

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
UNITED STATES OF AMERICA :
 : SEALED INDICTMENT
 - v. - :
 : 18 Cr.
MICHAEL D'ALESSIO, :
 :
 Defendant. :
- - - - - X

COUNT ONE
(Wire Fraud)

Relevant Entities and Individuals

The Grand Jury charges:

1. At all times relevant to this Indictment, MICHAEL D'ALESSIO, the defendant, worked as a real estate developer and general contractor based in White Plains, New York. D'ALESSIO served as the president and Chief Executive Officer of a real estate investment and development firm specializing in the design, construction, and management of both residential and commercial real estate properties ("Company-1"). D'ALESSIO and Company-1 developed, and purported to develop, luxury residential real estate properties in Manhattan, the Hamptons, and Westchester, and elsewhere.

2. The real estate development projects operated by MICHAEL D'ALESSIO, the defendant, and Company-1 typically followed the same model: D'ALESSIO sought investments by offering for sale shares in a newly formed limited liability company ("LLC") named after the location of the parcel of real estate to be developed and sold (the "Target Property"). In exchange for a purchase of shares in the LLC, D'ALESSIO promised a guaranteed monthly interest payment and a share in the profits from the sale of the Target Property. In soliciting investors, D'ALESSIO represented to potential investors that investor funds would be used only to develop the relevant Target Property and to cover related business expenses of the relevant LLC.

The Scheme to Defraud

3. In truth and in fact, and contrary to the representations that he made to investors, MICHAEL D'ALESSIO, the defendant, misappropriated investor funds for his own use and benefit. Specifically, upon receiving investor funds, D'ALESSIO channeled those funds through a series of bank accounts held in the name of shell companies owned and controlled by D'ALESSIO. D'ALESSIO then utilized those investor funds for his own use and benefit, including to pay off debts and personal expenses, including significant gambling expenses. D'ALESSIO took additional steps to

conceal his fraud, including deceiving investors regarding the progress of development on real estate projects and raising money from new investors to make monthly payments to investors in different projects in the manner of a Ponzi scheme.

Statutory Allegation

4. From at least in or about 2015 through in or about April 2018, in the Southern District of New York and elsewhere, MICHAEL D'ALESSIO, the defendant, 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, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, D'ALESSIO, using interstate email communications and electronic funds transfers, executed a scheme to obtain investor funds through false and fraudulent representations and omissions and, upon receiving those funds, to misappropriate them for his personal use and benefit.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATION

5. As a result of committing the offense alleged in Count One of this Indictment, MICHAEL D'ALESSIO, the defendant, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said offense, including, but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense that the defendant personally obtained.

Substitute Assets Provision

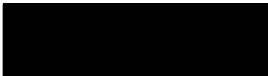
6. If any of the above-described forfeitable property, as a result of any act or omission of MICHAEL D'ALESSIO, the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot
be divided without difficulty,

it is the intent of the United States, pursuant to Title 21, United
States Code, Section 853(p) and Title 28, United States Code,
Section 2461(c), to seek forfeiture of any other property of the
defendant up to the value of the forfeitable property described
above.

(Title 18, United States Code, Section 981; Title 21 United
States Code, Section 853; and Title 28, United States Code,
Section 2461.)



FOREPERSON

August 28, 2018

Geoffrey S. Berman

GEOFFREY S. BERMAN
United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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v.

MICHAEL D'ALESSIO,

Defendant.

INDICTMENT

18 Cr.

(Title 18, United States Code, Sections
1343 and 2.)

GEOFFREY S. BERMAN

United States Attorney


Foreperson
