

1 FILED

2 08 SEP 19 PM 3: 23

3 KING COUNTY  
4 SUPERIOR COURT CLERK  
5 SEATTLE, WA

WARRANT ISSUED  
CHARGE COUNTY \$200.00

6 SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

7 STATE OF WASHINGTON, )

8 )  
9 Plaintiff, )

No. 08-1-11633-2 SEA

10 vs. )

INFORMATION

11 YVES CAUVIN, A.K.A. JULIAN CAUVIN, )


12 Defendant. )  
13 )

14 I, Daniel T. Satterberg, Prosecuting Attorney for King County in the name and by the  
15 authority of the State of Washington, do accuse YVES CAUVIN, A.K.A. JULIAN CAUVIN, of  
the crime of **Theft in the First Degree**, committed as follows:

16 That the defendant YVES CAUVIN, A.K.A. JULIAN CAUVIN, together with others, in  
17 King County, Washington, during a period of time intervening between September 22, 2005, and  
18 September 27, 2005, with intent to deprive another of property, to wit: mortgage loan proceeds  
related to the acquisition of the real property located at 4502 119<sup>th</sup> Ave. SE, Bellevue, WA, did  
obtain control over such property belonging to Argent Mortgage Company, LLC, by color and  
aid of deception; that the value of such property did exceed \$1,500;

19 Contrary to RCW 9A.56.030(1)(a) and RCW 9A.56.020(1)(b), and against the peace and  
20 dignity of the State of Washington.

21 DANIEL T. SATTERBERG  
Prosecuting Attorney

22 By:   
23 Kathleen Van Olst, WSBA # 21186  
Chief CPI Deputy Prosecuting Attorney

1  
2  
3  
4  
5 CAUSE NO. 08-1-11633-2 SEA

6 SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

7 CERTIFICATION FOR DETERMINATION OF PROBABLE CAUSE

8 That Ned Jursek was a Financial Legal Examiner with the Washington Department of  
9 Financial Institutions (DFI)<sup>1</sup> and was involved in this investigation conducted by the King  
10 County Prosecuting Attorney's Office and DFI under case number 06-237/C-06-238. There is  
11 probable cause to believe that Yves Cauvin, a.k.a. Julian Cauvin, committed the crime of  
12 **Theft in the First Degree, RCW 9A. 56.030**, within the County of King, State of Washington.

13 This belief is predicated on the following facts and circumstances:

14 THEFT IN THE FIRST DEGREE

15 In 2005, Marcia Smith was employed as a processor for Yves Cauvin, a.k.a. Julian  
16 Cauvin, a loan originator affiliated with Solutions Financial Group, Inc., a mortgage brokerage  
17 operating in Bellevue. Cauvin convinced Smith to pose as a "straw buyer" in the acquisition of a  
18 property located at 4502 119<sup>th</sup> Ave. SE, Bellevue, WA. The term "straw buyer" describes an  
19 individual who is represented to sellers of real estate and potential lenders as a good-faith  
20 purchaser of real property and as a person with sufficient assets and income to qualify for, and  
21 repay, a purchase money mortgage loan. In reality, the straw buyer has no intention of  
22 occupying or controlling the property but is posing as such on behalf of others; the straw buyer  
23 rarely has the income and assets he or she is purported to enjoy.

Initially, Cauvin proposed to Smith that they acquire the 119<sup>th</sup> Ave. SE residence for the  
purpose of re-selling it shortly thereafter at a profit. Smith acquiesced to Cauvin's request, and  
he prepared the uniform loan application paperwork needed to obtain purchase-money financing.

Cauvin generated a loan application that falsely identified Smith's employer as "Platinum  
Computers." In fact, Platinum Computers was a shell company created by Cauvin, for which he  
is the registered agent as identified by the Washington Secretary of State. Cauvin falsely  
described Smith's gross monthly income at Platinum Computers as \$10,000 per month. In  
actuality, Smith was earning less than \$20,000 per year as a loan processor at Solutions Financial  
Group. Smith did not provide any of this essential, and false, information to Cauvin. Cauvin,  
who identified himself as the preparer on Smith's loan application, created the fraudulent income

<sup>1</sup> Mr. Jursek is currently an assistant attorney general in the Washington Attorney General's  
Office.

1 and employment data himself. Cauvin also falsely stated on Smith's loan application that the  
119<sup>th</sup> Ave. SE property would be her primary residence.

2 Smith signed the requisite documentation at Cauvin's request on September 22, 2005, and  
3 obtained, via separate first- and second-mortgage loans from Argent Mortgage Company, LLC, a  
4 total of \$499,000.00 in purchase money to be secured by the real property located at 4502 119<sup>th</sup>  
5 Ave. SE, Bellevue. On September 27, 2005, the loans were funded and her purchase of that  
6 property, for \$499,000.00, was completed. As it turns out, the actual sale price of the property  
7 was \$420,000.00. However, for purposes of completing the sale, the seller agreed to raise the  
8 sale price to \$499,000.00 so that Smith, acting as the nominal purchaser, could use the additional  
9 funds from Argent Mortgage Co. for "repairs" to the property. As a result, after all of the seller's  
10 own loan payoffs were paid off and all closing costs (including a commission of over \$8,800  
11 paid to Cauvin's firm) were satisfied, an excess of \$71,604.17 of the purchase money provided  
12 by Argent Mortgage Co. remained. At Cauvin's instruction, this entire balance was paid by the  
13 escrow agency directly to him, personally.

14 Cauvin made only minor improvements to the 119<sup>th</sup> Ave. SE property, despite having this  
15 large sum that was purportedly to be used for repairs. He also told Smith that he decided to rent  
16 the residence out and use the rental receipts to service her loan obligations. Smith has stated that  
17 although Cauvin found temporary renters, he did not use the payments he received from them to  
18 repay her purchase-money lender. Over the following months, Smith grew desperate, fearing  
19 that her loans would go into default and that she could not, given her actual earnings, afford the  
20 payments on the 119<sup>th</sup> Ave. SE house.

21 When Cauvin was subsequently incarcerated in California due to parole violations on a  
22 sentence from that jurisdiction, Smith took action and made efforts to sell the property. An  
23 inspector hired by a potential buyer told Smith that the home had numerous problems and was  
worth far less than her asking price. Smith ultimately entered into an arrangement with her  
lender to engage in a "short sale," whereby the lender would receive less than full repayment, in  
exchange for being able to recover a portion of its debt without having to complete foreclosure  
proceedings.

Smith ultimately sold the property to an arm's length purchaser on August 18, 2006, for  
the price of \$447,000.00. The difference between the amount of Smith's purchase money loans  
and the August 2006 sale price represented a minimum loss of \$52,000 to Argent Mortgage Co.  
and/or its successor(s) in interest.

18 *Under penalty of perjury under the laws of the State of Washington, I certify that the  
19 foregoing is true and correct to the best of my knowledge and belief. Signed and dated by me  
20 this 12<sup>th</sup> day of September, at Seattle, Washington.*



EDWARD P. JURSEK  
ASSISTANT ATTORNEY GENERAL,  
FORMERLY WITH WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

CAUSE NO. 08-1-11633-2 SEA

**PROSECUTING ATTORNEY SUMMARY AND REQUEST FOR BAIL  
AND/OR CONDITIONS OF RELEASE**

**Defendant Criminal History and Bail Request**

The State requests bail in the amount of \$10,000.00. The defendant has prior convictions in this state for first-degree criminal trespass (1993), second-degree burglary (1999), and unlawful issuance of bank checks (2007). He has also been convicted in California of possession of a stolen vehicle (2001).

Under penalty of perjury under the laws of the State of Washington, I certify that the foregoing is true and correct.

Signed this 17<sup>th</sup> day of September, 2008, at Seattle, WA.



BY: Kathleen Van Olst, WSBA # 21186  
Chief CPI Deputy Prosecuting Attorney

**Norm Maleng**, Prosecuting Attorney  
FRAUD DIVISION  
King County Administration Building  
500 Fourth Avenue, Room 840  
Seattle, WA 98104-2337  
(206) 296-9010 FAX (206) 296-9009