

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

FEB 16 2007

LAWRENCE K. BAERMAN, CLERK
ALBANY

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

v.

ANTHONY J. ANDERSEN,

Defendant.

INDICTMENT

CASE NO. 07-CR-97 TJM

VIO: 18 U.S.C. §§ 371
18 U.S.C. §§ 1014, 2
18 U.S.C. §§ 1344(1), (2), 2
18 U.S.C. §§ 1956(a)(1)(A), 2
18 U.S.C. §§ 1956(a)(1)(B)(i), 2
18 U.S.C. §§ 1957, 2

[30 FELONY COUNTS]

THE GRAND JURY CHARGES THAT:

COUNT ONE

(CONSPIRACY)

A. INTRODUCTION

At all times relevant hereto:

1. The defendant, ANTHONY J. ANDERSEN, was an individual residing in the State of Massachusetts, who held himself out as a mortgage broker. Defendant Andersen owned, operated and/or did business using a number of entities, including Troy Realty Equity Corp., First Street Troy Realty Corp., 1st Street Troy Realty Corp., AA Asset Management, Inc., and Easthampton Mortgage Co., Inc.

2. Union Planters Bank, National Association, and its successor, Regions Financial Corporation (hereinafter collectively referred to as “UPB”), were, at all relevant times, insured by the Federal Deposit Insurance Corporation.

B. THE CONSPIRACY

In or about 2001 and 2002, in Albany and Rensselaer Counties, in the State and Northern District of New York, and elsewhere, ANTHONY J. ANDERSEN, the defendant herein, did knowingly, willfully and unlawfully conspire, combine, confederate and agree with and others known and unknown to commit offenses against the United States, that is:

(1) Knowingly and willfully making and causing to be made materially false statements, and causing to be overvalued land, properties and securities, for the purpose of influencing in any way the actions of a federally insured financial institution upon applications, commitments, and loans, in violation of Title 18, United States Code, Sections 1014 and 2; and

(2) Knowingly and willfully executing, attempting to execute, and causing to be executed a scheme and artifice to defraud, and to obtain any of the moneys, funds and other property owned by, and under the custody and control of a federally insured financial institution, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Sections 1344(1), (2) and 2.

It further was a part of this conspiracy that the co-conspirators would perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the purpose of the conspiracy and the acts committed in furtherance thereof.

C. MANNER AND MEANS

1. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did recruit others (hereinafter sometimes referred to as “straw borrowers”), in the State and Northern District of New York and elsewhere, who allowed him to use their names and identifying information to apply for and obtain loans from UPB, purportedly for the purpose of refinancing real properties that were owned and/or controlled by defendant ANDERSEN within the State and Northern District of New York.

2. It was a part of the conspiracy that, shortly before the closings on the loans, the defendant, ANTHONY J. ANDERSEN, would and did cause title for the properties referenced in paragraph C.1 to be transferred to the straw borrowers.

3. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did represent to the straw borrowers that he would maintain control of the properties and be responsible for the loans obtained from UPB based thereon.

4. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did agree that he and/or entities controlled by him would re-acquire from the straw borrowers title for the properties referenced in paragraph C.1 shortly after the closings on the loans.

5. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did agree that, unknown to UPB, he would pay the straw borrowers for allowing him to use their names and identifying information to obtain the loans.

6. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did submit and cause to be submitted applications and related documentation to UPB in the names of the straw borrowers, which submissions concealed defendant ANDERSEN’s true interest

in the properties, and contained materially false information, including false information regarding the background and qualifications of the borrowers, and false lease agreements and other supporting documentation.

7. It was a part of the conspiracy that the signatures of the straw borrowers would be and were forged on many of the documents referenced in paragraph C.6.

8. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did submit and cause to be submitted appraisals that, in a number of instances, substantially overstated the value of the properties.

9. It was a part of the conspiracy that, at the closings on the loans, within the State and Northern District of New York, the defendant, ANTHONY J. ANDERSEN, would and did execute and cause to be executed documents that concealed defendant ANDERSEN's true interest in the properties and contained materially false information, including false information regarding the background and qualifications of the straw borrowers, and other supporting documentation.

10. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did cause UPB to wire funds for the closings on the loans in interstate commerce to the bank account of the closing attorney in the State and Northern District of New York.

11. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did cause to be directed to him, and to others at his direction, a substantial portion of the proceeds from the loans, in amounts well in excess of that to which he would have been entitled as a legitimate mortgage broker, and contrary to the disposition of the loan proceeds reported to UPB on the closing documents.

12. It was a part of the conspiracy that the defendant, ANTHONY J. ANDERSEN, would and did cause payments to be made to the straw borrowers for their roles in helping him to obtain the loans, as referenced above.

13. It was a part of the conspiracy that, soon after the closings on the loans, the defendant, ANTHONY J. ANDERSEN, would and did cause title in many of the properties to be transferred to him or entities controlled by him following the closings, as referenced above.

14. It was a part of the conspiracy that, apart from approximately \$83,000 in apparent lulling payments by defendant ANDERSEN and/or Troy Realty Equity Corp. in 2001 and 2002, and payments made by one of the straw borrowers, defendant ANTHONY J. ANDERSEN would and did fail to make payments to UPB on the loans, resulting in a loss to UPB of approximately \$1.35 million before foreclosures (and approximately \$1.25 million thereafter).

D. 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. On or about February 9, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 36 13th Street, Troy, New York.

2. On or about February 28, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 30-32 Partition Street, Rensselaer, New York.

3. On or about March 7, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 343 4th Avenue, Troy, New York.

4. On or about March 14, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 333 3rd Avenue, Troy, New York.

5. On or about March 17, 2001, defendant ANDERSEN caused a payment in the approximate amount of \$5,000 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loan referenced in paragraph D.3.

6. On or about July 6, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 123 Hill Street, Troy, New York.

7. On or about July 6, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 125 Hill Street, Troy, New York.

8. On or about July 11, 2001, defendant ANDERSEN caused a payment in the approximate amount of \$12,000 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loan referenced in paragraph D.7.

9. On or about August 6, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 3 Diack Place, Troy, New York.

10. On or about August 8, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 1 Diack Place, Troy, New York.

11. On or about August 14, 2001, defendant ANDERSEN caused a payment in the approximate amount of \$5,000 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loan referenced in paragraph D.10.

12. On or about September 17, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closing on the loan that was fraudulently obtained from UPB for 555-557 2d Avenue, Troy, New York.

13. On or about September 25, 2001, defendant ANDERSEN caused a payment in the approximate amount of \$1,344 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loan referenced in paragraph D.12.

14. On or about September 26, 2001, defendant ANDERSEN caused a payment in the approximate amount of \$7,000 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loan referenced in paragraph D.9.

15. On or about October 26, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closings on the loans that were fraudulently obtained from UPB for 68 Ontario Street, Cohoes, New York.

16. On or about November 27, 2001, defendant ANDERSEN, the straw borrower, and the closing attorney met in Latham, New York, for the closings on the loans that were fraudulently obtained from UPB for 2948 6th Avenue, Troy, New York.

17. On or about January 28, 2002, defendant ANDERSEN caused a payment in the approximate amount of \$5,688 to be made to the straw borrower for allowing defendant ANDERSEN to use his/her name and identifying information to obtain the loans referenced in paragraph D.16.

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

COUNTS 2 -14

(FALSE STATEMENTS)

On or about the dates listed below, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, ANTHONY J. ANDERSEN, knowingly and willfully made and caused to be made materially false statements, and caused to be overvalued land, properties and securities, for the purpose of influencing the action of UPB, the deposits of which were then insured by the Federal Deposit Insurance Corporation, upon applications, commitments, and loans, in that the defendant made and caused to be made false statements regarding the identity of the borrowers, the borrowers' qualifications, the value and profitability of the properties, and the

intended distribution of the loan proceeds, in support of applications, commitments, and loans for refinancing for said properties, each incident constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Property</u>	<u>Straw Borrower</u>	<u>Loan Amount</u>
2	2/9/01	36 13 th Street Troy, NY	MS	\$69,000
3	2/28/01	30-32 Partition Street Rensselaer, NY	MS	\$130,000
4	3/7/01	343 4 th Avenue Troy, NY	TS	\$105,000
5	3/14/01	333 3 rd Avenue Troy, NY	BD	\$95,000
6	7/6/01	123 Hill Street Troy, NY	DR	\$97,000
7	7/6/01	125 Hill Street Troy, NY	WL	\$97,000
8	8/6/01	3 Diack Place Troy, NY	BD	\$150,000
9	8/8/01	1 Diack Place Troy, NY	WL	\$142,500
10	9/17/01	555-557 2d Avenue Troy, NY	PW	\$190,000
11	10/26/01	68 Ontario Street Cohoes, NY	MP	\$150,000
12	10/26/01	68 Ontario Street Cohoes, NY	MP	\$40,000
13	11/27/01	2948 6 th Avenue Troy, NY	DS	\$150,000

14 11/27/01 2948 6th Avenue DS \$40,000
 Troy, NY

Each and all in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT 15

(BANK FRAUD)

A. INTRODUCTION

The allegations contained in Part A of Count 1 are hereby realleged and incorporated as if stated in full herein.

B. SCHEME

In or about 2001 and 2002, in Albany and Rensselaer Counties, in the State and Northern District of New York, and elsewhere, the defendant, ANTHONY J. ANDERSEN, knowingly and willfully executed, attempted to execute, and caused to be executed, a scheme and artifice to defraud a financial institution, that is, UPB, and to obtain any of the moneys and property owned by, and under the custody and control of said financial institution, 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.

C. MANNER AND MEANS

The allegations contained in Part C of Count 1 are hereby realleged and incorporated as if stated in full herein.

D. EXECUTION OF SCHEME

The allegations contained in Part D of Count 1 are hereby realleged and incorporated as if stated in full herein.

All in violation of Title 18, United States Code, Sections 1344(1), (2) and 2.

COUNT 16

(LAUNDERING OF MONETARY INSTRUMENTS – PROMOTION OF SPECIFIED
UNLAWFUL ACTIVITIES)

1. The allegations contained in Counts 1 through 15 are hereby realleged and incorporated as if stated in full herein.

2. On or about March 7, 2001, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, ANTHONY J. ANDERSEN, did knowingly and intentionally conduct and cause to be conducted a financial transaction, that is, the wire transfer of approximately \$30,000 from the proceeds of the loan on 30-32 Partition Street, Rensselaer NY, from the closing attorney's bank account at HSBC, for payment on 331-333 3rd Avenue, Troy, NY, which transaction involved the proceeds of specified unlawful activities, to wit: making false statements to federally insured financial institutions and bank fraud, and involved the use of a financial institution engaged in and the activities of which affected interstate commerce, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, with the intent to promote the carrying on of said specified unlawful activities.

In violation of Title 18, United States Code, Sections 1956(a)(1)(A) and 2.

COUNTS 17-20

(LAUNDERING OF MONETARY INSTRUMENTS – CONCEALMENT OF SPECIFIED UNLAWFUL ACTIVITIES)

1. The allegations contained in Counts 1 through 15 are hereby realleged and incorporated as if stated in full herein.

2. On or about the dates listed below, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, ANTHONY J. ANDERSEN, did knowingly and intentionally conduct, attempt to conduct, and cause to be conducted, the financial transactions listed below, which transactions involved the proceeds of specified unlawful activities, to wit: making false statements to federally insured financial institutions and bank fraud, and involved the use of a financial institution engaged in and the activities of which affected interstate commerce, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, and knowing that the transaction was designed, in whole or in part, to conceal and disguise the nature, location, source, ownership and control of the proceeds of said specified unlawful activities, each incident constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Transaction</u>
17	3/7/01	\$42,934.99 check to straw borrower from proceeds of loan on 30-32 Partition Street, Rensselaer, NY, endorsed and redeposited into closing attorney's bank account at HSBC at direction of defendant ANDERSEN
18	7/12/01	\$88,552.46 check to straw borrower from proceeds of loan on 125 Hill Street, Troy, NY, from closing attorney's bank account at HSBC endorsed and redeposited into another of closing attorney's bank accounts at HSBC at direction of defendant ANDERSEN

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|----|---------|---|
| 19 | 7/12/01 | \$82,037.22 check to straw borrower from proceeds of loan on 123 Hill Street, Troy, NY, from closing attorney's bank account at HSBC endorsed and deposited into another of closing attorney's bank accounts at HSBC at direction of defendant ANDERSEN |
| 20 | 8/9/01 | \$132,807.35 check to straw borrower from proceeds of loan on 1 Diack Place, Troy, NY, from closing attorney's bank account at HSBC endorsed and deposited into another of closing attorney's bank accounts at HSBC at direction of defendant ANDERSEN |

Each and all in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

COUNTS 21-30

(MONETARY TRANSACTIONS OVER \$10,000 IN PROPERTY DERIVED FROM SPECIFIED UNLAWFUL ACTIVITIES)

1. The allegations contained in Counts 1 through 15 are hereby realleged and incorporated as if stated in full herein.

2. On or about the dates listed below, in Albany County, in the State and Northern District of New York, and elsewhere, the defendant, ANTHONY J. ANDERSEN, did knowingly engage, attempt to engage and cause to be engaged in monetary transactions by, through, and to a financial institution, which was engaged in and the activities of which affected interstate commerce, in criminally derived property of a value greater than \$10,000, said funds having been derived from specified unlawful activities, that is, making false statements to federally insured financial institutions and bank fraud, each incident constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Transaction</u>
21	3/16/01	\$37,048.04 check to straw borrower from proceeds of loan on 343 4 th Avenue, Troy, NY, drawn on closing attorney's bank account at HSBC endorsed to defendant ANDERSEN and deposited into the bank account of 1 st Street Troy Realty Corp.

- 22 3/21/01 \$84,403.47 check to straw borrower from proceeds of loan on 333 3rd Avenue, Troy, NY, drawn on closing attorney's bank account at HSBC endorsed to defendant ANDERSEN and deposited into the bank account of 1st Street Troy Realty Corp.

- 23 7/12/01 \$58,306.72 check from proceeds on loans on 123 Hill Street, Troy, NY, and 125 Hill Street, Troy, NY, drawn on closing attorney's bank account at HSBC to defendant ANDERSEN

- 24 7/12/01 \$27,340.68 check from proceeds on loans on 123 Hill Street, Troy, NY, and 125 Hill Street, Troy, NY, drawn on closing attorney's bank account at HSBC to defendant ANDERSEN

- 25 7/13/01 \$64,443.28 from proceeds of loans on 123 Hill Street, Troy, NY, and 125 Hill Street, Troy, NY, wired from closing attorney's bank account at HSBC to Troy Savings Bank for the benefit of defendant ANDERSEN

- 26 8/9/01 \$29,804.64 from proceeds on loan on 1 Diack Place, Troy, NY, wired from closing attorney's bank account at HSBC to defendant ANDERSEN's bank account

- 27 8/10/01 \$141,402.18 from proceeds on loan on 3 Diack Place, Troy, NY, wired from closing attorney's bank account at HSBC to defendant ANDERSEN's bank account

- 28 9/21/01 \$147,750.67 from proceeds on loan on 555-557 2d Avenue, Troy, NY, wired from closing attorney's bank account at HSBC to the bank account of Troy Realty Equity Corp.

- 29 11/2/01 \$125,546.69 from proceeds on loans on 68 Ontario Street, Cohoes, NY, wired from closing attorney's bank account at HSBC to the bank account of Troy Realty Equity Corp.

- 30 12/7/01 \$10,440.42 from proceeds on loan on 2948 6th Avenue, Troy, NY, wired from closing attorney's bank account at HSBC to the bank account of Troy Realty Equity Corp.

Each and all in violation of Title 18, United States Codes, Sections 1957 and 2.


A TRUE BILL.



FOREPERSON OF THE GRAND JURY

GLENN T. SUDDABY
UNITED STATES ATTORNEY

By:


ROBERT P. STORCH
ASSISTANT U.S. ATTORNEY
N.D.N.Y. BAR ROLL NO. 104147