RCH:ADW/RMS
F. #2025R00653

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
- X

UNITED STATES OF AMERICA

- against -

SAM SPREI,
also known as
"Yechiel Sprei,"
"Shimon Sprei,"
and "Eli Shapiro," and
EDWARD HAROLD KING,

Defendants.

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TO BE FILED UNDER SEAL

AFFIDAVIT AND COMPLAINT IN SUPPORT OF ARREST WARRANTS

(18 U.S.C. §§ 1349 and 3551 et seq.)

No. 26-MJ-91

EASTERN DISTRICT OF NEW YORK, SS:

ANTHONY CUNDER, being duly sworn, deposes and states that he is a Special Agent with the United States Department of Justice, United States Attorney's Office for the Eastern District of New York (the "USAO"), duly appointed according to law and acting as such.

Upon information and belief, in or about and between November 2024 and May 2025, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, and EDWARD HAROLD KING, together with others, did knowingly and intentionally conspire to devise a scheme and artifice to defraud, and to obtain money and property by means of one or more materially false and fraudulent pretenses, representations and promises, to wit: false representations to one or more investors and lenders, and for the purpose of executing such scheme and artifice, to transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce one or more writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

The source of your deponent's information and the grounds for his belief are as follows:[1]

1. I am a Special Agent with the USAO and have been since 2022. In the course of my duties as a Special Agent, I have investigated or participated in dozens of investigations including, but not limited to, investigations of fraud, bribery, money laundering, and theft offenses.

2. The USAO and the Internal Revenue Service Criminal Investigation are investigating the defendants SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, and EDWARD HAROLD KING for their roles in numerous schemes to defraud, including multiple schemes to defraud real estate investors in which SPREI and KING solicited the victims' funds in fictitious investment opportunities, represented to the victims that their invested funds would be returnable on demand if the victims decided to cease involvement in the investments, and then later refused to return the money based on false excuses and converted at least a substantial portion of the victims' funds to their personal uses. The evidence gathered to date indicates that, in furtherance of these fraudulent schemes, SPREI and KING laundered the illegal proceeds, among other crimes.

[1] Because the purpose of this Complaint is to set forth only those facts necessary to establish probable cause to arrest, I have not described all the relevant facts and circumstances of which I am aware.

I. The Defendants

3. The defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, is a real estate developer and investor who resides in Brooklyn, New York.

4. The defendant EDWARD HAROLD KING is an attorney who resides in Brooklyn, New York. KING previously served as a Justice of the Supreme Court, Kings County from approximately June 2024 to December 2025, when he resigned.

II. Investment Fraud Scheme

5. In approximately November 2024, the defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, presented two investors ("Investor-1," "Investor-2," and, collectively, the "Investors"), individuals whose identities are known to your affiant, with an opportunity to purchase commercial real estate located in Freehold, New Jersey (the "Property"). During subsequent phone calls and electronic communications, SPREI represented to the Investors that there was an opportunity to bid on the Property through a bankruptcy court auction, but eligible bidders had to first show "proof of liquidity" by depositing funds in escrow. SPREI also made numerous misrepresentations designed to deceive the Investors, including the following:

a. Deposited funds from the Investors would be placed in escrow with a reputable third-party escrow agent;

b. If the Investors decided not to participate in any bid on the Property, they could so advise the escrow agent and would receive the full amount deposited within two business days; and

c. The deposited escrow funds would not be used for any purpose or transferred out of escrow without the execution of further documentation and explicit authorization from the Investors.

6. On or about February 26, 2025, in reliance on these representations, the Investors wired a total of approximately $6.5 million in escrow—approximately $5.5 million from Investor-1 and $1 million from Investor-2—to a bank account in the name of the defendant EDWARD HAROLD KING ("King's Escrow Account") pursuant to written escrow agreements signed by the Investors and KING.[2] The agreements provided the Investors with an unconditional right to demand the return of the funds within two business days of such demand and also stated that the escrow agent could not pledge, deposit, or hypothecate the deposits without written permission of the Investors. In addition, defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, told the Investors that KING's professional service limited liability company would serve as escrow agent. SPREI further told the Investors that KING was an independent escrow agent and a New York judge.

7. In the days immediately following the wire transfers from the Investors to King's Escrow Account on or about February 26, 2025, King's Escrow Account engaged in the following transactions, contrary to the prior representations from the defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, that the deposited escrow funds would not be used for any purpose or transferred out of escrow without the execution of further documentation and explicit authorization from the Investors and contrary to the defendant

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[2] Because Investor-1 used a bank account located in Colorado and King's Escrow Account was located in New York, I know the wire transfer from Investor-1 crossed state lines. Additionally, because Investor-2 used a bank account located in New York and the servers for Investor-2's bank were located outside New York, I know the wire transfer from Investor-2 crossed state lines.

EDWARD HAROLD KING's prior written agreement that he could not deposit the deposited escrow funds without written permission of the Investors: two teller transaction withdrawals in the amounts of approximately $700,000 and $2,700,000 on or about February 27, 2025; an outgoing wire in the amount of approximately $850,000 to a bank account in SPREI's name, on or about February 27, 2025; a teller transaction withdrawal in the amount of approximately $7,500 on or about February 27, 2025; and two teller cash transaction debits each in the amounts of approximately $3,000 and $55,000 on or about March 3, 2025.[3] Neither SPREI nor KING informed the Investors about any of these transactions or obtained their permission to transfer the deposited escrow funds.

8. During the months following the Investors' transfer of $6.5 million to King's Escrow Account, the defendants SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, and EDWARD HAROLD KING did not provide the Investors with any index number for a bankruptcy proceeding relating to the Property or any evidence that a bankruptcy sale was occurring, notwithstanding SPREI's prior representation that the real estate investment was to bid on the Property through a bankruptcy court auction.

9. In approximately April 2025, the Investors wrote to the defendant EDWARD HAROLD KING, requesting the return of their deposited funds. In response to this redemption request, KING advised the Investors that he would send a "notice" to "the trustee" regarding the redemption request. However, neither escrow agreement referred to a "trustee" with respect to the obligation to return deposited funds upon request. KING also later told the

[3] A teller withdrawal refers to the process where a bank customer obtains cash from their bank account in person by filling out a withdrawal slip. A teller cash transaction debits refers to the process where a bank teller reduces a customer's account balance by disbursing cash, such as for a withdrawal or check cashing.

Investors that instead of returning the funds to them, he would instead have KING's lawyer deposit the escrowed funds with an unspecified court, contrary to the prior representations from the defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, that the Investors' funds would be returned to them within two business days if they decided not to participate in any bid on the property and contrary to the defendant EDWARD HAROLD KING's prior written agreement that the Investors had an unconditional right to demand the return of the funds within two business days of such demand.

10. According to a notice published in a national newspaper on or about January 14, 2025, the Property in question was the subject of a UCC public auction scheduled for March 11, 2025.[4] The notice did not identify the defendant EDWARD HAROLD KING as an escrow agent, and it set the required escrow deposit at only $250,000, rather than the much higher $6.5 million stated by the defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro.

11. On or about May 1 and May 8, 2025, two wires in the amounts of $850,000 and $650,000, respectively, were sent from a bank account under the control of the defendant SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Sprei, to the Investors, representing a partial return of the Investors' $6.5 million investment. However, SPREI and the defendant EDWARD HAROLD KING have not returned any further funds to the Investors.

12. Based on my training and experience, as well as my participation in this investigation, including review of the timing of the debits from King's Escrow Account in the

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[4] A UCC auction is a non-judicial process under the Uniform Commercial Code that allows a secured lender to sell a borrower's collateral in a "commercially reasonable" manner, often through a public or private auction, to recover a loan.

days immediately following the $6.5 million interstate deposits from the Investors, there is probable cause to believe the defendants SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, and EDWARD HAROLD KING made various intentional and material misrepresentations to the Investors to fraudulently obtain their funds.

WHEREFORE, your deponent respectfully requests that the defendants SAM SPREI, also known as Yechiel Sprei, Shimon Sprei, and Eli Shapiro, and EDWARD HAROLD KING be dealt with according to law.

Respectfully submitted,

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Anthony Cunder
Special Agent
United States Department of Justice,
United States Attorney's Office,
Eastern District of New York

Sworn to before me by telephone
this __8th__ day of May, 2026

Peggy Cross-Goldenberg
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HONORABLE PEGGY CROSS-GOLDENBERG
UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK