

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

HASAN HUSSAIN  
RICARDO ABREU

Criminal Case No. \_\_\_\_\_

CR 17 03-015

Violations:

18 U.S.C. § 1349 -  
(Conspiracy)

18 U.S.C. § 1343 -  
(Wire Fraud)

18 U.S.C. § 1028A -  
(Aggravated Identity Theft)

18 U.S.C. § 2 -  
(Aiding and Abetting)

FILED

JAN 11 2017

U.S. DISTRICT COURT  
DISTRICT OF RHODE ISLAND

INDICTMENT

The Grand Jury charges that:

COUNT 1

(Conspiracy to Commit Wire Fraud)

The Defendants and Relevant Companies

At all times relevant to this Indictment, unless herein stated:

1. Defendant HASAN HUSSAIN ("HUSSAIN") was a real estate investor doing business in the State of Rhode Island under various corporate names.
2. HUSSAIN held himself out as a real estate investor who also provided real estate consulting services, property management, and loan modifications.
3. HUSSAIN operated Panjatan Properties, LLC ("Panjatan"), a corporation registered with the State of Rhode Island Providence Plantations Office of the Secretary

of State. Through Panjatan, HUSSAIN bought and sold properties, managed rental properties, and negotiated with lenders on behalf of property owners.

4. Panjatan was the primary corporate entity used by HUSSAIN in his real estate business, but he also offered some of the same services to property owners through a number of corporate entities and trusts, including New England Financing Group, LLC, Resolution Marketing, LLC, Kerbal Funding & Investments, LLC, Unified Business Solutions, LLC, Legal Solution, LLC, KPM Investments, LLC, Mercedes Investment Trust, NZM Family, LLC, Realty Best Solutions, LLC, Zainab Investments, LLC, American Finance Trust, Zainab Investment Trust, Messer Street Realty Trust, Coqui Properties, LLC, Kerbal Realty Trust and Renacimiento Realty Trust, among others.

5. It was HUSSAIN's practice to use other people's names as officers, directors, registered agents or trustees on the corporations and trusts that he operated. He used the names of his office staff, his family, his associates, and investors he deceived into investing money with him on the paperwork of entities operated by him as part of the scheme.

6. Defendant RICARDO ABREU ("ABREU") worked for HUSSAIN. ABREU managed properties and collected rent for HUSSAIN, and he performed demolition work on properties controlled by HUSSAIN.

7. L.M., an unindicted co-conspirator, was a real estate attorney licensed in the State of Rhode Island.

### The Mortgage Loan Process

8. The residential mortgage loan process begins with the submission of a Form 1003, Uniform Residential Loan Application, to a lender. The loan application requires the prospective homebuyer to provide information regarding his or her income, assets, and liabilities. The buyer is required to submit documents to the lender in support of the loan application, such as bank statements, tax returns, and pay stubs.

9. Once a buyer's loan application is approved, the buyer proceeds to closing. At closing, the buyer meets with the settlement agent, typically an attorney, to execute a number of documents related to the mortgage loan. These documents include among others, a final loan application, a promissory note reflecting the terms of the loan, a mortgage securing the lender's interest in the real estate purchased, and prior to October 2015, a HUD-1 Settlement Statement (hereinafter "the HUD-1 form"). The HUD-1 form was a standard form that itemized the services and fees charged to the borrower by the lender when applying for a loan.

10. Prospective buyers who have lower incomes, lower credit scores, or fewer funds available for a down payment often seek a loan insured by the Federal Housing Administration ("FHA"), a component of the United States Department of Housing and Urban Development ("HUD"), because the requirements for an FHA loan are less stringent. Nonetheless, the FHA requires a down payment and a buyer must attest that he will occupy the premises to qualify for an FHA insured loan. The insurance is

provided through the FHA, but the loans are financed through private financial institutions.

11. When a borrower with an FHA loan defaults on the loan, the lender may foreclose on the loan and submit a claim to the FHA for reimbursement. One alternative to foreclosure is a process called a short sale. In a short sale, the owner of the property and the lender agree to a sale of the property to a third party for less than what is owed to the lender on the mortgage loan. When a lender agrees to a short sale, if the loan is an FHA loan, the lender may submit a claim to the FHA for the amount of the loan that was forgiven in the short sale.

#### The Conspiracy

12. Beginning in or about January 2009 and continuing until a date unknown, but at least as late as in or about July 2015, in the District of Rhode Island and elsewhere, defendants

HASAN HUSSAIN and  
RICARDO ABREU

did knowingly, willfully, and unlawfully combine, conspire and agree with each other and with others known and unknown to the Grand Jury to commit wire fraud in connection with the purchase, sale and mortgage financing of residential real estate by knowingly devising and intending to devise a scheme and artifice to defraud real estate investors, property owners, financial institutions and lenders, and obtaining moneys and property by means of false and fraudulent pretenses, representations, and

promises, through the transmission in interstate commerce of wire communications, in violation of 18 U.S.C. § 1343.

Object of the Conspiracy

13. The object of the conspiracy was for the co-conspirators to unlawfully enrich themselves by:

a. Fraudulently obtaining the use and enjoyment of residential properties in Providence, Pawtucket, and Cranston, RI (hereinafter "the Target Properties"):

- i. 158-60 Chapin Avenue, Providence, RI;
- ii. 48 Bancroft Street, Providence, RI;
- iii. 72-74 Corinth Street, Providence, RI;
- iv. 55-57 Plymouth Street, Providence, RI;
- v. 466-68 Mineral Spring Avenue, Pawtucket, RI;
- vi. 122 Chestnut Hill Avenue, Cranston, RI;
- vii. 89-91 Laurel Hill Avenue, Providence, RI;
- viii. 130 Putnam Street, Providence, RI;
- ix. 116 Westwood Avenue, Cranston, RI;
- x. 80 Messer Street, Providence, RI;
- xi. 10 Harris Driftway, Cranston, RI;
- xii. 134-36 Chad Brown Street, Providence, RI;
- xiii. 313-15 New York Avenue, Providence, RI; and,

xiv. 246 Flint Avenue, Cranston, RI.

b. Fraudulently obtaining rent, fees, and other funds associated with the purchase, rental and sale of the Target Properties to which they were not entitled;

c. Fraudulently obtaining conventional and FHA mortgage loans used to purchase the Target Properties by borrowers who were not eligible for such loans; and,

d. Concealing the proceeds of the scheme from others.

Manner and Means of the Conspiracy

The manner and means by which the co-conspirators sought to accomplish and did accomplish the purpose of the conspiracy included, among others, the following:

14. With respect to some of the Target Properties, it was part of the conspiracy that the co-conspirators offered to negotiate mortgage loan modifications with lenders on behalf of distressed property owners, that is, people who were unable to pay their monthly mortgage payments. As part of the purported loan modification, the co-conspirators fraudulently induced the distressed property owners to pay them money, which the co-conspirators converted to their own use.

15. With respect to some of the Target Properties, it was further part of the conspiracy that the co-conspirators fraudulently induced the distressed property owners into agreeing to sell their properties in "short sales," that is, a sale of the property to a third party for less than the mortgage loan on the property.

16. With respect to some of the Target Properties, it was further part of the conspiracy that the co-conspirators fraudulently induced lenders to agree to a short sale (1) by making false representations regarding the value and condition of the properties, (2) by intentionally damaging the properties prior to appraisal by the lenders, and (3) by concealing HUSSAIN's control over the entities and individuals that were purchasing the properties in the short sales.

17. With respect to some of the Target Properties, it was further part of the conspiracy that the co-conspirators recruited purchasers and assisted these purchasers in obtaining mortgage loans under false and fraudulent pretenses (1) by misrepresenting the purchasers' assets, (2) by submitting false loan documents, including false HUD-1 forms, and (3) by using straw buyers. A straw buyer is someone whose identity is used to apply for and obtain a mortgage loan on behalf of someone else to circumvent legal restrictions or to enable fraud.

18. With respect to some of the Target Properties, it was further part of the conspiracy that the co-conspirators falsely promised to manage the Target Properties on behalf of the purchasers and to pay the purchasers' monthly mortgage payments with rents collected, when in truth, the co-conspirators converted the rental money to their own use and did not pay the monthly mortgage payments.

19. It was further part of the conspiracy that the co-conspirators fraudulently induced individuals to invest money with them to fund the acquisition and rental of the

Target Properties. Promising the investors a high return on their investment, the co-conspirators instead converted the investors' funds to their own use.

Acts in Furtherance of the Conspiracy

In furtherance of the conspiracy, at least one of the following overt acts, among others, was committed by one or more of the co-conspirators in the District of Rhode Island and elsewhere:

158-60 Chapin Avenue

20. On or about October 24, 2008, Panjatan, HUSSAIN's real estate investment and property management corporation, acquired 158-60 Chapin Avenue, Providence, RI from M.C., a distressed property owner, in a short sale. HUSSAIN promised M.C. \$30,000 as a result of the short sale, which he never gave to her.

21. In or about January 2009, HUSSAIN recruited A.V. to serve as a straw buyer for 158-160 Chapin Avenue. HUSSAIN promised A.V. \$10,000 if he would purchase the property in A.V.'s name even though A.V. had no intention of paying the mortgage loan and had no intention of living in or using the property.

22. On or about March 31, 2009, after A.V. "purchased" the property, HUSSAIN and L.M. caused false documentation, including false HUD-1 forms, to be submitted in connection with a "refinance" mortgage loan from SunTrust Mortgage, Inc. in A.V.'s name for 158-160 Chapin Avenue. When A.V.'s "refinance" mortgage loan from SunTrust Mortgage, Inc. closed, Panjatan received \$175,000.



23. On or about June 21, 2010, HUSSAIN fraudulently induced M.C., the former owner of 158-60 Chapin Avenue and an individual who was not fluent in English, to transfer \$50,000 to Bank of America Acct. #4418 opened in the name of Mercedes Investment Trust and controlled by M.C., HUSSAIN and ABREU. M.C. transferred this money into Acct. #4418 believing that it would be used to purchase a home for her and her family.

24. After M.C. transferred the money to Acct. #4418, HUSSAIN caused the funds to be transferred to an account controlled by him, Bank of America Acct. #9920 held in the name of Zainab Investment Trust. HUSSAIN converted the money to his own use and did not use the money to purchase a home for M.C.

25. On or about May 15, 2013, HUSSAIN induced J.K.M. to give \$75,000 to HUSSAIN purportedly for investment in real estate, including 158-60 Chapin Avenue. HUSSAIN represented to J.K.M. and his children, J.R.M. and R.F.M., that J.K.M. would receive a high return on his investment through the real estate investments; however, HUSSAIN ultimately converted most of J.K.M.'s funds to HUSSAIN's own use.

26. On numerous occasions between on or about March 31, 2009 and March 7, 2014, HUSSAIN failed to make the mortgage payments for 158-60 Chapin Avenue.

27. On or about March 7, 2014, HUSSAIN, purportedly on behalf of straw owner A.V., negotiated a short sale with the servicer of the mortgage loan for 158-60 Chapin Avenue for \$76,600. This price was significantly less than was owed on the loan.

28. On or about March 11, 2014, HUSSAIN caused funds used to purchase 158-60 Chapin Avenue in the short sale to be transferred via wire to the servicer of the mortgage.

29. On or about March 12, 2014, HUSSAIN caused 158-60 Chapin Avenue to be transferred to the Zainab Investment Trust, an entity then nominally controlled by J.R.M. on behalf of his father, J.K.M., and other HUSSAIN investors, but actually controlled by HUSSAIN.

30. On or about November 5, 2014, HUSSAIN caused the signature of J.R.M. to be forged on a mortgage deed for 158-60 Chapin Avenue granting a \$65,000 mortgage to NZM Family, LLC, an entity controlled by HUSSAIN.

31. On or about December 31, 2014, HUSSAIN caused 158-60 Chapin Avenue to be sold for \$171,000. After liens and other debts of HUSSAIN's were paid with the proceeds of the sale, NZM Family, LLC received \$67,161. J.K.M. and J.R.M. did not receive any of the proceeds.

48 Bancroft Street

32. On or about January 30, 2009, Panjatan acquired 48 Bancroft Street, Providence, RI for \$29,000.

33. On or about August 28, 2009, HUSSAIN caused Panjatan to sell 48 Bancroft Street to S.B. for \$95,000. S.B. was a straw buyer recruited by D.B., an unindicted co-conspirator. S.B. applied for and obtained an FHA loan, although he paid no down payment and had no intention of living in the property.

34. On or about August 28, 2009, HUSSAIN and L.M. caused a false HUD-1 form to be submitted to MetLife Bank, N.A., in connection with the closing of the mortgage loan for 48 Bancroft Street in S.B.'s name, thereby inducing MetLife Bank to wire funds to L.M.'s bank account.

35. On numerous dates between on or about August 28, 2009 and on or about July 2, 2014, HUSSAIN and D.B. failed to make mortgage payments to MetLife Bank, N.A. and JPMorgan Chase Bank, N.A., the subsequent holder of the mortgage, causing JPMorgan Chase Bank, N.A. to foreclose on 48 Bancroft Street on July 2, 2014.

72-74 Corinth Street

36. On or about November 3, 2009, HUSSAIN under the guise of a promise to assist with a loan modification, deceived F.T., a distressed property owner and an individual who is not fluent in English, into transferring title of 72-74 Corinth Street, Providence, RI to Panjatan.

37. Between in or about November 2009 and in or about September 2010, HUSSAIN and ABREU caused damage to 72-74 Corinth Street to induce F.T.'s lender, GMAC Mortgage, LLC, to agree to a short sale of the property to Panjatan for less than was owed on the loan. Panjatan acquired 72-74 Corinth Street in the short sale for \$48,000. F.T. did not receive any of the proceeds.

38. On or about May 12, 2011, HUSSAIN converted to his own use \$5,425 received from M.R., a prospective buyer, as a down payment for 72-74 Corinth Street.

HUSSAIN never sold 72-74 Corinth Street to M.R., nor did he return M.R.'s down payment.

39. On or about June 28, 2011, HUSSAIN caused Panjatan to sell 72-74 Corinth Street to G.P. for \$128,000. G.P. applied for and obtained an FHA loan, although she was a straw purchaser for her father, P.P. G.P. and P.P. paid no down payment and G.P. had no intention of living in the property.

40. On or about June 28, 2011, HUSSAIN and L.M. caused false documents, including a false HUD-1 form, to be submitted to Sierra Pacific Mortgage Company, thereby causing Sierra Pacific Mortgage Company to wire funds into L.M.'s bank account to be used for G.P.'s purchase of 72-74 Corinth Street.

55-57 Plymouth Street

41. On or about June 24, 2009, Panjatan acquired 55-57 Plymouth Street, Providence, RI for \$55,000.

42. In or about October 2009, ABREU recruited D.R. to purchase 55-57 Plymouth Street. HUSSAIN promised D.R. that HUSSAIN and ABREU would manage the property on D.R.'s behalf and pay the mortgage with rents collected.

43. In or about October 2009, HUSSAIN caused D.R.'s name to be added to Bank of America Acct. #2331 so that D.R. would qualify for an FHA mortgage loan to purchase 55-57 Plymouth Street from Panjatan for \$179,000. D.R. did not have control or ownership over the funds in Acct. #2331.

44. On or about February 24, 2010, HUSSAIN caused Panjatan to sell 55-57 Plymouth Street to D.R. for \$179,000. D.R. applied for and obtained an FHA loan, although he paid no down payment and had no intention of living in the property.

45. On or about February 24, 2010, HUSSAIN and L.M. caused false documents, including a false HUD-1 form, to be submitted to M&T Bank, in connection with the closing of the FHA mortgage loan for 55-57 Plymouth Street in D.R.'s name, thereby inducing M&T Bank to wire funds to L.M.'s bank account.

46. Between in or about June 2010 and in or about March 2014, HUSSAIN and ABREU collected rents from tenants living at 55-57 Plymouth Street.

47. Beginning in or about June 2011, HUSSAIN stopped paying the mortgage loan for 55-57 Plymouth Street.

48. On various occasions between in or about October 2011 and in or about April 2014, HUSSAIN submitted or caused to be submitted short sale offers for 55-57 Plymouth Street on behalf of third-party purchasers without their knowledge or consent. HUSSAIN caused the false short sale offers to be sent by facsimile to Bank of America, the holder of D.R.'s mortgage. These offers were rejected by Bank of America.

49. On or about April 14, 2014, 55-57 Plymouth Street was destroyed in a fire. Subsequent to the fire, HUSSAIN caused an insurance claim, purportedly on behalf of D.R., to be submitted in connection with the fire at 55-57 Plymouth Street.

50. On or about September 2, 2014, HUSSAIN caused L.M. to fraudulently endorse and deposit into L.M.'s TD Bank account an insurance check made payable to D.R. and Bank of America in the amount of \$130,000. D.R. and Bank of America did not receive those funds causing Bank of America to submit a claim to the FHA for \$194,579.05 in connection with the loss of 55-57 Plymouth Street. The FHA paid the claim on October 6, 2014.

466-68 Mineral Spring Avenue

51. On or about May 22, 2009, Panjatan acquired 466-68 Mineral Spring Avenue, Pawtucket, RI for \$42,500. The property was subsequently transferred to American Finance Trust, another entity controlled by HUSSAIN.

52. On a date between on or about July 27, 2010 and on or about October 29, 2010, the exact date unknown, HUSSAIN fraudulently induced R.M. to purchase 466-68 Mineral Spring Avenue. HUSSAIN promised R.M. that he would pay R.M. for his down payment; that HUSSAIN would collect the rents from 466-68 Mineral Spring Avenue and manage the property; and that HUSSAIN would pay the mortgage for R.M. with the rent money collected.

53. On or about July 27, 2010, HUSSAIN caused R.M.'s name to be added to Bank of America Acct. #8094 so that R.M. could qualify for an FHA mortgage loan to purchase 466-68 Mineral Spring Avenue from American Finance Trust, even though R.M. did not have control or ownership over the funds in Acct. #8094.

54. On or about October 29, 2010, HUSSAIN caused false documents to be submitted in support of R.M.'s application for an FHA mortgage loan from First Home Mortgage Corporation.

55. On or about October 29, 2010, HUSSAIN caused American Finance Trust to sell 466-68 Mineral Spring Avenue, Pawtucket, RI to R.M. for \$155,000. R.M.'s purchase of 466-68 Mineral Spring Avenue was financed by an FHA mortgage loan in the amount of \$152,914.

56. On various dates between in or about November 2010 and the present, HUSSAIN collected the rents at 466-68 Mineral Spring Avenue and converted those funds to his own use, rather than paying the mortgage and taxes for 466-68 Mineral Spring Avenue.

122 Chestnut Hill Avenue

57. Between on or about May 21, 2010 and on or about October 27, 2011, HUSSAIN fraudulently induced J.M. to pay him more than \$11,000. HUSSAIN falsely represented to J.M. that these funds would be used to assist J.M. with the purchase of 35 Danby Street, Providence, RI. Instead, HUSSAIN converted the funds to his own use.

58. On or about June 16, 2011, Panjatan acquired 122 Chestnut Hill Avenue, Cranston, RI for \$55,000.

59. Between in or about June 2011, the exact date unknown, and in or about December 2011, HUSSAIN convinced J.M. to acquire 122 Chestnut Hill Avenue as an investment property and as a means to improve her credit so that she might ultimately

be able to acquire 35 Danby Street. Although HUSSAIN assisted J.M. in obtaining an FHA mortgage loan for the property, he falsely promised her that she would not have to live at 122 Chestnut Hill; that he would collect the rents from that property; and, that he would pay the mortgage on her behalf.

60. On or about December 5, 2011, Panjatan sold 122 Chestnut Hill to J.M. for \$145,000. J.M. obtained an FHA loan although she had no intention of living in the property.

61. Beginning in or about May 2012, HUSSAIN, although continuing to collect the rents at 122 Chestnut Hill Avenue, stopped making mortgage payments on J.M.'s behalf, causing the lender, Wells Fargo Bank, N.A., to foreclose on the property.

89-91 Laurel Hill Avenue

62. On or about August 12, 2010, HUSSAIN, through false and fraudulent representations, obtained a check for \$51,570.54 from J.C. and Y.C., distressed property owners of a property in Warwick, RI. HUSSAIN falsely represented to J.C. and Y.C. that these funds would be used to assist J.C. and Y.C. with a loan modification on their home loan. Instead, HUSSAIN converted the funds to his own use.

63. On or about September 28, 2010, Panjatan acquired 89-91 Laurel Hill Avenue, Providence, RI for \$50,000.

64. In an attempt to allay J.C.'s and Y.C.'s complaint concerning HUSSAIN's failure to effect a loan modification on their property in Warwick, on or about November 24, 2010, HUSSAIN caused Panjatan to grant a \$25,000 mortgage to Y.C.



securing an interest in 89-91 Laurel Hill Avenue, Providence, RI. In the mortgage deed, HUSSAIN falsely represented that this mortgage secured a \$25,000 loan made by Y.C. to Panjatan.

65. On or about July 8, 2011, HUSSAIN caused Y.C.'s name to be forged to a subordination agreement purportedly reflecting Y.C.'s agreement to subordinate the November 24, 2010 mortgage to another lien HUSSAIN sought to place on 89-91 Laurel Hill Avenue.

66. On or about July 15, 2015, HUSSAIN caused Y.C.'s and R.R.'s names to be forged to a Discharge of Mortgage that was filed with the City of Providence Clerk's Office. This document falsely represented that Y.C. had been paid in full in connection with the fraudulent November 24, 2010 mortgage.

130 Putnam Street

67. On or about December 21, 2009, Renacimiento Realty Trust, an entity controlled by HUSSAIN, acquired title to 130 Putnam Street, Providence, RI for \$1.

68. Between in or about July 2010 and in or about July 2011, HUSSAIN fraudulently induced L.C. to pay HUSSAIN more than \$11,000 as partial payment to acquire title to 130 Putnam Street. HUSSAIN subsequently told L.C. she did not qualify for a mortgage loan, but that she should acquire the property in the name of J.D., a willing straw buyer. HUSSAIN converted L.C.'s funds to his own use.

69. On or about October 26, 2010, HUSSAIN caused J.D.'s name to be added to Bank of America Acct. #8094 so that J.D. could qualify for an FHA mortgage loan to

purchase 130 Putnam Street, Providence, RI, even though J.D. did not have control or ownership over the funds in that account.

70. On or about March 7, 2011, HUSSAIN caused Renacimiento Realty Trust, an entity controlled by him, to sell 130 Putnam Street to J.D. for \$87,000. J.D. applied for and obtained an FHA loan, although he was a straw purchaser, who paid no down payment and had no intention of living in the property.

71. Between on or about October 26, 2010 and on or about March 7, 2011, HUSSAIN caused false documents, including a false HUD-1 form, to be submitted to ClearPoint Funding, Inc., in connection with the closing of the FHA mortgage loan for 130 Putnam Street in J.D.'s name.

116 Westwood Avenue

72. On a date unknown, but no later than April 20, 2011, J.D.2, a distressed property owner, sought HUSSAIN's assistance with a short sale of her property located at 116 Westwood Avenue, Cranston, RI. HUSSAIN instructed J.D.2 to move her family out of 116 Westwood Avenue during the short sale negotiation process.

73. On or about April 20, 2011, HUSSAIN and L.M. caused J.D.2's signature to be forged on a Warranty Deed transferring title of 116 Westwood Avenue to KPM Investments, LLC, an entity controlled by HUSSAIN.

74. On various dates between in or about April 2011 and in or about November 2014, HUSSAIN moved J.D.2 and her family to locations controlled by him, including 72-74 Corinth Street, 55 Plymouth Street and others.

75. Between on or about April 20, 2011 and on or about November 11, 2014, HUSSAIN collected rents from tenants he placed at 116 Westwood Avenue. HUSSAIN did not give those rents to J.D.2, but instead converted them to his own use.

80 Messer Street

76. On or about November 18, 2010, Messer Street Realty Trust, an entity controlled by HUSSAIN, acquired title to 80 Messer Street, Providence, RI for \$1.00.

77. Between on or about December 24, 2011 and on or about March 30, 2012, HUSSAIN induced A.H. to purchase 80 Messer Street. HUSSAIN promised A.H. that he would manage the property on behalf of A.H., collect the rents, and forward the funds collected to A.H. to pay the mortgage.

78. On or about December 24, 2011, HUSSAIN caused A.H.'s name to be added to Bank of America Acct. #8094 so that A.H. could qualify for an FHA loan to purchase 80 Messer Street.

79. Between on or about February 11, 2012 and on or about March 30, 2012, HUSSAIN caused false documents to be submitted to Paramount Residential Mortgage Company in support of A.H.'s application for a \$170,563 FHA mortgage loan to purchase 80 Messer Street.

80. On or about March 30, 2012, A.H. purchased 80 Messer Street for \$175,000 from Messer Street Realty Trust with an FHA mortgage loan even though A.H. had no intention of living in the property.

81. In or about December 2012, the exact date unknown, HUSSAIN stopped forwarding rent money to A.H. keeping that money for himself and causing A.H. to be unable to pay the mortgage payment on 80 Messer Street.

10 Harris Driftway

82. On or about December 12, 2011, ABREU acquired 10 Harris Driftway, Cranston, RI for \$50,000.

83. On or about April 13, 2012, ABREU sold 10 Harris Driftway to A.R., a straw buyer, for \$155,000. A.R. paid no down payment and had no intention of living in the property.

84. HUSSAIN, ABREU and L.M. caused false documents, including a false HUD-1 form, to be submitted to A.R.'s lender, Maverick Funding Corporation, in support of A.R.'s FHA mortgage loan, thereby causing Maverick Funding Corporation to wire the funds into L.M.'s account. Ultimately the proceeds of the sale were deposited into Bank of America Acct. #4970 held in the name of KPM Investments, LLC and controlled by HUSSAIN.

134-36 Chad Brown Street

85. In or about 2010, L.S., a distressed property owner, sought HUSSAIN's assistance with a loan modification in connection with her mortgage loan for 134-36 Chad Brown Street, Providence, RI.

86. On or about October 29, 2012, HUSSAIN fraudulently induced L.S. to sell 134-36 Chad Brown Street in a short sale by promising her \$15,000 outside of closing if she agreed to the sale. HUSSAIN never paid L.S. the \$15,000 he promised her.

87. On or about October 29, 2012, HUSSAIN and ABREU fraudulently induced Seterus, Inc., a corporation acting on behalf of Fannie Mae, the holder of L.S.'s mortgage loan, to enter into a Short Sale Agreement for 134-36 Chad Brown Street, Providence, RI by damaging and causing damage to the property and by falsely concealing that HUSSAIN, the seller's representative, was the true purchaser of the property.

88. On or about October 29, 2012, HUSSAIN caused M.A., one of HUSSAIN's investors, to sign the HUD-1 form and other documents submitted to Seterus as the "buyer" in connection with the short sale of 134-36 Chad Brown Street for \$40,000.

89. On or about October 29, 2012, HUSSAIN, without the knowledge of Seterus, caused L.S. to transfer title of 134-36 Chad Brown Street to Zainab Investments, LLC, a corporation controlled by HUSSAIN with a registered agent of J.R.M.

90. On or about April 3, 2013, Zainab Investments, LLC sold 134-36 Chad Brown Street to J.R.M. for \$147,500 thereby causing J.R.M.'s mortgage lender to wire funds to L.M. in connection with the purchase of 134-36 Chad Brown Street.

91. On or about April 5, 2013, L.M. wrote a check made payable in the amount of \$110,994.93 to Kerbal Funding and Investments, an entity controlled by HUSSAIN.

This check was the amount due to the seller, Zainab Investments, LLC, in connection with the sale of 134-36 Chad Brown Street to J.R.M.

313-15 New York Avenue

92. On or about April 26, 2011, KPM Investments, LLC acquired 313-15 New York Avenue, Providence, RI for \$7,500.

93. Between in or about March 2012 and in or about November 2012, HUSSAIN fraudulently induced C.B. to purchase 313-15 New York Avenue. HUSSAIN told C.B. that HUSSAIN would pay C.B. \$10,000 to purchase the house in C.B.'s name; that C.B. would not have to pay a down payment to purchase the house; that C.B. would not have to live in the house; and, that W.R. would purchase the house from C.B. in one year.

94. On or about March 27, 2012, HUSSAIN caused C.B.'s name to be added to Bank of America Acct. #8094 so that C.B. could qualify for an FHA loan to purchase 313-15 New York Avenue, even though C.B. did not have control or ownership over the funds in that account.

95. Between on or about August 22, 2012 and on or about November 3, 2012, HUSSAIN and L.M. caused false documents, including a false HUD-1 form, to be submitted to Paramount Residential Mortgage Group, Inc. in connection with the purchase of 313-15 New York Avenue by C.B. C.B. obtained an FHA loan to purchase the property although he paid no down payment and he had no intention of living in the property.

96. On or about November 3, 2012, HUSSAIN caused C.B. to purchase 313-15 New York Avenue from KPM Investments, LLC for \$155,000, thereby causing C.B.'s lender, Paramount Residential Mortgage Group, to wire funds to L.M.'s bank account on or about November 5, 2012.

97. On or about November 6, 2012, L.M. wrote a check made payable to KPM Investments, LLC in the amount of \$30,925.00. This check was deposited into Bank of America Acct. #4970 held in the name of KPM Investments, LLC and controlled by HUSSAIN.

246 Flint Avenue

98. Between in or about October 2012 and on or about August 29, 2013, HUSSAIN and ABREU fraudulently induced Wells Fargo Bank, N.A. to approve the short sale of 246 Flint Avenue, Cranston, RI by damaging the property prior to its appraisal.

99. On or about September 3, 2013, HUSSAIN caused a false Affidavit of "Arm's Length Transaction" to be sent via wire to Wells Fargo Bank, N.A. regarding the short sale of 246 Flint Avenue. The affidavit did not reveal that the purported purchaser, K.H., was one of HUSSAIN's investors, who was purchasing the property on HUSSAIN's behalf. The affidavit also did not reveal that HUSSAIN was the employer of one of the sellers, C.R.

100. On or about October 15, 2013, HUSSAIN caused K.H. to sign documents in connection with the short sale purchase of 246 Flint Avenue for \$63,000. The short

sale caused a loss to Wells Fargo Bank, N.A., who was reimbursed by the FHA in the amount of \$187,397.66.

101. On or about November 25, 2013, HUSSAIN forged or caused to be forged K.H.'s name on a mortgage deed granting a mortgage to Zainab Investment Trust for 246 Flint Avenue.

102. On or about March 11, 2014, HUSSAIN caused 246 Flint Avenue to be sold for \$137,000.

103. On or about March 11, 2014, Zainab Investment Trust received a check for \$59,205 as a result of the sale of 246 Flint Avenue. HUSSAIN caused this check to be deposited into Bank of America Acct. #9920, an account in the name of Zainab Investment Trust and controlled by HUSSAIN.

All in violation of 18 U.S.C. § 1349.

**COUNTS 2 - 6**  
(Wire Fraud)

104. The allegations contained in paragraphs 1 through 11 and 13 through 103 of this Indictment are re-alleged in this Count and are incorporated by reference as if fully set forth herein.

105. From an unknown date, but at least as early as January 2009, and continuing through in or about July 2015, defendants HASAN HUSSAIN and RICARDO ABREU devised and intended to devise a scheme to defraud individuals,



financial institutions and mortgage lenders, and others to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

Object of the Scheme to Defraud

106. The object of the scheme to defraud was the same as the object of the conspiracy. Accordingly, the allegations contained in paragraph 13 are incorporated by reference and re-alleged as if fully set forth herein.

Manner and Means of the Scheme to Defraud

107. The Manner and Means of the Scheme to Defraud were the same as the Manner and Means of the Conspiracy. Accordingly, paragraphs 14 through 19 are incorporated by reference and re-alleged as if fully set forth herein.

Execution of the Scheme to Defraud

108. On or about the dates set forth below, in the District of Rhode Island, the defendants named below, for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communication, in interstate commerce, the signals and sounds described below for each count, each transmission constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Defendant</u>	<u>Description</u>
2	3/6/12	Hasan Hussain	A transfer of funds in the amount of \$166,886.81 to Citizens Bank Acct. #7801 in connection with A.H.'s purchase of 80 Messer Street, Providence, RI
3	4/12/12	Hasan Hussain and Ricardo Abreu	A transfer of funds in the amount of \$157,112.80 to TD Bank Acct. #5934 in

			connection with A.R.'s mortgage loan for the purchase of 10 Harris Driftway, Cranston, RI
4	11/5/12	Hasan Hussian	A transfer of funds in the amount of \$145,230.12 to TD Bank Acct. #5934 in connection with C.B.'s mortgage loan for the purchase of 313-15 New York Avenue, Providence, RI
5	9/3/13	Hasan Hussain and Ricardo Abreu	An Affidavit of "Arm's Length Transaction" sent via facsimile from HUSSAIN to Wells Fargo Bank, N.A. in connection with the short sale of 246 Flint Avenue
6	3/11/14	Hasan Hussain	A transfer of funds in the amount of \$61,339.35 to the servicer of the mortgage in satisfaction of A.V.'s mortgage loan for 158-60 Chapin Avenue, Providence, RI

Each in violation of 18 U.S.C. §§ 1343 and 2 and Pinkerton v. United States, 328 U.S. 640 (1946).

**COUNTS 7 - 14**  
(Aggravated identity theft)

109. The allegations contained in paragraphs 1 through 108 of this Indictment are re-alleged in this Count and are incorporated by reference as if fully set forth herein.

110. On or about the dates listed in the below chart, in the District of Rhode Island, the defendants named below, during and in relation to the felony offenses of conspiracy to commit wire fraud (18 U.S.C. § 1349) and wire fraud (18 U.S.C. § 1343), did knowingly transfer, possess and use, without lawful authority, the means of identification of other persons described in the below chart:

<u>Count</u>	<u>Dates</u>	<u>Defendant</u>	<u>Means of Identification</u>
7	3/30/12	Hasan Hussain	Name of J.M. on a Discharge of Mortgage filed with the City of Providence in connection with 80 Messer Street
8	4/10/12	Hasan Hussain	Name of A.H. on a Purchase and Sales Agreement for 55-57 Plymouth Street
9	11/26/12	Hasan Hussain	Name, signature, and notary stamp of R.F.M. used on a Warranty Deed filed with the City of Providence in connection with 313-15 New York Avenue
10	1/25/13	Hasan Hussain	Name and signature of A.H. used on a Warranty Deed filed with the City of Providence in connection with 927-29 Douglas Avenue
11	11/25/13	Hasan Hussain	Name and signature of K.H. on a Mortgage Deed filed with the City of Cranston in connection with 246 Flint Avenue
12	11/5/14	Hasan Hussain	Name and signature of J.R.M. used on a Mortgage Deed filed with the City of Providence in connection 158-60 Chapin Avenue
13	7/14/15	Hasan Hussain	Name and signature of Y.C. used on a Discharge of Mortgage filed with City of Providence in connection with 89-91 Laurel Hill Avenue
14	7/14/15	Hasan Hussain	Name and signature of R.R. used on a Discharge of Mortgage filed with City of Providence in connection with 89-91 Laurel Hill Avenue

Each in violation of 18 U.S.C. §§ 1028A and 2 and Pinkerton v. United States, 328

U.S. 640 (1946).

FORFEITURE ALLEGATION

111. Upon conviction of one or more of the conspiracy to commit wire fraud and wire fraud offenses alleged in Counts 1-7 of this Indictment, defendants HASAN HUSSAIN and RICARDO ABREU shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. §2461(c), all right, title, and interest in any and all property, real or personal, which constitutes or is derived from proceeds traceable to violations of 18 U.S.C. §§ 1343 and 1349, including, but not limited to, the following:

- (a) An interest up the amount of \$117,376 in certain real property located at 5 Spring Road, Westborough, MA.
- (b) A sum of money equal to the total amount of any property, real or personal, which constitutes proceeds or is derived from proceeds traceable to violations of 18 U.S.C. §§ 1343 and 1349.

112. If any of the above-described forfeitable property, as a result of any act or omission of the defendants, 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, it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of said defendants up to the value of the forfeitable property described above.

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

A TRUE BILL:

**REDACTED**

PETER F. NERONHA  
UNITED STATES ATTORNEY



SANDRA R. HEBERT  
Assistant U.S. Attorney



WILLIAM J. FERLAND  
Criminal Division Chief

Date: January 11, 2017

PER 18 U.S.C. 3170

## DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION IN U.S. DISTRICT COURT

BY: ☐ INFORMATION ☒ INDICTMENT ☐ COMPLAINTCASE NO. 03-019Matter Sealed: ☐ Juvenile ☐ Other than Juvenile☐ Pre-Indictment Plea ☐ Superseding ☐ Defendant Added  
☐ Indictment ☐ Charges/Counts Added  
☐ Information

Name of District Court, and/or Judge/Magistrate Location (City)

UNITED STATES DISTRICT COURT RHODE ISLAND  
DISTRICT OF RHODE ISLAND Divisional OfficeName and Office of Person  
Furnishing Information on  
THIS FORM PETER F. NERONHA  
☒ U.S. Atty ☐ Other U.S. Agency  
Phone No. (401) 709-5000Name of Asst.  
U.S. Attorney SANDRA R. HEBERT  
(if assigned)

## PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)  
U.S. Dept of HUD/ Alexander Rosania, S.A.☐ person is awaiting trial in another Federal or State Court  
(give name of court)☐ this person/proceeding transferred from another district  
per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges  
previously dismissed which were  
dismissed on motion of:☐ U.S. Atty ☐ Defense☐ this prosecution relates to a  
pending case involving this same  
defendant. (Notice of Related  
Case must still be filed with the  
Clerk.)☐ prior proceedings or appearance(s)  
before U.S. Magistrate Judge  
regarding this defendant were  
recorded underSHOW  
DOCKET NO.MAG. JUDGE  
CASE NO.Place of  
offense RHODE ISLAND County

USA vs.

Defendant: HASAN HUSSAINAddress: 7 Davenport Drive  
Princeton, NJ☐ Interpreter Required Dialect: \_\_\_\_\_Birth Date 10/1/1961 ☒ Male ☐ Alien  
☐ Female (if applicable)Social Security Number 347-66-0155

## DEFENDANT

Issue: ☒ Warrant ☐ Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

☐ Currently in Federal Custody☐ Currently in State Custody☐ Writ Required☐ Currently on bond☐ Fugitive

Defense Counsel (if any): \_\_\_\_\_

☐ FPD ☐ CJA ☐ RET'D☐ Appointed on Target Letter☐ This report amends AO 257 previously submitted

## OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 14

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	See Attached		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Trial: 3 Week	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor

**OFFENSE CHARGED – U.S.C. CITATION – STATUTORY MAXIMUM PENALTIES –  
ADDITIONAL INFORMATION OR COMMENTS**

Total # of Counts: 14

<b>Count Breakdown</b>	<b>Title &amp; Section/Offense Level (Petty = 1/ Misdemeanor = 3/ Felony = 4)</b>	<b>Description of Offense Charged</b>	<b>Felony/Misd.</b>
1	18 U.S.C. Sec. 1349	Conspiracy	<b>FELONY</b>
	Imprisonment: 30 years Supervised Release: 5 years	Fine: \$1,000,000.00 Special Assessment: \$100.00	
2-6 (5)	18 U.S.C. Secs. 1343 & 2	Wire Fraud and Aiding and Abetting	<b>FELONY</b>
	Imprisonment: 30 years Supervised Release: 5 years	Fine: \$1,000,000.00 Special Assessment: \$100.00	
7-14 (8)	18 U.S.C. Secs. 1028A & 2	Aggravated Identity Theft and Aiding and Abetting	<b>FELONY</b>
	Imprisonment: 2 years Supervised Release: 1 year	Fine: \$250,000.00 Special Assessment: \$100.00	
	18 U.S.C. § 981(a)(1)	Forfeiture Allegation	

PER 18 U.S.C. 3170

## DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ INFORMATION ☒ INDICTMENT ☐ COMPLAINT

CASE NO.

USA vs.

Defendant: RICARDO ABREU

Address: 108 Princess Avenue  
Cranston, RI 02920Matter Sealed: ☐ Juvenile ☐ Other than Juvenile  
☐ Pre-Indictment Plea ☐ Superseding ☐ Defendant Added  
☐ Indictment ☐ Charges/Counts Added  
☐ Information

Name of District Court, and/or Judge/Magistrate Location (City)

UNITED STATES DISTRICT COURT RHODE ISLAND  
DISTRICT OF RHODE ISLAND Divisional OfficeName and Office of Person  
Furnishing Information on  
THIS FORM PETER F. NERONHA  
☒ U.S. Atty ☐ Other U.S. Agency  
Phone No. (401) 709-5000Name of Asst.  
U.S. Attorney SANDRA R. HEBERT  
(if assigned)

## PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)  
U.S. Dept of HUD/ Alexander Rosania, S.A.☐ person is awaiting trial in another Federal or State Court  
(give name of court)☐ this person/proceeding transferred from another district  
per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges  
previously dismissed which were  
dismissed on motion of:☐ U.S. Atty ☐ Defense☐ this prosecution relates to a  
pending case involving this same  
defendant. (Notice of Related  
Case must still be filed with the  
Clerk.)☐ prior proceedings or appearance(s)  
before U.S. Magistrate Judge  
regarding this defendant were  
recorded underSHOW  
DOCKET NO.MAG. JUDGE  
CASE NO.Place of  
offense RHODE ISLAND

County

☐ Interpreter Required Dialect: \_\_\_\_\_Birth Date 3/21/1966 ☒ Male ☐ Alien  
☐ Female (if applicable)

Social Security Number \_\_\_\_\_

## DEFENDANT

Issue: ☒ Warrant ☐ Summons

Location Status:

Arrest Date \_\_\_\_\_ or Date Transferred to Federal Custody \_\_\_\_\_

☐ Currently in Federal Custody☐ Currently in State Custody☐ Writ Required☐ Currently on bond☐ Fugitive

Defense Counsel (if any): \_\_\_\_\_

☐ FPD ☐ CJA ☐ RET'D☐ Appointed on Target Letter☐ This report amends AO 257 previously submitted

## OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 3

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	See Attached		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
			<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
		Trial: 3 Week	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor



**OFFENSE CHARGED – U.S.C. CITATION – STATUTORY MAXIMUM PENALTIES –  
ADDITIONAL INFORMATION OR COMMENTS**

Total # of Counts: 3

<b>Count Breakdown</b>	<b>Title &amp; Section/Offense Level (Petty = 1/ Misdemeanor = 3/ Felony = 4)</b>	<b>Description of Offense Charged</b>	<b>Felony/Misd.</b>
1	18 U.S.C. Sec. 1349	Conspiracy	<b>FELONY</b>
	Imprisonment: 30 years Supervised Release: 5 years	Fine: \$1,000,000.00 Special Assessment: \$100.00	
3 & 5 (2)	18 U.S.C. Secs. 1343	Wire Fraud	<b>FELONY</b>
	Imprisonment: 30 years Supervised Release: 5 years	Fine: \$1,000,000.00 Special Assessment: \$100.00	
	18 U.S.C. § 981(a)(1)	Forfeiture Allegation	