspiracy to commit bank fraud, conspiracy to commit wire fraud and filing a false tax return.

Norman and his business partner Jason Herceg conspired with Jack Coppenger in procuring "straw buyers" and submitting false loan documents to banks to purchase Coppenger's lots in Florida (which had already been inflated in value as part of a land flip) in a mortgage fraud scheme. Coppenger, with assistance from Norman and Herceg, perpetrated a large mortgage fraud scheme involving numerous straw buyers, who essentially sold their good credit score to Coppenger, in order for him to secure loans, through straw buyers' names, for property in Florida, according to court documents.

Coppenger promised money to the straw buyers if they signed the loan application and paperwork, that he would make any down payment and all the mortgage payments for the straw buyers, and that, once the property was developed, they would receive half the profits from any sale, according to court documents.

Norman and Herceg were mentored by Coppenger in how to recruit and use straw buyers. Norman and Herceg assisted Coppenger by using their brokerage company, Akron-based V.P. Equity, to prepare and submit falsified loan documents to the banks, which fraudulently inflated the income and assets of the straw buyers to qualify them for these loans. Ultimately, Coppenger failed to make the mortgage payments on these loans, resulting in a loss to banks of approximately \$13.1 million, according to court documents.

In the second conspiracy scheme, Norman, Herceg, Coppenger and others, conspired to defraud two elderly individuals by selling them a Florida property for \$7 million. Moments before the sale, Norman and Herceg, with Coppenger's help, bought the property, through their partnership, 104 Investments, from the original seller and inflated its value by approximately \$2.5 million. They then sold this property to these elderly individuals, who were told they were buying the property from the original seller. These elderly victims were never told of the last minute "flip" and that they were actually buying the land from Norman, Herceg and 104 Investments. Norman, Herceg, and their 104 Investments business partner, Robert Jason Workman, received approximately \$2.5 million from this gain, and funneled portions out to themselves and paid \$690,000 to Coppenger as a kickback for setting up the fraudulent scheme, which they fraudulently deducted as a business expenses, according to court documents.

Norman also failed to report the income from this fraudulent scheme on his 2006 tax return.

Coppenger and Herceg have pleaded guilty to related crimes and are awaiting sentencing.

The case is being prosecuted by Assistant U.S. Attorneys Christian H. Stickan, Henry F. DeBaggis and Robert J. Patton following investigation by agents of the Internal Revenue Service – Criminal Investigations and the Federal Bureau of Investigation’s Akron office.

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**Component(s):**

USAO - Ohio, Northern

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