

Approved: SEAN S. BUCKLEY  
Assistant United States Attorney

Before: THE HONORABLE DOUGLAS F. EATON  
United States Magistrate Judge  
Southern District of New York

09 MAG 2272

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UNITED STATES OF AMERICA : SEALED COMPLAINT  
  
- v. - : Violation of  
18 U.S.C. § 1349  
  
KEREN SADE MISAGHI, :  
a/k/a "Karen Sade Misaghi," : COUNTY OF OFFENSE:  
a/k/a "Karen Sade," : NEW YORK  
  
DAVID MISAGHI, and :  
QUENTIN TUCKER, :  
  
Defendants. :

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COUNTY OF NEW YORK )  
STATE OF NEW YORK ) ss.:  
SOUTHERN DISTRICT OF NEW YORK )

PATRICK C. DALY, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI") and charges as follows:

COUNT ONE

1. From at least in or about February 2007 up to and including in or about June 2007, in the Southern District of New York and elsewhere, KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," DAVID MISAGHI, QUENTIN TUCKER, the defendants, and others known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, to violate Section 1343 of Title 18, United States Code.

2. It was a part and an object of the conspiracy that KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," DAVID MISAGHI, QUENTIN TUCKER, the defendants, and others known and unknown, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and

did transmit and cause to be transmitted by means of wire and radio communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

#### OVERT ACTS

3. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. In or about March 2007, QUENTIN TUCKER, the defendant, submitted a falsified and inflated appraisal of Property-1, knowing that the appraisal was to be used in connection with obtaining a mortgage loan.

b. On or about April 12, 2007, DAVID MISAGHI, the defendant, obtained a cashier's check from a Bank of America branch located in New York, New York, which check subsequently was altered and submitted as a "show check," i.e., a false record of a down-payment that never actually was made, in connection with Purchaser-1's mortgage application.

c. On or about April 18, 2007, KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," the defendant, caused a loan application to be submitted on behalf of an individual ("Purchaser-1") to a mortgage lender, which loan application contained false and fraudulent statements, including, among other things, misrepresentations regarding the income, employment, and assets of Purchaser-1.

(Title 18, United States Code, Section 1349.)

The bases for my knowledge of the foregoing charge are, in part, as follows:

4. I am a Special Agent with the FBI, and am currently assigned to a squad that investigates mortgage fraud. The information contained in this affidavit is based upon my personal knowledge and my review of documents and records gathered during the course of this investigation, as well as information obtained, directly or indirectly, from other sources and agents, including information provided to me by witnesses who participated in conversations with the defendants. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all of the facts

that I have learned during the course of the investigation. Where the contents of documents and the actions, statements and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

#### The Scheme to Defraud

5. As set forth more fully below and based, among other things, on my review of records and documents, and my conversations with others, I believe that:

a. KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," DAVID MISAGHI, QUENTIN TUCKER, the defendants, and others known and unknown, conspired to defraud the mortgage lender Option One Mortgage Corp., now doing business as Sand Canyon ("Option One"). As part of that conspiracy, KEREN SADE MISAGHI spoke with a specific individual ("Purchaser-1") regarding the purchase of a property known and described as 1104 Dekalb Avenue, Brooklyn, New York (the "Dekalb Property") owned by another individual ("Seller-1").

b. KEREN SADE MISAGHI completed documents for submission to lenders on Purchaser-1's behalf, which contained, among other things, fraudulent income, employment, and asset information. As part of the scheme, certain documents, including loan applications, which were signed by Purchaser-1 contained various false representations, including the income, employment, and assets of Purchaser-1, and falsely stated that Purchaser-1 would be living at the Dekalb Property. Those falsified documents were submitted to Option One for the purpose of inducing Option One to make home mortgage loans to Purchaser-1 for the purchase of the Dekalb Property.

c. As a further part of the scheme, TUCKER falsified an appraisal of the Dekalb Property by, among other things, including photographs taken from other residences in order to inflate the appraised value of the Dekalb Property.

d. As a further part of the scheme, DAVID MISAGHI obtained a cashier's check ("Actual Check-1") from a Bank of America branch located in New York, New York in the amount of \$45,000, payable to a specific individual, bearing check number 0983286, and drawn on an equity credit line account at Bank of America registered to DAVID MISAGHI, the defendant. A copy of Actual Check-1 then was altered ("Altered Check-1") and a copy of Altered Check-1 was used at the closing in the manner described below. Actual Check-1 later was re-deposited by DAVID MISAGHI into the equity credit line account on which it originally had

been drawn.

d. As a further part of the scheme, KEREN SADE MISAGHI provided a copy of Altered Check-1 to the settlement attorneys as a "show check," i.e., proof of a down-payment to Seller-1 by Purchaser-1, which down-payment never actually was made.

e. After the closing, Option One caused funds to be transferred by means of electronic wire transfer into an escrow account maintained by the settlement attorneys, who then distributed a portion of those funds by means of check to the mortgage brokerage firm, New Castle Mortgage Group LLC. New Castle Mortgage Group then paid a portion of those funds to KEREN SADE MISAGHI.

f. The Option One mortgage loan for the Dekalb Property currently is in default.

6. Based upon my review of publicly filed property records, I have learned that Seller-1 was the sole holder of the deed to the Dekalb Property. On or about April 18, 2007, Seller-1 transferred that deed to Purchaser-1 as part of Purchaser-1's purchase of the Dekalb Property for approximately \$719,000, \$647,100 of which was paid by means of a mortgage loan obtained from Option One. At the time of the sale, there were two mortgages on the Dekalb Property, with a total outstanding balance of approximately \$567,906.37.

7. Based on my conversations with Purchaser-1 on a number of occasions, I have learned the following, in substance and in part:

a. Purchaser-1 is, and was at all times relevant to this complaint, employed as a teacher's aid in Philadelphia, PA, and had no other forms of employment. In or about April 2007, Purchaser-1 earned an annual income of approximately \$20,000, and had no money invested in investment accounts.

b. In or about early 2007, Purchaser-1 was contacted by an individual named "Karen LNU," whom I subsequently identified as KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/ "Karen Sade," the defendant. Purchaser-1 sent her W2 Forms and bank statements to KEREN SADE MISAGHI, which reflected Purchaser-1's true income and assets.

c. Purchaser-1 first met KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," the defendant, at

a closing on another property in or about February 2007. At that time, an individual present at the February 2007 closing introduced herself to Purchaser-1 as "Karen," whom I subsequently identified as KEREN SADE MISAGHI, and who told Purchaser-1 that if Purchaser-1 was going to be doing any future real estate purchases, Purchaser-1 should deal directly with KEREN SADE MISAGHI because KEREN SADE MISAGHI works directly for a bank and could obtain a mortgage for a lower fee than a broker.

d. Not long after the February 2007 closing, Purchaser-1 and Seller-1 contacted KEREN SADE MISAGHI regarding the sale and purchase of the Dekalb Property. KEREN MISAGHI told Purchaser-1 that she would take care of "everything" and that KEREN SADE MISAGHI already had all of Purchaser-1's personal information from the February 2007 closing, which KEREN SADE MISAGHI would submit in connection with the sale and purchase of the Dekalb Property.

e. Purchaser-1 stated that she had intended to use the Dekalb Property as a rental property and that she never intended to use the Dekalb Property as a primary residence.

f. In or about April 2007, Purchaser-1 was contacted by KEREN SADE MISAGHI, who told Purchaser-1 to be present at a closing for the sale of the Dekalb Property on or about April 18, 2007.

g. On or about April 18, 2007, Purchaser-1 attended the closing in Amityville, New York. KEREN SADE MISAGHI, the settlement attorneys, Seller-1, and another individual were present at the closing. At the closing, Purchaser-1 signed a number of documents, including the loan application Fannie Mae Form 1003, which had been prepared by KEREN SADE MISAGHI, and was signed by "Karen Sade."

h. Later in April 2007, Purchaser-1 received a telephone call from KEREN SADE MISAGHI. Purchaser-1 informed KEREN SADE MISAGHI that Purchaser-1 was unable to make the mortgage loan payments. KEREN SADE MISAGHI told Purchaser-1 that it was important for Purchaser-1 to make the payments, especially the first payment. Purchaser-1 told KEREN SADE MISAGHI that Purchaser-1 was unable to do so, at which time KEREN SADE MISAGHI offered to send Purchaser-1 approximately \$2,500 to assist Purchaser-1 in making the payment. KEREN SADE MISAGHI stated that it would look better to the bank if Purchaser-1 made the first payment. Purchaser-1 told KEREN SADE MISAGHI not to send the money and that Purchaser-1 would not make any payments.

i. Purchaser-1 never made, or caused to be made, any mortgage payments in connection with the Dekalb Property.

8. Based upon my review of documents related to the home mortgage loan issued by Option One for the purchase of the Dekalb Property by Purchaser-1 from Seller-1, and documents obtained from the settlement attorneys related to that closing, including the Fannie Mae Form 1003, I have learned the following:

a. The loan application stated that Purchaser-1 earned approximately \$11,800 per month, and that Purchaser-1 worked as a school principal and as an employee of a company located in Manhattan, New York identified as "Allusions Inc."

b. The loan application listed, as an asset of Purchaser-1, an investment account held in the name of Purchaser-1 with a total value of \$182,600. Also included in the loan files was an investment account statement in the name of Purchaser-1 purportedly issued by "Banc of America Investment Services Inc." reflecting a total investment portfolio value of \$182,621.59.

c. The loan application indicated that Purchaser-1 intended the Dekalb Property to be Purchaser-1's primary residence.

d. On or about April 18, 2007, Option One sent an electronic fund wire transfer in the amount of \$651,705.16 from Bank of New York Mellon located in Pittsburgh, PA, to New York Community Bancorp located in West Haven, Connecticut, which then was transferred into an IOLA attorney escrow account at Roslyn Savings bank located in Amityville, New York, and registered to the settlement attorneys. That wire transfer distributed the proceeds of the mortgage loan issued by Option One.

e. The settlement attorneys disbursed the \$651,705.16 received from Option One by means of checks, which included the following:

i. A check in the amount of \$471,306.37 payable to Washington Mutual Bank in satisfaction of an outstanding mortgage loan owed by Seller-1 on the Dekalb Property.

ii. A check in the amount of \$96,600 payable to Washington Mutual Bank in

satisfaction of an outstanding mortgage loan owed by Seller-1 on the Dekalb Property.

iii. A check in the amount of \$850 payable to the settlement attorneys, and a separate check in the amount of \$400 payable to the same.

iv. A check in the amount of \$40,659.38 payable to New Castle Mortgage Co.

v. A check in the amount of \$5,000.00 payable to Seller-1.

f. According to the Form HUD-1 Settlement Statement, which purports to advise the lender and the parties as to the payments in connection with the transaction, Seller-1 was supposed to receive a payment of \$136,580.85 at the closing. Seller-1 agreed to pay a seller's concession at closing in the amount of \$14,380.

g. According to the Form HUD-1, Purchaser-1 was supposed to pay \$113,628.65 as a down-payment at closing in addition to the money obtained from the mortgage loan.

h. Included in the mortgage files was a copy of Altered Check-1, which is a Bank of America cashier's check, dated April 12, 2007, in the amount of \$123,000, purportedly purchased by Purchaser-1 and purportedly payable to the order of Seller-1. Altered Check-1 also bore check number 0983286 and was issued by banking center "Fashion." I understand from my conversations with the settlement attorneys that the photocopy of Altered Check-1 was the record of the down-payment due at closing, and purportedly paid, to Seller-1 from Purchaser-1.

i. On or about June 20, 2007, a payment in the amount of \$6,111.81 was made to Option One in connection with the first month's mortgage payment for the Dekalb Property by means of an electronic wire fund transfer from a bank account at Bank of America registered to a company held in the name of an individual whom I understand from the settlement attorneys was an employee of New Castle Mortgage Co.

9. Based on my conversations with employees of Bank of America, and my review of documents obtained from Bank of America, I have learned the following:

a. Bank of America never issued Altered Check-1. Altered Check-1 never was deposited or drawn upon at Bank of America.

b. On or about April 12, 2007, a cashier's check ("Actual Check-1") in the amount of \$45,000, payable to a specific individual, bearing check number 0983286, was drawn on an equity credit line account at Bank of America registered to DAVID MISAGHI, the defendant. Actual Check-1 was issued from the "Fashion" banking center of Bank of America, which is located in Manhattan, New York.

c. DAVID MISAGHI, the defendant, is the sole holder and sole authorized user of that account.

d. The Bank of America "Fashion" banking center issued only one official cashier's check bearing the number 0983286 on April 12, 2007.

e. On or about April 13, 2007, Actual Check-1 was re-deposited into the equity credit line account at Bank of America registered to DAVID MISAGHI at a Bank of America branch located in Manhasset, New York.

f. On or about April 19, 2007, a check in the amount of \$19,009.00, and payable to "Karen Sade," was drawn on a specific account at Bank of America registered to New Castle Mortgage Co., which represents the fee paid by New Castle Mortgage Co. to KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," the defendant, as a result of the Dekalb Property transaction.

10. Based on my conversations with Seller-1, and my review of documents obtained from Seller-1, I have learned the following:

a. After the April 2007 closing, Seller-1 contacted KEREN SADE MISAGHI, a/k/a "Karen Sade Misaghi," a/k/a "Karen Sade," the defendant, to inquire why Seller-1 did not receive the amount listed on the HUD-1 Form as being due to Seller-1.

b. The HUD-1 Form stated that Seller-1 was paid \$136,580.85 in connection with the closing on the Dekalb Property.

c. Seller-1 stated that he received only \$5,000.00 in connection with the closing on the Dekalb Property.

d. At some time after the April 2007 closing, Seller-1 met with KEREN SADE MISAGHI in a gray Pathfinder vehicle on Long Island, New York. KEREN SADE MISAGHI stated to Seller-1 that sometimes she uses "fake checks" to close a deal.

11. Based on my conversations with employees of the appraisal firm that submitted the appraisal for the Dekalb Property used in connection with the April 2007 closing ("Appraisal Firm-1"), including QUENTIN TUCKER, the defendant, and my review of documents obtained from the appraisal firm, I have learned the following:

a. In or about 2007, TUCKER was employed by Appraisal Firm-1 as an appraiser assistant.

b. An individual using email address "DMI1826@AOL.COM" requested that Appraisal Firm-1 prepare an appraisal of the Dekalb Property.

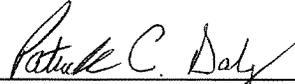
c. TUCKER was the Appraisal Firm-1 employee responsible for preparing the appraisal of the Dekalb Property in advance of the April 2007 closing. TUCKER stated that he knew the appraisal of the Dekalb Property was being performed in connection with a mortgage application in order to sell the Dekalb Property.

d. TUCKER stated that he included photographs taken of the interior of properties other than the Dekalb Property in his appraisal report in order to inflate the appraised value of the Dekalb Property.

12. Based on my review of documents obtained from AOL Inc., I have learned that the email address "DMI1826@AOL.COM" is registered to DAVID MISAGHI, the defendant.

WHEREFORE, deponent respectfully requests that a warrants issue for the arrests of KEREN SADE MISAGHI, a/k/a

"Karen Sade Misaghi," a/k/a "Karen Sade," DAVID MISAGHI, and QUENTIN TUCKER, the defendants, and that they each be arrested and imprisoned, or bailed, as the case may be.



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PATRICK C. DALY  
SPECIAL AGENT  
FEDERAL BUREAU OF INVESTIGATION

Sworn to before me this  
13th day of October 2009



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THE HONORABLE DOUGLAS F. EATON  
UNITED STATES MAGISTRATE JUDGE  
SOUTHERN DISTRICT OF NEW YORK