

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

FILED

2011 JAN 31 P 5 4

UNITED STATES OF AMERICA

CRIMINAL NO. 3:11CR20(AWT)

v.

ALICIA MARTINEAU

VIOLATIONS:

18 U.S.C. § 371 (conspiracy to commit
wire fraud)

Defendant.

INFORMATION

The United States Attorney charges as follows:

COUNT ONE – Conspiracy

18 U.S.C. § 371

1. At all times relevant to this Information, defendant ALICIA MARTINEAU (hereinafter “MARTINEAU”) agreed to serve as a straw buyer, that is, a buyer in name only, of residential real estate in connection with a mortgage fraud scheme.
2. Syed A. Babar, a co-conspirator who is charged in a separate indictment, was the de facto leader of the conspiracy to engage in mortgage fraud. Babar recruited individuals, including MARTINEAU, to serve as straw buyers.
3. At all times relevant to this Information, Thomas Gallagher, a co-conspirator who is charged in a separate indictment, was a residential real estate appraiser with an office in West Haven, Connecticut.
4. At all times relevant to this Information, Nathan Russo, a co-conspirator who is charged in a separate indictment, was a mortgage broker with an office in Cranston, residing in Johnston, Rhode Island.
5. At all times relevant to this Information, Morris Olmer, a co-conspirator who is charged in a separate indictment, was a former lawyer with an office in New Haven, Connecticut.

6. At all times relevant to this Information, David Avigdor, a co-conspirator who is charged in a separate indictment, was a lawyer licensed to practice law in the State of Connecticut, with an office in New Haven, Connecticut.

7. At all times relevant to this Information, Marshall Asmar, a co-conspirator who is charged in a separate indictment, sold real estate to straw buyers, including MARTINEAU.

The Conspiracy

8. From about January 2009, and continuing to about May 2010, the exact dates being unknown, in the District of Connecticut and elsewhere, MARTINEAU did unlawfully, knowingly and intentionally conspire, combine, confederate and agree with Syed A. Babar, Kenneth Perkins, Thomas Gallagher, Nathan Russo, Morris Olmer, David Avigdor, Marshall Asmar and others known and unknown to the United States Attorney, to commit offenses against the United States, namely, by knowingly and willfully having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice and attempting to do so, did knowingly transmit and cause to be transmitted by means of wire communications in interstate commerce writings, signs, signals, pictures and sounds, that is, financial wire transactions, facsimiles, interstate telephone calls, and e-mails, in violation of Title 18, United States Code, Section 1343.

Purpose of the Conspiracy

9. The purpose of the conspiracy was for the conspirators to enrich themselves by obtaining residential real estate loans, including loans insured by the Federal Housing

Administration (the "FHA"), through the use of sham sales contracts, false loan applications and fraudulent property appraisals, and to conceal the conspiracy from others.

Manner And Means Of The Conspiracy

The manner and means by which MARTINEAU, Syed A. Babar, Thomas Gallagher, Nathan Russo, Morris Olmer, David Avigdor, Marshall Asmar and their co-conspirators sought to accomplish the objects of the conspiracy included the following:

10. It was part of the conspiracy that Babar and others would and did directly and indirectly recruit and pay straw purchasers, including MARTINEAU, to nominally purchase homes from sellers, including Asmar.

11. It was part of the conspiracy that Babar and others would and did direct and cause straw purchasers, including MARTINEAU, to enter into sales contracts with the sellers of residential real estate for a price higher than the actual price that the seller would receive.

12. It was part of the conspiracy that Babar, Russo and others would and did make and caused to be made material misrepresentations, including the submission of false documentation, concerning MARTINEAU and other straw purchasers.

13. It was part of the conspiracy that Gallagher, working with Babar and others, would and did issue false and fraudulent appraisals of properties being purchased and cause them to be submitted to lenders in order to justify the inflated sales price and the loan amount being sought to fund the purchase.

14. It was part of the conspiracy that Babar and others created a fictitious construction company called "Sheda Telle Construction, LLC," in order to divert fraud proceeds to it and, in

some cases, to falsely justify the artificially inflated sales price of houses based on renovations purportedly made to the property that, in fact, did not occur.

15. It was part of the conspiracy that Babar, Olmer and Avigdor would wire and cause to be wired portions of the loan proceeds from Avigdor's lawyer trust account to the bank account of Sheda Telle Construction, LLC.

16. It was part of the conspiracy that Babar would and did distribute the fraud proceeds among the co-conspirators.

17. It was part of the conspiracy that, contrary to the representations made on the loan applications, MARTINEAU and other straw purchasers would not and did not occupy the houses purchased as part of the scheme as their primary residences, and would default on the loans obtained and let the houses go into foreclosure.

Overt Acts

18. In furtherance of the conspiracy, and to accomplish its purposes and objects, MARTINEAU and her co-conspirators, both known and unknown to the United States Attorney, committed and caused others to commit at least one of the following overt acts, among others, in the District of Connecticut and elsewhere:

a. On or about September 18, 2009, in connection with an application for an FHA-insured loan, co-conspirator Thomas Gallagher issued an appraisal for a house located at 211 Lloyd Street, New Haven, Connecticut, which fraudulently represented that the property had been "totally gutted" and "totally rehabilitated."

b. On or about October 1, 2009, MARTINEAU signed a real estate contract to purchase the house located at 211 Lloyd Street, New Haven from Marshall Asmar for a fraudulently inflated sales price of \$160,000.

c. On or about October 1, 2009, MARTINEAU signed a loan application and a HUD/VA Addendum to Uniform Residential Loan Application required for obtaining an FHA-insured loan.

d. On or about October 1, 2009, MARTINEAU participated in the closing for 211 Lloyd Street, New Haven at the office of Morris Olmer and David Avigdor, which was completed on the basis of fraudulent documentation, including the loan application submitted to the lender which falsely indicated that MARTINEAU worked at "Home Catering Restaurant, LLC," and that MARTINEAU would occupy the property as her primary residence.

e. On or about October 1, 2009, Avigdor caused an interstate wire transfer of \$49,375.00 from his lawyer's trust account at Citizen's Bank to the business checking account of Sheda Telle Construction, LLC at Bank of America in connection with the closing for 211 Lloyd Street, New Haven.

All in violation of Title 18, United States Code, Sections 371 and 2.

FORFEITURE ALLEGATION UNDER 28 U.S.C. § 2461(c) & 18 U.S.C. § 981(a)

19. The allegations contained in Count One of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

20. Upon conviction of a conspiracy to commit wire fraud, as alleged in Count One of this Information, defendant ALICIA MARTINEAU shall forfeit to the United States of America,

pursuant to 18 U.S.C. Section 981(a)(1)(C) and 28 U.S.C. Section 2461(c), all right, title, and interest in any and all property, real or personal, which constitutes or is derived from proceeds traceable to said violation. The property to be forfeited includes, but is not limited to, the following:

Currency:

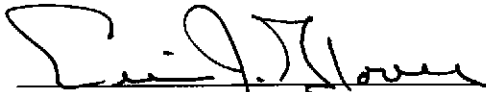
Approximately \$10,000 in United States currency, provided to government agents on or about August 17, 2010 from an individual who is cooperating with the government, to whom Martineau had previously given the \$10,000 in United States currency

21. If any of the above-described forfeitable property, as a result of any act or omission of the defendant, cannot be located upon the exercise of due diligence, has been transferred, sold to, or deposited with a third party, has been placed beyond the jurisdiction of the court, has been substantially diminished in value, or has been commingled with other property which cannot be divided without difficulty, the United States shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. Section 853(p), as incorporated by 28 U.S.C. Section 2461(c).

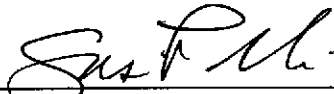
All in accordance with 18 U.S.C. Section 981(a)(1) as incorporated by 28 U.S.C. Section 2461(c), and Rule 32.2(a), Federal Rules of Criminal Procedure.



DAVID B. FEIN
UNITED STATES ATTORNEY



ERIC J. GLOVER
ASSISTANT UNITED STATES ATTORNEY



SUSAN L. WINES
ASSISTANT UNITED STATES ATTORNEY