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July 17, 2012

Eric H. Holder, Jr., Esq.
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530-0001

Dear Mr. Holder:

Please accept this letter as my request to have a "special prosecutor" appointed for the purpose of investigating the following individuals: Polly Rutnik, Richard Hartunian, Glenn Suddaby, Robert Storch, Andrew Baxter, Tina Sciochetti, Thomas Capezza, Michael Olmsted, Thomas Fattarusso and Michael Hensle.

Polly Rutnik is an attorney in Albany, New York, and, she is the mother of United States Senator Kirsten Gillibrand.

Richard Hartunian is the current head United States Attorney for The Northern District of New York.

Glenn Suddaby is a federal judge for The Northern District of New York and he is also the former head United States Attorney for The Northern District of New York.

Robert Storch is an Assistant United States Attorney for The Northern District of New York.

Andrew Baxter is a federal judge for The Northern District of New York and he is also the former head United States Attorney for The Northern District of New York.

Tina Sciochetti is a former Assistant United States Attorney for The Northern District of New York.

Thomas Capezza is a former Assistant United States Attorney for The Northern District of New York.

Michael Olmsted is an Assistant United States Attorney for The Northern District of New York.

Thomas Fattarusso is a special agent for the Internal Review Service.

Michael Hensle is a special agent for the Federal Bureau of Investigation.

The basis for my request is as follows:

I am currently the victim of an unjust and groundless investigation being perpetrated by the United States federal government. Please note that this letter has been written by me solely in my capacity as a citizen desirous of informing you as to the conduct on the part of the above named individuals. I specifically reserve and stand on all of my constitutional and legal rights.

Almost 7 years ago, in late July 2005, IRS agent Fattarusso and FBI Agent Hensle appeared at my law office with a subpoena. The subpoena pertained to two separate individuals as well as what appears to be their affiliated entities, Team Title Abstractors, Inc. and Real Estate Consultants, Inc. The two individuals were suspected by the government of committing mortgage fraud. While in my office, Agent Hensle assaulted a female paralegal by forcibly grabbing a phone out of her hands without her permission (hereafter, I will refer to this paralegal as "Paralegal 1"). Hensle also indirectly accused me of engaging in mortgage fraud by stating that in order for the fraud to happen, the fraud would require the involvement of various parties, including an appraiser and an attorney. Hensle also stated that I could go to prison just like Martha Stewart because a signature on a HUD Settlement Statement could be the same as lying to the federal government. Of course, he failed to mention that Martha Stewart got screwed and went to prison for supposedly lying about a "crime" that she never committed. Some time shortly thereafter, my office provided the government with the files wherein my office acted solely as the "settlement agent" in real estate transactions that spanned a time period of approximately the year 2001 through the middle of the year 2005. These files constituted a tiny fraction of the total real estate transactions handled by my office during that time period.

Almost 4 years later, on the evening of May 13, 2009, without any prior notice, IRS Agent Fattarusso and some other person appeared at the home of a different female paralegal employed by my office at that time (hereafter, I will refer to this paralegal as "Paralegal 2"). Fattarusso proceeded to interrogate Paralegal 2 regarding the files that were turned over to the government in 2005. Paralegal 2 was pregnant, and there was no reason whatsoever for her to have to endure the stress of an unannounced nighttime visit from government agents. Unfortunately, sometime thereafter, Paralegal 2 suffered a miscarriage.

Thereafter, on or about early June 2011, without any prior notice, IRS Agent Fattarusso and some other person appeared at the home of Paralegal 1 and also at the home of Paralegal 2. Both Paralegal 1 and Paralegal 2 each received a subpoena requiring them to testify in front of a grand jury at The United States Court House in Albany, New York. The subpoena did not state the purpose of their testimony. After Paralegal 1 and Paralegal 2 freely provided their testimony, I learned that the questions posed by the federal prosecutor, Assistant United States Attorney Thomas Capezza, related to me and some of the files that were turned over to the government in 2005. Both Paralegal 1 and Paralegal 2 defended me in front of Capezza and in front of the grand jury.

The day before their testimony was scheduled, Paralegal 1 and Paralegal 2 each met with Fattarusso and Capezza at the court house. During the meeting with Paralegal 2, it is my understanding that she jokingly mentioned something to the effect that her husband told her that *"if things don't go well, you can always go to Plan B"* (this phrase is apparently used by some actors on the lawyer television show named "The Practice"). The following day during her testimony, Capezza asked Paralegal 2 if she ever spoke with me about a "Plan B". It is obvious that Capezza knowingly and purposefully manufactured his own lie and then threw it in front of the grand jury members for their consideration. Capezza unethically presented the grand jury with the false impression that I somehow previously talked with Paralegal 2 about her testimony and that we concocted a "Plan B" for her to fall back on. Capezza continued his misconduct as he badgered Paralegal 2 during her testimony in an effort to confuse her. Since the grand jury process is completely one-sided in favor of the government, I have no opportunity to be there to object to any questions posed by Capezza to any witnesses, and, I have no right to object to any supposed physical evidence presented by Capezza to the grand jury. Therefore, there is nothing to stop Capezza and others like him to twist reality and present false evidence, all in the pursuit of an unjust indictment.

Capezza also badgered Paralegal 1 during her grand jury testimony. The day before Paralegal 1 testified, she mentioned to Capezza and Fattarusso that my office had contacted Fattarusso sometime in 2007 to report potential suspicious activity regarding a real estate closing that was about to occur in our office (this would be about 2 years after Fattarusso first came to my office). Fattarusso instructed Paralegal 1 to allow the closing to occur and that he would pick up the file later on from our office. The closing occurred and Fattarusso picked up the file from our office. When Paralegal 1 attempted to explain this matter in front of the grand jury, Capezza badgered to make it look like Fattarusso did not advise her to allow the closing to occur. Capezza and Fattarusso had a day to collude with each other to devise a method to discredit the significance of Paralegal 1's testimony regarding this suspicious file that we reported to the government prior to the closing but which then closed under Fattarusso's direction.

Since Paralegal 1 and Paralegal 2 both defended me, Capezza then decided to send letters to them on or about July 2011 advising them that they were now both subjects of the government's investigation. At the time, Paralegal 2 was pregnant again and at the 7 month stage, but Capezza didn't care. Paralegal 1 has two small children at home, but Capezza didn't care. Capezza's goal was to inflict misery on both women in an effort to pressure them into false confessions, but all he wound up doing was intentionally inflicting emotional distress on two nice young women. Also, on the day that Paralegal 2 met Capezza and Fattarusso at the court house, she locked her keys in her car. They offered no help and just left a pregnant woman on an unfamiliar rainy street at around 6:30 at night. This callous disregard and deliberate abuse of women by government officials Fattarusso, Hensle and Capezza is disgusting. What a demonic trio: a tax collector, a stormtrooper and an overzealous prosecutor.

Last summer, Paralegal 1, Paralegal 2 and I all hired our own attorneys to defend ourselves against this perversion of justice.

Now, getting back to the subpoena that was delivered by Fattarusso and Hensle to my office in July 2005. Since one of the entities named in the subpoena was Team Title, the subpoena embraced files that involved Team Title as the title company for real estate transactions. This would include files wherein mortgage fraud may have been committed by other parties that were participants in real estate transactions that involved Team Title and/or its principals.

One of the files that was given to the federal government in 2005 was a file wherein Polly Rutnik (doing business as "Clinton Avenue Associates") sold property located at 163 Dove Street, Albany, New York to a person named Luis Santana. Team Title was the title company for this transaction. When the files from my office were given to the federal government in 2005, members of my office staff made copies of approximately 7 files for our records as a random sample. One of the files that was copied is the file for the 163 Dove Street transaction.

Polly Rutnik, being an attorney familiar with real estate, represented herself at this transaction. The purchaser was represented by Michael Kornstein, Esq. It is my understanding that Michael Kornstein was previously a law partner with Thomas Whalen, the former mayor of the City of Albany, and, that Kornstein is now a partner in an Albany law firm named Cooper, Erving and Savage. Also present at the transaction was a person named Aaron Dare, the mortgage originator for the buyer's mortgage. It is my understanding that Aaron Dare was previously the President of The Urban League of Northeastern New York. It is also my understanding that Aaron Dare is now serving time in prison relative to his purported involvement in certain mortgage fraud schemes.

After I hired my lawyer last summer, he reviewed our photocopies of the 7 files. While examining this particular file, in less than 5 minutes my lawyer discovered an irregularity regarding the closing. The closing statement had a purchase price of \$90,000.00. However, in the file, my attorney discovered a title report issued by Team Title prior to the closing which stated a much lower purchase price of \$33,000.00. Copies of the pertinent pages from that title report are attached hereto. It is common practice for a title company to reflect the purchase price from a contract in the pre-closing title report. Therefore, there had to exist a contract signed by Polly Rutnik as the seller with the sales price of \$33,000.00.

Upon closer examination of this file, a number of other facts have been discovered, which will be detailed herein. It appears that Polly Rutnik as the seller actively participated in a mortgage fraud scheme to inflate the sales price from the actual price of \$33,000.00 up to the phony price of \$90,000.00. This allowed the purchaser, through Aaron Dare, to obtain a mortgage of \$72,000.00 (which is an 80% loan to value ratio based on the phony price of \$90,000.00). At the closing, Polly Rutnik's sale funds were disbursed on her behalf based solely on the hidden purchase price of \$33,000.00. After all disbursements were made, including the buyer's closing costs, the remaining funds from the \$72,000.00 mortgage were distributed to the buyer and a company named Invision Real Estate, LLC (Invision was a company that was operated by Aaron Dare and a now deceased Albany Police detective named Kenneth Wilcox). Invision received funds from this transaction in the amount of \$25,872.85. This transaction matches the pattern of fraud used by Aaron Dare and Kenneth Wilcox on numerous other properties in the Albany area.

Attached please find a copy of the HUD Settlement Statement that was handwritten at the closing by Polly Rutnik. Also, attached is a copy of the typewritten HUD Settlement Statement that was signed at the closing. Please note that in the seller's column on Page 2 of the HUD, Polly Rutnik paid a realtor's commission of \$2,310.00, which just happens to be the standard realtor's commission of 7% based on a sales price of \$33,000.00 (not \$90,000.00).

The seller's column on page 2 of the HUD also shows that Polly Rutnik paid a transfer tax of \$360.00. In Albany County, New York, the seller's transfer tax is based on a calculation of \$4.00 for every \$1,000.00 of the sales price (in this case, the calculation is $4 \times 90 = \$360.00$). However, Polly Rutnik really only paid \$132.00 in transfer tax, which just happens to be the tax based on the real sales price of \$33,000.00 (this calculation would be $4 \times 33 = \$132.00$).

While preparing the handwritten HUD, Polly Rutnik knowingly built in phony credits off of the \$90,000.00 price so that she would ultimately wind up with the hidden price of \$33,000.00. On Page 1, line 680 of the handwritten HUD, the net sale proceeds to Polly Rutnik is \$16,880.85, and, on the typewritten HUD the net figure is \$16,880.00 (a small difference of just 85 cents). By looking at the HUD statement, it appears that the purchase price is \$90,000.00. However, the following separate calculation of the figures based on the actual sales price of \$33,000.00 yields a similar net dollar figure to Polly Rutnik:

	\$33,000.00 sales price
+	\$ 353.26 credit to seller (pro-rated adjustment for pre-paid City taxes)
	\$33,353.26 gross amount due seller
-	\$ 177.01 credit to buyer (pro-rated adjustment for unpaid School taxes)
-	\$ 201.52 credit to buyer (seller's City water charges)
-	\$ 2,310.00 realtor's commission paid by seller
-	\$14,146.88 back taxes paid by seller
-	\$ 132.00 transfer tax paid by seller (based on \$33,000.00 sales price)
-	\$ 5.00 transfer tax form filing fee paid by seller
	\$16,380.85 net sale funds to seller, Polly Rutnik

The difference is an even \$500.00, which is probably an extra fee that Polly Rutnik tacked on to compensate herself for the inconvenience of having to leave her office and come to my office to sit through a mortgage transaction for the new buyer, Luis Santana.

The fact that the government has overlooked this file is truly amazing. Perhaps it may have something to do with the political connections involving the Rutnik family, especially the positions in the federal government held by Polly Rutnik's daughter, Kirsten Gillibrand. The government has been in possession of this file since around July 2005, which would be approximately 59,000 hours (yes, that would be FIFTY-NINE THOUSAND HOURS). The government has unlimited resources with all types of analysts, investigators, agents, accountants and lawyers that had ample time to review this file, and, yet, they have done nothing about it. Please remember that when my attorney first examined this file, it only took him less than 5 minutes to discover the irregularities that occurred in this particular transaction.

5 minutes versus 59,000 hours is quite the disparity.

With respect to the mortgage originator on this file, Aaron Dare, the papers regarding his federal investigation can be found on the federal government's web-site www.pacer.gov During the course of his investigation, the FBI undoubtedly grabbed his files and banking records. The government had at least 3 bites at the apple on this file, the first being my file that was taken by the government, the second being Team Title's records that should have been taken by the government and the third being Aaron Dare's records that should have been taken by the government, but the government has mysteriously overlooked this file. In the federal government's criminal "Information" filed against Aaron Dare on 11-13-06, Count Three entitled "Mortgage Fraud Conspiracy" provides dates for his mortgage fraud activity from about December 2003 through December 2005. The Polly Rutnik to Luis Santana sale closing occurred on August 21, 2003, but of course, it was not included in the government's criminal "Information". Furthermore, none of the government's Aaron Dare documents provide a list of the properties relating to his mortgage fraud, and yet the government's paperwork for other fraudsters in the Albany area contain detailed lists of all their subject properties. For your information, a copy of the criminal "Information" is attached hereto.

The public records for the ownership of this property at 163 Dove Street can be found on a web-site entitled www.albanycounty.com From an examination of the ownership history for this property, as well various news sources, it appears that Aaron Dare actually "triple-dipped" on this property. The first dip occurred on August 21, 2003 with Polly Rutnik's involvement in mortgage fraud. There is an "Assignment of Contract" in the County Clerk's records wherein Invision Real Estate, LLC assigns and transfers the 163 Dove Street contract to Luis Santana. This assignment was executed by Kenneth Wilcox, Aaron Dare and Luis Santana on August 21, 2003, and, the assignment was recorded in The Albany County Clerk's Office on December 29, 2003 in Book 2752 at Page 894. Therefore, there had to be an original contract with Polly Rutnik as seller and Invision Real Estate, LLC as buyer. For your information, a copy of the assignment is attached hereto. Oddly enough, there is no purchase price mentioned in the assignment. Somebody must have insisted that no purchase price be referenced in this assignment. It is interesting to note that numerous other assignments recorded in The Albany County Clerk's Office for contracts on other properties involving Invision Real Estate, LLC all contain low purchase prices. The mortgage fraud scheme for these other properties followed the scheme for this file, as the purchase prices on those other files were then inflated so that the borrowers could obtain excessive mortgages. Invision Real Estate, LLC received a large check in this transaction, but that was nicely overlooked by the government.

Thereafter, Luis Santana sold the 163 Dove Street property on March 4, 2004 to a party named Damon Ranniar for the price \$72,000.00. If Luis Santana really purchased the property from Polly Rutnik for \$90,000.00, why would he sell the

property just 7 months later at a 20 percent loss? Also, the sales price for Santana to Ranniar of \$72,000.00 just happens to equal the \$72,000.00 mortgage that Santana had on the property. In this transaction, Ranniar got a mortgage of \$76,000.00.

Thereafter, Damon Ranniar sold 163 Dove Street on January 28, 2005 to a party named Jennifer Armitstead for the price of \$76,000.00 (that purchase price just happens to be the amount of Ranniar's mortgage from March 24, 2004). Armitstead got an excessive mortgage for \$90,000.00. The "record and return" address on the deed for this transaction is for an entity named Adirondack Abstract and Settlement, LLC, a company that was affiliated with Aaron Dare.

Out of curiosity, I recently drove to the 163 Dove Street property. To describe the building as dilapidated would be a compliment. There was miscellaneous garbage at the front door, the front door was padlocked, there was a blue sticker on the door for something that was shut-off (maybe electricity or water) and some of the windows were broken and boarded up. There appeared to be newer looking vinyl siding on the front of the house and on the left side of the house. When I looked at the rear of the house from a side street, the back had old, weather worn gray looking wood with no siding. The roof was in need of repair and was bowing inward. It looks like somebody slapped vinyl siding on only a portion of the building so that banks would get fooled into giving excessive mortgages on the property. This building was obviously in lousy shape when it was owned by Polly Rutnik. She owed back taxes on the property. There were no adjustments at her closing for rents and security deposits, which means the property was probably vacant. This property was an albatross for Polly Rutnik, and, since it was a non-performing "asset", she unloaded it for \$33,000.00 and did whatever she could to help the fraudulent \$72,000.00 Santana mortgage transaction proceed unhindered.

A portion of the building on the land can be viewed at the following web-site: www.google.com Just type in 163 Dove Street, Albany, New York, then click on the first Google item, then click on the image to the left of the map in order to get a "street view" as of June 2011.

As of last year, the total assessed value for this property was only \$25,000.00 (see attached copy of a school tax bill which was retrieved from the following web-site: www.albanyschools.org).

This file is exculpatory and absolutely proves my innocence relative to the government's 7 year witchhunt against me. I acted only as the bank attorney for the Rutnik to Santana sale transaction that closed on August 21, 2003. I was not

involved in the 2 subsequent sale transactions for this property. If I had knowledge of the mortgage fraud, then the fraudsters for this property would have requested that I act as bank attorney again for the 2nd transaction and then again for the 3rd transaction. This file is a perfect example of how outwardly normal looking people with a hidden agenda can use innocent people in the last step of their fraudulent scheme.

Richard Hartunian is currently the head United States Attorney for The Northern District of New York. While he was in private practice, he worked as an attorney for a law firm in Albany, New York named Devine, Piedmont & Rutnik. The Rutnik in that law firm is an attorney named Christopher Rutnik, and, he is Polly Rutnik's brother-in-law as well as Kirsten Gillibrand's uncle. The office for that law firm was located in a building that was owned by a partnership that included Polly Rutnik and her husband at the time, Douglas Rutnik (he is also a lawyer and a well connected lobbyist). It is not difficult to figure out why Hartunian has willfully ignored this file.

In addition to Hartunian, this file was also willfully ignored by the following individuals that had either direct access to this file or they should have been aware of the existence of this file:

Glenn Suddaby. He is currently a federal judge for The Northern District of New York and he is also the former head United States Attorney for The Northern District of New York. While he was the head US Attorney, he did nothing on this file.

Robert Storch. He is an Assistant United States Attorney for The Northern District of New York and he handled the government's investigation of Aaron Dare.

Andrew Baxter. He is currently a federal judge for The Northern District of New York and he is also the former head United States Attorney for The Northern District of New York. While he was the head US Attorney, he did nothing on this file.

Tina Sciochetti. She was the Assistant United States Attorney that handled the Team Title investigation which resulted in this file being turned over to the federal government around July 2005.

Thomas Capezza. He is a former Assistant United States Attorney for The Northern District of New York and he previously handled the government's frivolous investigation against me.

Michael Olmsted. He is an Assistant United States Attorney for The Northern District of New York and he is currently handling the government's frivolous investigation against me.

Thomas Fattarusso. He is a special agent for the Internal Review Service and he is involved in the government's frivolous investigation against me.

Michael Hensle. He is a special agent for the Federal Bureau of Investigation and he was involved in the government's frivolous investigation against me.

Based on the forgoing, I respectfully request that a special prosecutor be appointed for the purpose of investigating Polly Rutnik, Richard Hartunian, Glenn Suddaby, Robert Storch, Andrew Baxter, Tina Sciochetti, Thomas Capezza, Michael Olmsted, Thomas Fattarusso and Michael Hensle.

Right now, Michael Olmsted, the Assistant United States Attorney currently handling this case, is attempting to force Paralegal 1, Paralegal 2 and I to all appear in Court and plead guilty to a phony "conspiracy" charge. For me, that is not going to happen, because that would be like taking the mark of the beast.

This ongoing nightmarish investigation spearheaded by the federal government has caused unbearable stress for all of us and our families. I trust that you will take all appropriate measures to ensure that none of us will suffer any retaliation from the government as a result of this letter.

For your information, a truly shocking expose detailing the wrongful conduct of federal prosecutors is set forth in a book entitled "Three Felonies a Day: How the Feds Target the Innocent" written Attorney Harvey A. Silvergate. Every American interested in freedom here at home needs to read this book.

Speaking for myself, this experience has destroyed my faith in the federal government. Prior to this experience, I used to think that the federal government stood for real justice and that America was a safe haven from tyranny. Sadly, that faith is now gone. I hope that your involvement in this matter will help restore some of my faith in the federal government.

Very truly yours,



Michael G. Bouchard

**TWO PAGES FROM TITLE COMMITMENT WITH A
PURCHASE PRICE OF \$33,000.00**

Commitment for Title Insurance

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota stock corporation, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of the title insurance and all liability and obligations hereunder shall cease and terminate nine months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

This Commitment shall not be valid or binding until countersigned by a validating officer or authorized signatory.

IN WITNESS WHEREOF, Old Republic National Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

Issued by:

Team Title Abstractors, Inc.
1406 Rt. 9, Clifton Park, NY 12065
518/348-6026 FAX: 518/348-6027

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By

President

Attest

Secretary

Countersigned by:

This commitment is intended for lawyers only. Such exceptions as may be set forth herein may affect marketability of title. Your lawyer should be consulted before taking any action based upon the contents of this commitment. The Company's representative at the closing hereunder may not act as legal advisor to any of the parties or draft legal instruments for them. Such representative is permitted to be of assistance only to an attorney. It is advisable to have your attorney present at the closing.

07/17/2005 10:11

OLD REPUBLIC TITLE

SCHEDULE A

COMMITMENT FOR TITLE INSURANCE

TT1702

Effective Date:5/7/03

Re-dated:

OWNERS POLICY
PROPOSED INSURED:

\$33,000.00

LEWIS SANTANA

LOAN POLICY
PROPOSED INSURED:

\$76,500.00

NATIONWIDE EQUITIES, its successors and or assigns

The estate of interest in the land described or referred to herein and which is covered by this commitment is:

FEE SIMPLE

And at the Effective Date of the commitment title is vested in:

Clinton Avenue Associates by deed from Carl Bonacquisti dated March 19, 1984 and recorded in the Albany County Clerk's Office on March 19, 1984 in Liber 2257 at Page 557.

The land referred to in this commitment is known as:

Address: 163 DOVE STREET
City/Town: ALBANY
County: ALBANY
State: NEW YORK

HANDWRITTEN HUD SETTLEMENT STATEMENT

A. SETTLEMENT STATEMENT

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265

B. Type of Loan

1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input checked="" type="checkbox"/> Conv. Unins. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins.	6. File Number SANTANA	7. Loan Number 928000000350	8. Mortgage Ins Case Number
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C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown for informational purposes and are not included in the totals.

D. Name and Address of Borrower SANTANA, LUIS 17 BOONEU STREET ALBANY, NY 12202	E. Name and Address of Seller POLLY M. RUTNIK DISH CLINTON AVENUE A11C 107EJ 2 NEENAN LANE ALBANY NY 12208 TIN: 022-34-8714	F. Name and Address of Lender FREMONT INVESTMENT AND LOAN 4343 ANCHOR PLAZA PARKWAY SUITE 150 TAMPA, FLORIDA 33634
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G. Property Location 163 DOVE STREET ALBANY, NY 12202	H. Settlement Agent THE BOUCHARD LAW FIRM Place of Settlement 4 ATRIUM DRIVE, SUITE 250 ALBANY, NY 12205	I. Settlement Date 08/21/2003
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J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract sales price	90,000.00	401. Contract sales price	90,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	11, 225.28 22,072.16	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes to	353.26	406. City/town taxes to	353.26
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	101,578.54 112,072.16	420. Gross Amount Due To Seller	90,353.26 90,000.00
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due Seller	
201. Deposit or earnest money	18,000	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	72,000.00	502. Settlement charges to seller (line 1400)	16,821.88 305.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage to	
205. ADVANCES FOR REHABILITATION EXPENSES	28,000.00	505. Payoff of second mortgage to	
206.		506. REHABILITATION EXPENSES	1 45,000.00
207.		507. PROPERTY MANAGEMENT FEES	3 11,272.00
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213. SEWER	177.01	513. SEWER	177.01
214. WATER	201.52	514. WATER	201.52
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	100,378.53 72,378.53	520. Total Reduction Amount Due Seller	73,472.41 365.00
300. Cash at Settlement From/To Borrower		600. Cash at Settlement To/From Seller	
301. Gross amount due from borrower (line 120)	101,578.54 112,072.16	601. Gross amount due to seller (line 420)	90,353.26 90,000.00
302. Less amounts paid by/for borrower (line 220)	100,378.53	602. Less reductions in amt. due seller (line 520)	73,472.41 305.00
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	112,072.16	603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	16,880.85 89,095.00

SUBSTITUTE FORM 1099 STATEMENT: The information contained in Blocks E, G, H, and I and on lines 401 through 407 is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. A 1099-S is not required to be filed if you mark this box to provide written assurance that this property is your principal residence and that the full gain on this sale is excluded from gross income under IRS Code Section 121.

1200.01

L. SETTLEMENT CHARGES

700. Total Sales/Broker's Commission based on price \$ @ 0.00 % =		Paid from Borrower's Funds at Settlement	Paid from Seller's Funds at Settlement
Division of Commission (line 700) as follows:			
701. \$	0.00 to		
702. \$	0.00 to		
703.	Commission paid at Settlement to MYINCC	7300.00	2710.00
704.			
800. Items Payable In Connection With Loan			
801.	Loan Origination Fee 0.69 % to FREMONT	494.00	
802.	Loan Discount 0.00 % to		
803.	Appraisal Fee to \$500.00 POC		
804.	Credit Report to ENVISON	50.00	
805.	Lender's Inspection Fee to		
806.	Mortgage Insurance Application Fee to		
807.	Assumption Fee to		
808.	TAX SERVICE FEE TO LERETA	60.00	
809.	FLOOD CERT FEE TO LERETA	9.50	
810.	PROCESSING FEE TO FREMONT	400.00	
811.	BRK FEE TO ENVISON (4.3056%)	3,100.00	
900. Items Required By Lender To Be Paid In Advance			
901.	Interest from 08/21/2003 to 08/31/2003 @ \$ 0.000000/day		
902.	Mortgage Insurance Premium for 0 months to		
903.	Hazard Insurance Premium for 0 years to		
904.			
905.			
1000. Reserves Deposited With Lender			
1001.	Hazard insurance 0 months @ \$ 0.00 per month		
1002.	Mortgage insurance 0 months @ \$ 0.00 per month		
1003.	City property taxes 0 months @ \$ 0.00 per month		
1004.	County property taxes 0 months @ \$ 0.00 per month		
1005.	Annual assessments 0 months @ \$ 0.00 per month		
1006.			
1007.			
1008.			
1100. Title Charges			
1101.	Settlement or closing fee to THE BOUCHARD LAW FIRM	500.00	
1102.	Abstract or title search to		
1103.	Title examination to		
1104.	Title insurance binder to		
1105.	Document preparation to		
1106.	Notary fees to		
1107.	Attorney's fees to		
(includes above items numbers:)			
1108.	Title insurance to TEAM TITLE ABSTRACTORS	775.00	
(includes above items numbers:)			
1109.	Lender's coverage \$ 0.00		
1110.	Owner's coverage \$ 0.00		
1111.	BACK TAXES	217,217.00	14,146.88
1112.	SCHOOL TAX ESCROW	1,583.56	
1113.			
1200. Government Recording and Transfer Charges			
1201.	Recording fees: Deed \$ 37.00 ; Mortgage \$ 109.00 ; Release \$ 0.00	146.00	
1202.	City/county tax/stamps: Deed \$ 0.00 ; Mortgage \$ 0.00		
1203.	State tax/stamps: Deed \$ 360.00 ; Mortgage \$ 540.00	540.00	360.00
1204.	E & A / CAP GAINS AFFIDAVIT	50.00	5.00
1205.	LENDER'S PORITON NYS MTG TAX \$180.00 POC		
1300. Additional Settlement Charges			
1301.	Survey to		
1302.	Pest inspection to		
1303.			
1304.			
1305.			
1400.	Total Settlement Charges (enter on lines 103, Section J and 502, Section K)	11225.28 22,072.16	16,821.88 365.00

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief. It is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Borrower LUIS SANTANA Date _____ Seller _____ Date _____

Borrower _____ Date _____ Seller _____ Date _____

The HUD-1 Settlement Statement which I have prepared is a true and correct account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

SETTLEMENT AGENT

THE BOUCHARD LAW FIRM Date _____

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE: TITLE 18 U.S. CODE SECTION 1001 AND SECTION 1010.

TYPEWRITTEN HUD SETTLEMENT STATEMENT

SETTLEMENT STATEMENT

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265

Type of Loan			
<input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input checked="" type="checkbox"/> Conv. Unins.	6. File Number	7. Loan Number	8. Mortgage Ins Case Number
<input type="checkbox"/> VA 5. <input type="checkbox"/> Conv. Ins.	SANTANA	928000000350	

Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown for informational purposes and are not included in the totals.

Name and Address of Borrower	E. Name and Address of Seller	F. Name and Address of Lender
SANTANA, LUIS 17 BOONEU STREET ALBANY, NY 12202	POLLY N. RUTNICK D/B/A CLINTON AVENUE ASSOC. TIN:	FREMONT INVESTMENT AND LOAN 4343 ANCHOR PLAZA PARKWAY SUITE 150 TAMPA, FLORIDA 33634

Property Location 13 DOVE STREET ALBANY, NY 12202	H. Settlement Agent THE BOUCHARD LAW FIRM
	Place of Settlement 4 ATRIUM DRIVE, SUITE 250 ALBANY, NY 12205
	I. Settlement Date 08/21/2003

Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
1. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
Contract sales price	90,000.00	401. Contract sales price	90,000.00
Personal property		402. Personal property	
Settlement charges to borrower (line 1400)	11,394.57	403.	
		404.	
		405.	

Payments for Items paid by seller in advance		Adjustments for Items paid by seller in advance	
City/town taxes to	353.26	406. City/town taxes to	353.26
County taxes to		407. County taxes to	
Assessments to		408. Assessments to	
		409.	
		410.	
		411.	
		412.	

Gross Amount Due From Borrower	101,747.83	420. Gross Amount Due To Seller	90,353.26
Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due Seller	
Deposit or earnest money	18,000.00	501. Excess deposit (see instructions)	18,000.00
Principal amount of new loan(s)	72,000.00	502. Settlement charges to seller (line 1400)	16,821.88
Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
		504. Payoff of first mortgage to	
		505. Payoff of second mortgage to	
		506. PROPERTY MANAGEMENT FEES	11,272.00
CONSTRUCTION REHAB CREDIT	7,000.00	507. CONSTRUCTION REHAB CREDIT	7,000.00
		508. REHABILITATION EXPENSES	14,600.85
SELLER'S CONCESSION	5,400.00	509. SELLER'S CONCESSION	5,400.00

Payments for Items unpaid by seller		Adjustments for Items unpaid by seller	
SCHOOL to	177.01	510. SCHOOL to	177.01
to		511. to	
to		512. to	
WATER	201.52	513. WATER	201.52
		514.	
		515.	
		516.	
		517.	
		518.	
		519.	

Total Paid By/For Borrower	102,778.53	520. Total Reduction Amount Due Seller	73,473.26
Cash at Settlement From/To Borrower		600. Cash at Settlement To/From Seller	
Gross amount due from borrower (line 120)	101,747.83	601. Gross amount due to seller (line 420)	90,353.26
Less amounts paid by/for borrower (line 220)	(102,778.53)	602. Less reductions in amt. due seller (line 520)	(73,473.26)
Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	1,030.70	603. Cash <input checked="" type="checkbox"/> To <input type="checkbox"/> From Seller	16,880.00

INSTITUTE FORM 1099 STATEMENT: The information contained in Blocks E, G, H, and I and on lines 401 through 407 is important tax information and is furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported. A 1099-S is not required to be filed if you mark this box to provide written assurance that this property is your principal residence and that the full gain on this sale is excluded from gross income under IRS Code Section 121.

L. SETTLEMENT CHARGES

700. Total Sales/Broker's Commission based on price \$ @ 0.00 % =			
Division of Commission (line 700) as follows:			
		Paid from Borrower's Funds at Settlement	Paid from Seller's Funds at Settlement
701. \$ 0.00	to		
702. \$ 0.00	to		
703. Commission paid at Settlement to NYREC			
704.		3,300.00	2,310.00
100. Items Payable In Connection With Loan			
101. Loan Origination Fee	0.69 % to FREMONT		
102. Loan Discount	0.00 % to	494.00	
103. Appraisal Fee	to JULIE A. MOORE \$500.00 POC		
104. Credit Report	to NATIONWIDE EQUITIES		
105. Lender's Inspection Fee	to	50.00	
106. Mortgage Insurance Application Fee	to		
107. Assumption Fee	to		
108. TAX SERVICE FEE TO LERETA			
109. FLOOD CERT FEE TO LERETA		60.00	
110. PROCESSING FEE TO FREMONT		9.50	
111. BRK DISCOUNT POINT TO NATIONWIDE EQTS (4.3056%)		400.00	
110. Items Required By Lender To Be Paid In Advance		3,100.00	
111. Interest from 08/21/2003 to 08/31/2003 @ \$ 15.390000/day			
112. Mortgage Insurance Premium for 0 months to		169.29	
113. Hazard Insurance Premium for 0 years to			
114.			
115.			
200. Reserves Deposited With Lender			
201. Hazard Insurance	0 months @ \$ 0.00 per month		
202. Mortgage Insurance	0 months @ \$ 0.00 per month		
203. City property taxes	0 months @ \$ 0.00 per month		
204. County property taxes	0 months @ \$ 0.00 per month		
205. Annual assessments	0 months @ \$ 0.00 per month		
206.			
207.			
208.			
300. Title Charges			
301. Settlement or closing fee	to THE BOUCHARD LAW FIRM		
302. Abstract or title search	to	500.00	
303. Title examination	to		
304. Title insurance binder	to		
305. Document preparation	to		
306. Notary fees	to		
307. Attorney's fees	to		
(includes above items numbers:)			
308. Title insurance	to TEAM TITLE ABSTRACTORS		
(includes above items numbers:)			
309. Lender's coverage	\$ 0.00		
310. Owner's coverage	\$ 0.00		
BACK TAXES			
311. SCHOOL TAX ESCROW		217.22	14,146.88
Government Recording and Transfer Charges			
Recording fees: Deed \$ 37.00 ; Mortgage \$ 109.00 ; Release \$ 0.00		146.00	
City/county tax/stamps: Deed \$ 0.00 ; Mortgage \$ 0.00			
State tax/stamps: Deed \$ 360.00 ; Mortgage \$ 540.00		540.00	360.00
E & A / CAP GAINS AFFIDAVIT		50.00	5.00
LENDER'S PORITON NYS MTG TAX \$180.00 POC			
Additional Settlement Charges			
Survey to			
Pest inspection to			
Total Settlement Charges (enter on lines 103, Section J and 502, Section K)			
		11,394.57	16,821.88

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

Seller: LUIS SANTANA Date: 8-21-03

Seller: Polly N. Rutnick Date: 8/21/03

Seller: Clinton Avenue Associates Date: 8/21/03

D/B/A CLINTON AVENUE ASSOC.

SETTLEMENT AGENT: [Signature] Date: 8-21-03

THE BOUCHARD LAW FIRM

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES FOR SUCH A CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE: TITLE 18 U.S. CODE SECTION 1001 AND SECTION 1010.

**UNITED STATES "INFORMATION" COURT DOCUMENT
REGARDING AARON DARE**

U.S. DISTRICT COURT
N.D. OF N.Y.
FILED

NOV 13 2006

LAWRENCE R. BALKMAN, CLERK
ALBANY

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

v.

AARON R. DARE,

Defendant.

I N F O R M A T I O N

CASE NO. 06-CR-429 (LEK)

VIO: 18 U.S.C. §§ 1343, 2
18 U.S.C. §§ 1010, 2
18 U.S.C. § 371

[THREE FELONY COUNTS]

THE UNITED STATES ATTORNEY CHARGES THAT:

COUNT ONE

(WIRE FRAUD)

A. INTRODUCTION

1. At all times relevant hereto, the Hinckel Brewery Apartments was a multi-family residential housing project located at 201 Park Avenue, Albany, New York. The Olde Franklin School Apartments was a multi-family residential housing project located at 1675 Avenue B, Schenectady, New York. The Historic Pastures Village Apartments was a multi-family residential housing project, consisting of approximately 39 residential buildings located in the Historic Pastures area of Albany, New York.

2. The Secretary of the Department of Housing and Urban Development (hereinafter sometimes referred to as "HUD") provides insurance for mortgages placed by private lenders for the purchase or refinancing of existing rental housing projects pursuant to the National Housing Act. 12

U.S.C. §223(f). Under this program, the project owner obtains a mortgage loan from a private lender, which lender is responsible for underwriting, administering and servicing the loan. Subject to various conditions, HUD provides the lender with mortgage insurance covering any loss of unpaid principal and interest should the borrowers default on repayment of the mortgage loan. If the borrower defaults, the lender assigns the mortgage to HUD, in exchange for HUD paying off the mortgage indebtedness.

3. At all times relevant hereto, the defendant, **AARON R. DARE**, owned and/or operated a number of entities, including Emerge Real Properties, LLC, and entities that eventually were set up to own and/or operate the properties referenced in paragraph A.1, known respectively as Emerge Historic Residential Community I, LLC (Hinckel Brewery Apartments), Emerge Historic Residential Community II, LLC (Olde Franklin School Apartments), and Emerge Historic Residential Community III, LLC (Historic Pastures Village Apartments), all of which are hereinafter sometimes collectively referred to as "Emerge."

4. At all times relevant hereto, AMI Capital, Inc. (hereinafter sometimes referred to as "AMI"), was a private mortgage lender based in Bethesda, Maryland, which used, among others, a warehouse vendor located in Columbus, Ohio to disburse loan proceeds. After reviewing extensive documentation provided by defendant **AARON R. DARE** and others, and in reliance thereon, AMI made HUD-insured loans in the total amount of approximately \$7,577,400 to Emerge for the purchase of the three multi-family residential housing projects referenced in paragraph A.1, with a total stated purchase price of approximately \$8.5 million. Specifically, on or about November 27, 2001, AMI made a loan to Emerge in the amount of approximately \$2,542,900, for the purchase of the Hinckel Brewery Apartments, which was assigned HUD Project Number 014-11125. On or

about that same date, AMI made a loan to Emerge in the amount of approximately \$814,900, for the purchase of Olde Franklin School Apartments, HUD Project Number 014-11124. On or about August 29, 2002, AMI made a final loan to Emerge in the amount of approximately \$4,219,600, for the purchase of the Historic Pastures Village Apartments, HUD Project Number 014-11130.

5. Shortly after the closing on the third loan in August 2002, all three loans went into delinquent status and, eventually, defaulted. Pursuant to the terms of the loan agreements, HUD foreclosed on the properties and, following the sale thereof, suffered a total loss of approximately \$1,952,200.

B. SCHEME

From in or about late 2000 through in or about August 2002, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, **AARON R. DARE**, and others known and unknown, knowingly and willfully devised and intended to devise a scheme and artifice to defraud and to obtain money and property from AMI and HUD by means of false and fraudulent pretenses, representations and promises, well knowing at the time that such pretenses, representations and promises were false and fraudulent, which scheme and artifice is more fully described in Section C below.

C. MANNER AND MEANS

1. It was a part of said scheme and artifice that the defendant, **AARON R. DARE**, would and did discuss with others means whereby he would acquire the Hinckel Brewery Apartments, Olde Franklin School Apartments, and Historic Pastures Village Apartments.

2. It was a part of said scheme and artifice that the defendant, **AARON R. DARE**, would and did provide false information to AMI and HUD regarding his experience and

qualifications, and the identity, experience and qualifications of his purported investors in acquiring the properties referenced in paragraph C.1.

3. It was a part of said scheme and artifice that promissory notes in the amounts of \$1.8 million and \$700,000 were prepared and executed between Emerge and entities affiliated with the seller, which falsely made it appear to AMI and HUD that the defendant, **AARON R. DARE** and/or Emerge had approximately \$2.5 million in equity and credit to apply toward the purchase of the properties referenced in paragraph C.1. when, in truth and in fact, the promissory notes were false and fraudulent, and the defendant and his companies did not have such equity and credit to apply toward the purchase of the properties.

4. It was a part of said scheme and artifice that an additional promissory note was prepared and executed, which was not provided to AMI or HUD, and which effectively cancelled out the purported equity reflected in the false and fraudulent \$1.8 million promissory note referenced in paragraph C.3, above.

5. It was a part of said scheme and artifice that the stated purchase price of the properties was inflated from approximately \$6 million to approximately \$8.5 million to take into account the fictitious promissory notes referenced in paragraphs C.3. and C.4, above.

6. It was a part of said scheme and artifice that, notwithstanding the existence of a significant financial relationship between the defendant, **AARON R. DARE**, and the owner of the properties referenced above, Identity of Interest Disclosure Statements were prepared and executed that, in substance, represented to AMI and HUD that there was no identity of interest between the entities that were identified as the borrower and the seller of the properties.

7. It was a part of said scheme and artifice that the defendant, **AARON R. DARE**, and others, would cause AMI to have its warehouse vendor, located in the State of Ohio, wire funds for the closings on the purchase of the properties to the State of New York, as set forth above.

D. INTERSTATE WIRE COMMUNICATION

On or about August 29, 2002, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, **AARON R. DARE**, and others known and unknown, for the purpose of executing the aforesaid scheme and artifice and attempting to do so, knowingly caused to be transmitted in interstate commerce by wire communication from AMI Capital, Inc.'s warehouse vendor in the State of Ohio to the State of New York, certain signs, signals and sounds, that is, a wire transfer of funds in the amount of \$3,678,866.42 for the purchase of the Historic Pastures Village Apartments.

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWO

(CAUSING FALSE STATEMENTS TO BE MADE ON HUD-INSURED LOANS)

1. The allegations of Count One are hereby realleged as if state in full herein.
2. From in or about late 2000 through in or about August 2002, in the State and Northern District of New York, and elsewhere, the defendant, **AARON R. DARE**, for the purpose of obtaining loans from a person and corporation with the intent that such loans be offered to and accepted by the United States Department of Housing and Urban Development for insurance, and for the purpose of influencing in any way the action of such Department, made and caused to be made materially false statements, knowing the same to be false, and willfully overvalued and caused

to be overvalued any security, asset, or income, in that he provided false information regarding his experience and qualifications and the identity, experience and qualifications of his purported investors, and he falsely represented and caused to be represented that he and/or Emerge had approximately \$2.5 million in equity and credit to apply toward the purchase of the Hinckel Brewery Apartments, Olde Franklin School Apartments, and Historic Pastures Village Apartments, when, in truth and fact, as the defendant then and there well knew, he and/or Emerge did not have such equity and credit to apply toward the purchase of said properties.

In violation of Title 18, United States Code, Sections 1010 and 2.

COUNT THREE

(MORTGAGE FRAUD CONSPIRACY)

A. THE CONSPIRACY

From in or about December 2003 through in or about December 2005, in Albany County, in the State and Northern District of New York, and elsewhere, **AARON R. DARE**, the defendant herein, did knowingly, willfully and unlawfully conspire, combine, confederate and agree with another person to commit an offense against the United States, that is, having devised and intended to devise a scheme and artifice to defraud and to obtain money and property from mortgage lenders, including BNC Mortgage and Freemont Investment and Loan, by means of false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice, transmitting and causing to be transmitted wire communications in interstate commerce, in violation of Title 18, United States Code, Sections 1343 and 2.

B. MANNER AND MEANS OF THE CONSPIRACY

1. It was a part of the conspiracy that the conspirator of defendant **AARON R. DARE** would and did locate borrowers to obtain mortgages for the purchase of various residential properties located in and about the City of Albany, in the State and Northern District of New York.
2. It was a part of the conspiracy that, once the borrowers were located as set forth in paragraph B.1, the defendant, **AARON R. DARE**, would and did prepare loan applications for the borrowers, which applications sometimes falsely represented that the borrowers had access to capital, usually through a bank account.
3. It was a part of the conspiracy that, in the applications referenced in paragraph B.2, the defendant, **AARON R. DARE**, would and did falsely state and inflate the income of borrowers who he did not believe would otherwise qualify for financing.
4. It was a part of the conspiracy that the conspirator of defendant **AARON R. DARE** would and did obtain cashier's checks in the names of borrowers as purported proof of their access to capital, as referenced in paragraph B.2, when, in truth and fact, this was not the borrowers' capital and the checks were retained after the closings by the conspirator of defendant **AARON R. DARE**.
5. It was a part of the conspiracy that the defendant, **AARON R. DARE**, and his conspirator, would utilize inflated property values in obtaining financing as referenced above, in order that the borrowers could obtain the properties without putting money down, and the defendant and his conspirator could profit from the additional proceeds from the fraudulently obtained mortgages.

C. OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the following overt acts, among others, were committed by the conspirators within the State and Northern District of New York and elsewhere:

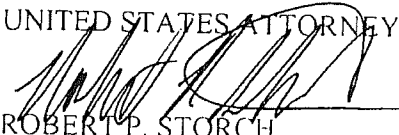
1. Between in or about December 2003 and in or about December 2005, defendant **AARON R. DARE** submitted and caused to be submitted approximately thirty-one (31) Uniform Residential Loan Applications, Forms 1003, containing false information regarding the income and/or assets of the borrowers, by facsimile and/or electronic mail from within the State and Northern District of New York to lenders in other states, including approximately seventeen (17) fraudulent applications submitted to BNC Mortgage and approximately seven (7) fraudulent applications submitted to Freemont Investment and Loan, both located in the State of California.

2. Between in or about December 2003 and in or about December 2005, the conspirator of defendant **AARON R. DARE** would and did obtain cashier's checks in the names of borrowers as purported proof of their access to capital when, in truth and fact, this was not the borrowers' capital and the checks were retained after the closings by the conspirator of defendant **AARON R. DARE**.

All in violation of Title 18, United States Code, Section 371.

GLENN T. SUDDABY
UNITED STATES ATTORNEY

By:


ROBERT P. STORCH
ASSISTANT U.S. ATTORNEY
N.D.N.Y. BAR ROLL # 104147

TWO PAGE ASSIGNMENT OF CONTRACT

LIBER 2752 PAGE 894

Albany County Clerk
Document Number 9147024
Rcvd 12/29/2003 1:55:42 PM



ASSIGNMENT OF CONTRACT

INVISION REAL ESTATE, LLC (hereinafter referred to as "Assignor"), with an address at 457 Madison Avenue, Albany, New York 12210, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, paid by LUIS SANATANA (hereinafter referred to as "Assignee"), having an address of 17 Boenau Street, Albany, New York 12202, hereby sells, transfers, assigns and conveys to the Assignee, without recourse or warranty, expressed or implied, all of its right, title and interest in the Contract for Purchase and Sale of Real Estate (the "Contract") identified in Schedule "A" annexed hereto.

All rights, obligations, liabilities and responsibilities with respect to the Contract evidenced by the document listed in Schedule "A" annexed hereto is hereby transferred, assigned and conveyed to the Assignee, who hereby assumes and agrees to perform all obligations thereunder.

IN WITNESS WHEREOF, the Assignor and Assignee have made and executed this Assignment as of the 21 day of August, 2003

INVISION REAL ESTATE, LLC

[Signature]
Aaron Dare

[Signature]
Luis Santana

[Signature]

TRACI L. DESEVE
Notary Public - State of New York
No. 01DE6083730
Qualified in Rensselaer County
My Commission Expires November 25, 2006

BOX 17

SCHEDULE A - LEGAL DESCRIPTION

ALL THAT TRACT OR PARCEL OF LAND WITH THE buildings thereon situate in the City of Albany, County of Albany, State of New York, in the sixteenth ward of said City, bounded and described as follows:

BEGINNING on the west side of Dove Street on the north line of the house formerly owned by one Patrick Fay or Fee; thence running westerly and parallel with Park Avenue, formerly Johnson Street one hundred and twenty (120) feet; running thence northerly and parallel with Dove Street, twenty-two (22) feet; thence running easterly parallel with Park Avenue to the west line of Dove Street; thence southerly twenty-two (22) feet to the place of beginning and known and distinguished as No. 163 Dove Street in the City of Albany, New York.

STATE OF NEW YORK }
COUNTY OF ALBANY } ss.:
Recorded in DEEDS
As Shown Hereon And
Examined
Thomas G. Clingan
THOMAS G. CLINGAN
ALBANY COUNTY CLERK

LL

MOST RECENT SCHOOL TAX BILL

The total amount of local assistance to be received from the State of New York during the school year July 1, 2011 - June 30, 2012 \$64,887,731.00 The estimated tax to be raised is \$107,113,370.00
 % Changed from prior year 0

[Print](#) [Back](#)

The Printable Version will print on one page when set to "Shrink to Fit" or margins are set at .25 for top and bottom and .75 for left and right.

Notice of 2011 School Tax
 City School District of Albany
 ARMITSTEAD JENNIFER
 3 JACKSON CT
 GUILDERLAND, NY 12084

MAKE CHECKS OR MONEY ORDER PAYABLE TO:

City School District of Albany

MAIL PAYMENT WITH REMITTANCE STUB TO:

City School District of Albany
 PO Box 15133

Albany, NY 12212 - 5133

PROPERTY INFORMATION

SBL: 76.39-2-17
 ADDR: 163 DOVE ST
 SWIS: 010100 Albany
 Bill #: 2011-018255 Escrow: 54

ASSESSMENT INFORMATION

Full Market Value as of July 01, 2011	\$24,510.00
Total Assessed Value as of July 01, 2011	\$25,000.00
Uniform Percentage of Value	102.00
STAR Saving	\$0.00



Exemption

Ex Amt

PROPERTY TAXES			
	Taxable	Non-Homestead	
	Assessed Value * Rate per \$1000	Rate per \$1000	Taxes Due
Sch	\$25,000.00	19.10787	\$477.70
Lib	\$25,000.00	1.44117	\$36.03
Total Tax Due:			\$513.73

RECEIPT

RECEIPT

CITY SCHOOL DISTRICT OF ALBANY

2011 - 2012 SCHOOL TAX

76.39-2-17

2011 - 2012

Payment Information
 Installment

Principal
Paid

Penalty
Paid

Total
Received

Payment
Date

Batch

Payer

1	\$513.73	\$0.00	\$513.73	09/30/2011	100308_COR	CORELOGIC TAX S
	\$513.73	\$0.00	\$513.73			

PAID IN FULL