

**UNITED STATES OF AMERICA
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF HEARINGS AND APPEALS**

Secretary, United States Department of)
Housing and Urban Development, on behalf of)
Complainants **NAME REDACTED** and)
NAME REDACTED, **NAME REDACTED**,)
NAME REDACTED, **NAME REDACTED**,)
and **NAME REDACTED**)

Charging Party,)

v.)

Homeowner Assistance Services of New York,)
Launch Development LLC, Martin Development)
and Management, LLC, Amir Meiri, Herzel Meiri,)
Ron Meiri, Rajesh Maddiwar, Springfield Realty)
of New York, Inc., Yudhamann Prashad, Jacob)
Samra, 272 Milford Street, LLC, Petermark II,)
LLC, Advill Capital LLC,)

Respondents)

HUD OHA No. _____

FHEO No. 02-16-4307-8

02-16-4308-8

02-16-4312-8

02-16-4310-8

02-16-4315-8

02-16-4314-8

02-16-4313-8

02-16-4311-8

02-16-4356-8

02-16-4348-8

02-16-4347-8

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02-16-4389-8

02-16-4397-8

02-16-4398-8

02-16-4400-8

02-16-4416-8

02-16-4413-8

02-16-4406-8

02-16-4408-8

02-16-4411-8

02-16-4415-8

CHARGE OF DISCRIMINATION

I. JURISDICTION

Complainants **NAME REDACTED** and **NAME REDACTED** (“Complainants **NAME REDACTED**”), **NAME REDACTED** (“Complainant **NAME REDACTED**”), **NAME REDACTED** (“Complainant **NAME REDACTED**”), **NAME REDACTED** (“Complainant **NAME REDACTED**”), and **NAME REDACTED** and **NAME REDACTED** (“Complainants **NAME REDACTED**”) filed verified complaints with the Department of Housing and Urban Development (“HUD”) alleging that Respondents Homeowner Assistance Services of New York (“HASNY”), Launch Development LLC (“Launch”), Martin Development and Management LLC (“Martin”), Amir Meiri, Herzal Meiri, Ron Meiri, Rajesh Maddiwar (“Maddiwar”), Springfield Realty of New York, Inc. (“Springfield”), Yudhamann Prashad (“Prashad”), Jacob Samra (“Samra”), 272 Milford Street, LLC (“Milford”), Petermark II, LLC (“Petermark”), and Advill Capital, LLC (“Advill”), (collectively, “Respondents”) discriminated against them because of race, color, and national origin, in violation of the Fair Housing Act (“Act”), 42 U.S.C. §§ 3601-19.

Mr. **NAME REDACTED**’s complaint was timely filed on June 2, 2016. Mrs. **NAME REDACTED**’s complaint was timely filed on June 3, 2016. Complainant **NAME REDACTED**’s complaint was timely filed on June 15, 2016. Complainant **NAME REDACTED**’s complaint was timely filed on June 24, 2016. Complainant **NAME REDACTED**’s complaint was timely filed on June 29, 2016. Complainants **NAME REDACTED**’s complaint was timely filed on July 8, 2016.

Complainants allege that Respondents discriminated against them because of race, color, or national origin in violation of subsections 804(a)-(b), and sections 805 and 818 of the Act, 42 U.S.C. §§ 3604(a)-(b), 3605, and 3617. Specifically, Complainants allege that Respondents discriminated against them by targeting them for illegal or unfair real estate-related transactions because of their race or national origin and by stealing title to their homes.

The Act authorizes the Secretary of HUD to issue a Charge of Discrimination on behalf of aggrieved persons following an investigation and a determination that reasonable cause exists to believe that a discriminatory housing practice has occurred. 42 U.S.C. §§ 3610(g)(1) and (2). The Secretary has delegated that authority to the General Counsel (24 C.F.R. §§ 103.400 and 103.405), who has re-delegated the authority to the Associate General Counsel for Fair Housing and the Assistant General Counsel for Fair Housing Enforcement. 76 Fed. Reg. 42463, 42465 (July 18, 2011).

By a Determination of Reasonable Cause issued contemporaneous with this Charge of Discrimination, the Director of the Office of Systemic Investigations of HUD’s Office of Fair Housing and Equal Opportunity has determined that reasonable cause exists to believe that discriminatory housing practices have occurred in this case and has authorized and directed the issuance of this Charge. 42 U.S.C. § 3610(g)(2).

II. SUMMARY OF FINDINGS IN SUPPORT OF THIS CHARGE

Based on HUD's investigation of the allegations contained in the aforementioned complaints and Determination of Reasonable Cause, Respondents are hereby charged with violating the Act as follows:

A. Legal Authority

1. It is unlawful to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, or national origin. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.50(b)(3), 100.70(b).
2. It is unlawful to discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, or national origin. 42 U.S.C. § 3604(b); 24 C.F.R. §§ 100.50(b)(2), (3); 100.65(a); 100.70(b).
3. It is unlawful for any person or entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, or national origin. 42 U.S.C. § 3605; 24 C.F.R. §§ 100.100(b), 100.120; 100.130. A "residential real estate-related transaction" includes "the selling, brokering, or appraising of residential real property." 42 U.S.C. § 3605(b)(2).
4. It is unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of any right granted or protected by sections 804 or 805 of the Act. 42 U.S.C. § 3617; 24 C.F.R. §§ 100.400(b), (c)(2).

B. Parties and Properties

i. Complainants

5. Complainants **NAME REDACTED** and **NAME REDACTED** are Black and were born in Jamaica. The **NAME REDACTED** are aggrieved persons, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
6. At all times relevant to this Charge, Complainants **NAME REDACTED** resided at **ADDRESS REDACTED**, Brooklyn NY 11203, a single-family house ("**NAME REDACTED** property"). The house is a dwelling within the meaning of the Act, 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.
7. Complainant **NAME REDACTED** is Black and was born in Jamaica. Complainant **NAME REDACTED** is an aggrieved person, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.

8. At all times relevant to this Charge, Complainant **NAME REDACTED** resided at **ADDRESS REDACTED**, Brooklyn, NY 11207, in one unit of a duplex (“**NAME REDACTED** property”), with his wife, **NAME REDACTED**, and tenants, who lived in the second unit. The duplex is a dwelling within the meaning of the Act, 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.
9. Complainant **NAME REDACTED** is Black and was born in Guyana. Complainant **NAME REDACTED** is an aggrieved person, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
10. At all times relevant to this Charge, Complainant **NAME REDACTED** resided at **ADDRESS REDACTED**, Brooklyn, NY 11236, in one unit of a duplex (“**NAME REDACTED** property”), with his wife, Ms. **NAME REDACTED**, and a tenant, who lived in the second unit. The duplex is a dwelling within the meaning of the Act. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.
11. Complainant **NAME REDACTED** is Black and was born in Trinidad and Tobago. Complainant **NAME REDACTED** is an aggrieved person, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
12. At all times relevant to this Charge, Complainant **NAME REDACTED** resided at **ADDRESS REDACTED**, Brooklyn, NY 11216, in one unit of a triplex (“**NAME REDACTED** property”), with tenants who lived in the other two units. The triplex is a dwelling within the meaning of the Act. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.
13. Complainants **NAME REDACTED** and **NAME REDACTED** are Black and were born in Guyana. Complainants **NAME REDACTED** are aggrieved persons, as defined by the Act. 42 U.S.C. § 3602(i); 24 C.F.R. § 100.20.
14. At all times relevant to this Charge, Complainants **NAME REDACTED** resided at **ADDRESS REDACTED**, Brooklyn, NY, in one unit of a duplex home (“**NAME REDACTED** property”), with their adult daughter and a tenant, who lived in the second unit. The duplex is a dwelling within the meaning of the Act. 42 U.S.C. § 3602(b); 24 C.F.R. § 100.20.

ii. Respondents

15. Respondent Homeowner Assistance Services of New York is a New York corporation with its principal place of business at 189-10 Hillside Avenue, New York, NY, 10014. At all times relevant to this Charge, HASNY was owned by Respondents Amir Meiri and Herzal Meiri and marketed itself as offering foreclosure avoidance services.
16. Respondent Launch Development LLC is a New York corporation with its principal place of business at 189-10 Hillside Avenue, New York, NY, 10014. At all times relevant to this Charge, Launch was owned by Respondents Amir Meiri and Herzal Meiri. Respondent

Launch primarily purchased properties sold through fraudulent short sales and pursued evictions of homeowners after properties were sold. Respondent Launch also issued most paychecks for employees and partners in the scheme, including, for example, Respondent Maddiwar.

17. Respondent Martin Development and Management LLC is a New York corporation with its principal place of business at 189-10 Hillside Avenue, New York, NY, 10014. At all times relevant to this Charge, Martin was owned by Respondents Amir Meiri and Herzel Meiri. Respondent Martin primarily purchased properties sold through fraudulent short sales and pursued evictions of homeowners after properties were sold.
18. Respondent Springfield Realty of New York, Inc. is an inactive New York corporation with its principal place of business at 221-01 92nd Avenue, Queens Village, NY 11428. At all times relevant to this Charge, Springfield was owned and operated by Respondent Yudhamann Prashad and, pursuant to an agreement with HASNY, is listed as seller's broker for all short sale transactions involving Complainants. Respondent Springfield issued private real estate listings for properties targeted by Respondent HASNY while representing them as public to lenders in order to secure minimal sales prices for properties.
19. Respondent Herzel Meiri served as Chief Executive Member of Launch and a Managing Member of Martin and has since been criminally convicted for his role. Respondent Herzel Meiri initiated the scheme and frequently visited properties targeted by Respondent HASNY before and after short sales were completed to intimidate homeowners into vacating the property.
20. Respondent Amir Meiri also served as a Regular Member of Launch and Managing Member of Martin and has since been criminally convicted for his role. Respondent Amir Meiri provided daily call sheets of target clients to telemarketers, occasionally met with homeowners prior to or during the short sales and pursued the evictions of homeowners through court proceedings and frequent visits to properties to intimidate homeowners.
21. Respondent Ron Meiri is the son of Respondent Herzel Meiri and brother of Respondent Amir Meiri and acted as an agent of Respondents Martin and Launch.
22. Respondent Rajesh Maddiwar was, at all times relevant to this Charge, a licensed attorney and, pursuant to an arrangement with Respondent Herzel Meiri, served as closing attorney for transactions involving several Complainants. Respondent Maddiwar was paid for his services by Respondent Launch. Respondent Maddiwar has since been criminally convicted and disbarred for his actions on behalf of HASNY.
23. At all times relevant to this Charge, Respondent Yudhamann Prashad was was a licensed real estate broker for Respondent Springfield. Respondent Prashad served as the broker for Respondent Springfield on private real estate listings of properties targeted by Respondent HASNY that were falsely presented to lenders as public listings and used to secure the lowest possible sales price in short sales.

24. Respondent Jacob Samra invested in Respondent Launch and received title to the **NAME REDACTED** property as collateral for his investment.
25. Respondent 272 Milford Street LLC is owned by Respondent Samra and was created for the purposes of holding title to the **NAME REDACTED** property. For all intents and purposes, Respondents Samra and Milford are one in the same.
26. Respondent Petermark is managed by Mark Pnini and invests in real estate related enterprises. Respondent Petermark provided several loans along with Respondent Advill to Respondents Launch and Martin, which were secured by properties acquired in the scheme, including the **NAME REDACTED** property. Respondent Petermark filed a claim to the **NAME REDACTED** property in the federal forfeiture litigation.
27. Respondent Advill is managed by Mark Pnini and invests in real estate related enterprises. Respondent Advill provided several loans along with Respondent Petermark to Respondents Launch and Martin, which were secured by properties acquired in the scheme, including the **NAME REDACTED** property. Respondent Advill filed a claim to the **NAME REDACTED** property in the federal forfeiture litigation.
28. At all times relevant to this Charge, Respondents were engaged in residential real estate-related transactions, as defined by the Act. 42 U.S.C. § 3605.

C. Factual Allegations

i. Respondents' Business Practices

29. At all times relevant to this Charge, Respondents engaged in practices of targeting financially-distressed borrowers of color, the majority of whom were of Caribbean heritage, by marketing and providing illegal or unfair mortgage modification services to them with the goal of taking title to their dwellings and then flipping the dwellings for enormous profits. Although multiple entities existed and participated in the scheme, they were virtually interchangeable, and all operated as shell companies through which Herzel Meiri and Amir Meiri perpetrated the fraud.
30. To identify potential targets, Respondent Amir Meiri searched a public website to find properties on which Lis Pendens, or pre-foreclosure notices, had been filed. Respondent HASNY's employees then filed liens on target properties, even though the homeowners owed nothing to HASNY, with the intention of coercing the homeowners into accepting Respondents' solicitations and preventing them from selling to any other entity.
31. Respondents engaged in these practices in census tracts with high populations of residents of color and with highly concentrated populations of residents of Caribbean heritage.
32. Respondent HASNY's employees, at the direction of Respondent Amir Meiri, marketed HASNY's mortgage modification services through mailings, online advertisements,

telemarketing, and home visits. HASNY's website listed "foreclosure avoidance" as its primary service and offered a "speedy process to accommodate you and save your home."

33. Respondent HASNY primarily hired telemarketers from Caribbean nations, primarily Haiti, Guyana, and Jamaica, and/or who were Black Americans. In an effort to trick Complainants into trusting them, Respondent HASNY's telemarketers routinely discussed cultural similarities with homeowners, occasionally made home visits, and on at least one occasion, attended the funeral of a potential client.
34. HASNY telemarketers were instructed to tell potential clients that HASNY offered loan modification services. In fact, Respondent HASNY did not offer legitimate loan modification services, but instead coerced distressed homeowners into short sales under the guise of loan modifications.
35. Short sales are real estate transactions whereby a buyer pays a sale price that is less than the value of the mortgage left on the property to the lender. In exchange, the lender forgives the remainder of the mortgage held by the homeowner/seller, who receives no income from the sale. Short sales generally occur when the value of the remaining mortgage is higher than the value of the house overall and are often a last resort for the financially-distressed homeowner/seller, primarily an alternative to foreclosure.
36. In order to persuade lenders to approve a short sale, Respondents Springfield and Prashad created private real estate listings for homeowners' properties, presented them to the bank as a public listing and falsely claimed that no offers had been received, so that the sale price had to be lowered. This aspect of HASNY's business ensured that Respondents Martin and Launch, and by extension, Amir Meiri and Herzal Meiri, paid as little as possible for the properties. As a result, when the properties were resold, Respondents netted large profits.
37. If homeowners agreed to use HASNY's so-called loan modification services, they met primarily with Mario Alvarenga, who was the office and sales manager and served as the primary point of contact for virtually all HASNY clients. In addition to facilitating the short sale transaction, Alvarenga sometimes interfered directly in a homeowner's mortgage or foreclosure, including by advising homeowners not to attend court hearings related to a foreclosure or not to make mortgage payments at all.
38. In order to convince homeowners that short sales were part of loan modification services, Alvarenga promised homeowners that Respondent HASNY would transfer the property back into the homeowner's name or that of a family member after a "seasoning period." Homeowners were told that they would be permitted to remain in their homes until the title was returned. In fact, Alvarenga testified at Respondent Maddiwar's criminal trial that Respondent HASNY never intended to reconvey properties to homeowners after the short sale took place, but instead always intended to flip the properties for the largest possible profit.
39. Neither Alvarenga nor any other HASNY agent informed homeowners in advance that they would need to or may wish to bring an attorney to closing sales. Instead, Respondent

Maddiwar routinely served as HASNY-provided counsel for homeowners during the closings of these short sales. Respondent Maddiwar did not provide appropriate legal advice or explain the closing documents, but merely instructed homeowners where to sign.

40. Alvarenga also testified at Respondent Maddiwar's criminal trial that Respondent HASNY's agents kept digital signatures of homeowners and regularly manipulated documents by cutting and pasting signatures.
41. After a short sale was completed, Respondents Herzel Meiri and Amir Meiri and other HASNY representatives went to the properties that they had purchased through a short sale and informed the homeowners that either the two men or Respondents Martin or Launch now owned the homes and that the homeowners had to move out. Respondents often demanded rent payments from homeowners and tenants who lived at the properties and threatened eviction. On several occasions, Respondents Herzel Meiri and Amir Meiri and their agents appeared at the homes and insisted on inspecting the interior and exterior of the properties, sometimes over the homeowner's objection. Respondents also changed or broke the locks on the doors of some of the homes.
42. When Respondents Samra, Petermark, and Advill loaned money to Respondents Launch and Martin, Respondents transferred title to properties acquired in the scheme, including the **NAME REDACTED** and **NAME REDACTED** properties, to the investors as collateral for the loans.
43. On some occasions, agents of Respondent HASNY posted signs on the doors of homes purchased by Respondents Launch and Martin. The signs posted outside the house, to which Alvarenga's business card was stapled, read:

“NOTICE!!!
TO ALL TENANTS
EFFECTIVE IMMEDIATELY ALL RENTAL
PAYMENTS ARE TO BE MADE PAYABLE TO
LAUNCH DEVELOPMENT, LLC.
THE NEW AND LAWFUL OWNER OF THIS
PROPERTY
CONTACT MARIO ALVARENGA AT
718-740-1100 TO ARRANGE FOR PICK UP

44. If Respondents Amir Meiri and Herzel Meiri's efforts to convince homeowners to leave their homes failed, they resorted to filing eviction notices in court. Multiple homeowners were forced to obtain temporary restraining orders against several Respondents in order to prevent being evicted from their homes. Although no Complainants actually vacated their properties, other homeowners targeted by Respondent HASNY were forced to leave, allowing Respondents Martin and Launch to sell the properties for large profits.

45. Alvarenga testified that it was not the business of HASNY to help homeowners get assistance, loan modifications, or otherwise help them remain in their homes. Instead, Alvarenga testified, HASNY illegally coerced 47 or more homeowners into selling their homes to Respondents Martin and Launch, and by extension, Amir Meiri and Herzel Meiri.

ii. Respondents' Criminal Matters

46. In 2015 and 2016, the U.S. Department of Justice filed criminal charges against Respondents Herzel Meiri, Amir Meiri, and Maddiwar, Alvarenga, other agents of Respondents HASNY, Martin, and Launch for their above-described actions.

47. Respondents Herzel Meiri and Amir Meiri pleaded guilty to one count each of Conspiracy to Commit Bank Fraud and Wire Fraud, pursuant to 18 U.S.C. § 1349. Alvarenga pleaded guilty to one count of Bank Fraud, one count of Conspiracy to Commit Wire Fraud, and one count of Conspiracy to Commit Bank Fraud, pursuant to 18 U.S.C. §§ 1344, 1349. Other agents of Respondents HASNY, Martin, and Launch also eventually pleaded guilty to charges against them.

48. Respondent Maddiwar pleaded not guilty but was convicted after a jury trial of one count of Conspiracy to Commit Bank Fraud and Wire Fraud, pursuant to 18 U.S.C. § 1349, largely on the basis of the testimony of Alvarenga.

49. Complainants' allegations are virtually identical to the allegations in the criminal cases, but Complainants were not named as victims by the U.S. Department of Justice.

iii. Complainants **NAME REDACTED**

50. In or about February of 2014, Complainants **NAME REDACTED** received two unsolicited telemarketing calls from Respondent HASNY. Complainants **NAME REDACTED** were current with their mortgage but were interested in refinancing to a fixed rate mortgage. The HASNY telemarketer told them HASNY could help with the refinance and sometime afterward, Complainants **NAME REDACTED** signed a form authorizing HASNY to perform a credit check on them.

51. On or about February 17, 2014, Complainants **NAME REDACTED** met with Respondent Maddiwar and Alvarenga and signed what they thought was a refinance contract but was actually a residential contract of sale of the **NAME REDACTED** property to Respondent Launch for \$109,000. The contract listed Respondent Maddiwar as the seller's attorney and Respondent Springfield as the broker for the sale. This contract was not recorded and had no legal effect. At this meeting, Complainants **NAME REDACTED** also signed Third Party Authorization forms authorizing Respondents Springfield and Prashad to negotiate a short sale of the **NAME REDACTED** property with their mortgage servicer.

52. On or about June 4, 2014, Complainants **NAME REDACTED** signed more documents. Although Alvarenga told Complainants **NAME REDACTED** that these documents were for the refinance of their mortgage, they actually were for a second contract of sale, which listed

Complainants **NAME REDACTED** as the seller and Respondent Martin as the buyer for \$225,000. Respondent Amir Meiri signed the contract on behalf of Respondent Martin.

53. The June 4, 2014, sale contract effectuated the transfer of the **NAME REDACTED** property to Respondent Martin. In 2014, the New York City Department of Finance listed a market value for the **NAME REDACTED**' home of \$360,000.
54. If Complainants **NAME REDACTED** had known that by signing these documents they were transferring ownership of the **NAME REDACTED** property, they would not have done so.
55. Later that summer, Complainants **NAME REDACTED** received a letter dated August 28, 2014, from their mortgage servicer, which approved the June 4 contract and finalized the short sale to Respondent Martin.
56. Complainants **NAME REDACTED** again met with Alvarenga at the HASNY office in September of 2014. At this meeting, they met Respondent Amir Meiri and received a check for \$3,000. Approximately one week thereafter, HASNY demanded \$4,800 from Complainants **NAME REDACTED** for rent. The **NAME REDACTED** were unable to pay the full amount but paid Respondent Launch \$3,800 in rent on September 26, 2014.
57. Complainants **NAME REDACTED** later wrote three additional checks for rent to Respondent Launch: \$3,800 on November 21, 2014; \$3,800 on January 17, 2015; and \$3,000 on February 18, 2015.
58. At some point in early 2015, a friend of Complainants **NAME REDACTED** became concerned and suggested they have an attorney review the documents for the **NAME REDACTED** property. That attorney informed Complainants **NAME REDACTED** that their names were no longer on the deed to the **NAME REDACTED** property.
59. Upon receipt of this information, Complainants **NAME REDACTED** contacted Alvarenga, who told them that this was how the refinancing had to occur and that the **NAME REDACTED** property would be returned to them in 90 days.
60. Complainants **NAME REDACTED** refused to make any additional rent payments to Respondents. In or around November and December of 2015, Respondent HASNY's agents went to the **NAME REDACTED** property demanding rent payments.
61. Complainants **NAME REDACTED** still have not recovered title to the **NAME REDACTED** property.
 - iv. Complainant **NAME REDACTED**
62. In or about late summer 2013, Complainant **NAME REDACTED** was behind in his mortgage payments on the **NAME REDACTED** property when he received a cold call from a HASNY telemarketer who said she could help lower his monthly mortgage payment.

63. In or about September of 2013, Complainant **NAME REDACTED** met with Alvarenga at the HASNY office and told him he wanted to keep the **NAME REDACTED** property. Alvarenga said that HASNY could help lower the monthly mortgage payment but in order to do so, Complainant **NAME REDACTED** would have to engage in a short sale of the **NAME REDACTED** property. Alvarenga also told Complainant **NAME REDACTED** to stop paying his mortgage.
64. Complainant **NAME REDACTED** did not know what a short sale was. He assumed, because he and Alvarenga had just discussed his desire *not* to sell the **NAME REDACTED** property, that a short sale would help Complainant **NAME REDACTED** lower his monthly payment and keep the **NAME REDACTED** property.
65. Complainant **NAME REDACTED** stopped paying his mortgage at Alvarenga's urging while HASNY negotiated with the lender.
66. When Complainant **NAME REDACTED**'s lender called him to collect the unpaid mortgage payments, he told the lender that HASNY was involved and provided HASNY's contact information. Complainant **NAME REDACTED** then immediately called HASNY to reiterate that he did not want to lose the **NAME REDACTED** property or allow it to go into foreclosure. HASNY agents again instructed him not to make the mortgage payments. Pursuant to their instruction, he did not make additional payments.
67. Respondents Prashad and Springfield listed the **NAME REDACTED** property for sale for \$149,000 on September 30, 2013.
68. In April of 2014, Complainant **NAME REDACTED** met with Alvarenga again and signed several documents. Instead of providing Complainant **NAME REDACTED** with complete documents, Alvarenga laid out just signature pages for Complainant **NAME REDACTED** to sign. Complainant **NAME REDACTED** believed that the documents would lower his mortgage payments. Instead, the documents included Third Party Authorization forms allowing Respondents Prashad and Springfield to obtain information about Complainant **NAME REDACTED**' mortgage as well as a contract of sale to Respondent Martin for \$135,000, listing Respondent Maddiwar as seller's counsel.
69. The April 2014 sale contract was later amended in June and August, increasing the sale price for the **NAME REDACTED** property to \$330,000. Although the amending documents bear his signature, Complainant **NAME REDACTED** does not recall signing them or communicating with anyone from HASNY between April and September of 2014.
70. On September 12, 2014, after several months of silence, the **NAME REDACTED** met with HASNY agents. The HASNY representatives instructed Complainant **NAME REDACTED** to again sign individual signature pages, separate from term sheets, and Complainant **NAME REDACTED** signed them believing them to be necessary for the refinance. No one in the meeting explained any of the documents to Complainant **NAME REDACTED**, nor was he provided an opportunity to review them or ask questions. The documents were actually

affidavits that approved a short sale of the **NAME REDACTED** property to Respondent Martin for \$330,000.

71. Had Complainant **NAME REDACTED** known these documents would transfer title for the **NAME REDACTED** property to Respondent Martin, he would not have signed them. At the time of the sale, the house's value was estimated by the New York City Department of Finance at \$423,000.
72. Two days later, two men, apparently Respondents Amir Meiri and Herzel Meiri, arrived at the **NAME REDACTED** property uninvited and stated they were moving the **NAME REDACTED** and their daughter from the **NAME REDACTED** property because they now owned it.
73. Complainant **NAME REDACTED** immediately sought help from his stepdaughter, who accompanied him to a meeting with Alvarenga at the HASNY office. Alvarenga insisted that HASNY was helping to save the **NAME REDACTED** property. At some point, Respondents Herzel Meiri and Amir Meiri joined the meeting. Complainant **NAME REDACTED**'s stepdaughter requested copies of the signed documents, and Respondents Herzel Meiri and Amir Meiri refused, telling **NAME REDACTED** that he would lose a lawsuit because HASNY had provided them with an attorney during the closing. Shortly thereafter, Complainant **NAME REDACTED**' stepdaughter filed a complaint with the fraud department of Complainant **NAME REDACTED**' lender.
74. On March 11, 2015, Respondents Petermark and Advill loaned Respondent Martin \$800,000. In return, Respondent Martin granted a mortgage on several properties targeted by HASNY, including the **NAME REDACTED** property. Respondents Petermark and Advill had previously loaned Respondent Launch other funds and the mortgage spread the full amount over all properties provided as collateral. On March 19, 2015, Respondents Petermark and Advill released two properties from the mortgage in exchange for partial repayment of the loan.
75. In May of 2015, Respondent Amir Meiri, on behalf of Respondent Martin, filed an action in the Housing Part of the Civil Court of the City of New York County of Kings to evict Complainant **NAME REDACTED** and his wife. In response, on June 8, 2015, Complainant **NAME REDACTED** rescinded the deed transfer to Martin under the New York Home Equity Theft Prevention Act. NY Real Prop L § 265-A(8)(a) (2015). Respondent Martin agreed to dismiss the eviction complaint on July 27, 2015.
76. In or about December of 2015, Complainant **NAME REDACTED** sued Respondents Amir Meiri and Martin in the New York Supreme Court alleging fraud and again rescinding the deed transfer under the New York Home Equity Theft Prevention Act.
77. Respondents Petermark and Advill are contesting title to the **NAME REDACTED** property in the federal forfeiture process.

v. Complainant **NAME REDACTED**

78. Complainant **NAME REDACTED**, who is Black and from Guyana, was delinquent in his mortgage payments in late 2013 when he answered a cold call from a Guyanese telemarketer from HASNY. Complainant **NAME REDACTED** felt comfortable with her because they were both Guyanese.

79. In early 2014, Complainant **NAME REDACTED** met with Alvarenga, who promised Complainant **NAME REDACTED** that HASNY would help him save the **NAME REDACTED** Property. Complainant **NAME REDACTED** continued to meet with Alvarenga periodically, bringing documentation and signing paperwork at Alvarenga's request.

On or about April 29, 2014, Complainant **NAME REDACTED** signed a document that he believed to be necessary to refinance but which actually authorized Respondents Prashad, Springfield, and HASNY to obtain information regarding his mortgage from his loan servicer on his behalf.

80. In the fall of 2014, Alvarenga told Complainant **NAME REDACTED** that HASNY could not refinance his mortgage and the "best option" was to conduct a short sale. Complainant **NAME REDACTED** did not want to sell the **NAME REDACTED** Property. Alvarenga assured him that it would not be a "true" short sale and that Complainant **NAME REDACTED** and his wife, **NAME REDACTED**, would be able to buy back the **NAME REDACTED** Property without having to move out.

81. On or about November 7, 2014, Complainant **NAME REDACTED** met with Alvarenga, and two other men. One of the men handed documents to Complainant **NAME REDACTED** to sign, telling him "not to worry" about the content of the documents. When Complainant **NAME REDACTED** asked who he was, the man identified himself as Complainant **NAME REDACTED**'s attorney. When Complainant **NAME REDACTED** asked for copies of the signed documents, the attorney refused to provide them, telling him that he would "not need [the] documents anyways." Among the documents Complainant **NAME REDACTED** signed that day was a contract selling the **NAME REDACTED** Property to Respondent Martin for \$210,000.

82. In 2014, the New York City Department of Finance valued the **NAME REDACTED** property at \$628,000.

83. Later that same evening, Respondents Herzl Meiri and Amir Meiri arrived at the **NAME REDACTED** Property unannounced and demanded to view it because they "just bought [it]." They offered to sell the **NAME REDACTED** Property back to Complainant **NAME REDACTED** and Ms. **NAME REDACTED** with a \$20,000 down payment, and if Complainant **NAME REDACTED** and Ms. **NAME REDACTED** provided their social security numbers and signed more paperwork. Complainant **NAME REDACTED** and Ms. **NAME REDACTED** declined to do so.

84. Sometime thereafter, Respondents Herzl Meiri and Amir Meiri told Respondent **NAME REDACTED** that he and his wife had to move out of the **NAME REDACTED** Property within 10 days or start paying \$5,600 in rent.
85. Thereafter, Alvarenga along with Respondents Amir Meiri and Herzl Meiri repeatedly visited the **NAME REDACTED** Property, often late at night. At least once, Alvarenga and the Meiris entered the house without announcing themselves while Complainant **NAME REDACTED** and Ms. **NAME REDACTED** were home.
86. Between December of 2014 and February of 2015, Complainant **NAME REDACTED**, Ms. **NAME REDACTED**, and their tenant received repeated phone calls from numbers associated with HASNY and Alvarenga. No caller ever left a message.
87. In February of 2015, Respondents' agents broke into the house with a locksmith. Ms. **NAME REDACTED** called the police department in order to get them to leave.
88. On or about February 2, 2015, Respondent Amir Meiri, on behalf of Respondent Martin, sued to evict Complainant **NAME REDACTED** and Ms. **NAME REDACTED**. In response, on or about February 17, 2015, Complainant **NAME REDACTED** rescinded the deed transfer of the **NAME REDACTED** Property under the New York Home Equity Theft Prevention Act. NY Real Prop L § 265-A(8)(a) (2015).
89. On September 27, 2015, Complainant **NAME REDACTED** and Ms. **NAME REDACTED** obtained a preliminary injunction from the New York Supreme Court against Respondents Martin, Launch, HASNY, Amir Meiri, and Herzl Meiri that stayed the eviction proceedings and enjoined Respondents from transferring the deed to the **NAME REDACTED** Property.
90. To date, Respondents have not transferred title to the **NAME REDACTED** Property back to Complainant **NAME REDACTED** and Ms. **NAME REDACTED**.
- vi. Complainant **NAME REDACTED**
91. Complainant **NAME REDACTED** is Hispanic and from Trinidad and Tobago. He is 91 years old and has a visual impairment. Since 2012, Complainant **NAME REDACTED**'s daughter has acted as his power of attorney, and he relies on her for assistance with financial decisions.
92. In or about March of 2013, Complainant **NAME REDACTED** received a flyer from Respondent HASNY at his front door. He had fallen behind on his mortgage payments and his mortgagor was seeking to foreclose on the **NAME REDACTED** property. In response to the flyer, he contacted HASNY seeking assistance with saving his property.
93. At the first meeting with HASNY, Complainant **NAME REDACTED**, his daughter, and son-in-law met with Alvarenga, who explained that HASNY would help Complainant **NAME REDACTED** retain ownership of the **NAME REDACTED** property by negotiating with the lender on Complainant **NAME REDACTED**'s behalf. Complainant **NAME REDACTED**

signed paperwork which he understood would help him stay in his home. The documents actually permitted HASNY to complete a short sale of the **NAME REDACTED** property.

94. As Complainant **NAME REDACTED** understood Respondent HASNY's process to save the **NAME REDACTED** property, Respondent HASNY would pay him \$650,000 but allow him to remain in the **NAME REDACTED** property and collect rent. If Complainant **NAME REDACTED** was able, he could pay Respondent HASNY back, and if he died, his family would have the first opportunity to purchase it. Complainant **NAME REDACTED** did not understand this meant that he was selling the **NAME REDACTED** property.
95. Complainant **NAME REDACTED** trusted Alvarenga and they often spoke Spanish together. Complainant **NAME REDACTED** was also comfortable with other members of the HASNY staff because he and many of the HASNY staff were from Caribbean nations.
96. Over the following months, after ordering several appraisals of his property, Alvarenga told Complainant **NAME REDACTED** that the appraisals were too low and directed Complainant **NAME REDACTED** to help lower the value by not repairing, cleaning, or painting anything so the **NAME REDACTED** property would look dilapidated.
97. Respondents Amir Meiri and Ron Meiri visited the **NAME REDACTED** property several times with appraisers or to tour the property. On one occasion, Respondent Ron Meiri instructed Complainant **NAME REDACTED** that certain repairs needed to be made to the **NAME REDACTED** property even though Complainant **NAME REDACTED** did not understand why repairs would be necessary, had not discussed them with Alvarenga previously, and this contradicted what Alvarenga had told him.
98. On or about December 5, 2013, Alvarenga met with Complainant **NAME REDACTED** and offered to advance him \$5,000 from the sale price of the **NAME REDACTED** property "for the holidays."
99. Complainant **NAME REDACTED** signed documents at Alvarenga's request that he believed were to secure the \$5,000 advance. The documents actually included a contract of sale for the **NAME REDACTED** property to Respondent Launch for \$5,000 and a document providing Alvarenga power of attorney for all real estate transactions.
100. In 2013, the New York City Department of Finance valued the **NAME REDACTED** property at \$770,000.
101. Complainant **NAME REDACTED** did not wish to sell the **NAME REDACTED** property or provide Alvarenga power of attorney and would not have signed the documents had he known what they said.
102. Respondents Amir Meiri and Ron Meiri along with Respondent Launch's agents then came to the **NAME REDACTED** property weekly to demand he vacate the property.

103. In or about late spring or early summer of 2014, Respondent Launch's agents replaced all the locks on the **NAME REDACTED** property except the one used by Complainant **NAME REDACTED** to access his apartment. They also disposed of kitchen appliances in the rental units without Complainant **NAME REDACTED**'s consent. On several occasions, Complainant **NAME REDACTED** had to call the police in response to Respondents' entry onto the **NAME REDACTED** property.
104. On or about July 30, 2014, Respondent Ron Meiri served Complainant **NAME REDACTED** with an eviction notice signed by Respondent Amir Meiri on behalf of Respondent Launch. On August 14, 2014, Complainant **NAME REDACTED** obtained a temporary restraining order against Respondent Launch that stayed all proceedings pertaining to the **NAME REDACTED** property until further notice.
105. On September 2, 2014, Respondent Ron Meiri filed a Notice of Petition Hold Over with the Housing Part of the Civil Court of the City of New York County of Kings against Complainant **NAME REDACTED**. On November 3, 2014, the court issued a default judgment against Complainant **NAME REDACTED** and on April 27, 2015, the court issued a Notice of Eviction and ordered Complainant **NAME REDACTED** to show cause why the eviction warrant should not be effective. In June of 2015, the Commissioner of Social Services moved to grant a Guardian Ad Litem for Complainant **NAME REDACTED** and the court discontinued the eviction proceeding.
106. In September of 2015, Complainant **NAME REDACTED** rescinded the deed transfer for the **NAME REDACTED** property under the New York Home Equity Theft Prevention Act. NY Real Prop L § 265-A(8)(a) (2015).
107. To date, Respondent Launch has not transferred title to the **NAME REDACTED** property back to Complainant **NAME REDACTED**.
- vii. Complainants **NAME REDACTED**
108. Complainants **NAME REDACTED** and **NAME REDACTED** are from Guyana. In 2013, after they had fallen behind in their mortgage payments, they received several unsolicited calls from a HASNY telemarketer. Mr. **NAME REDACTED** eventually spoke with the telemarketer, who was also from Guyana, and offered to help him with his mortgage. Mr. **NAME REDACTED** felt comfortable with the telemarketer because they were both from Guyana.
109. In or about late 2013, Mr. **NAME REDACTED** met with Alvarenga and told Alvarenga that he and his wife wanted to transfer the house to their son and continue living in the **NAME REDACTED** property. Alvarenga said that it would take 90 days to transfer the property to their son and asked Complainants **NAME REDACTED** to sign documents authorizing HASNY to obtain information regarding their mortgage on their behalf. Complainants **NAME REDACTED** were unwilling and uninterested in a short sale of the **NAME REDACTED** property, but Alvarenga insisted that documents authorizing negotiation of a short sale were required to transfer the **NAME REDACTED** property to their son.

110. On or about September 12, 2014, Complainants **NAME REDACTED** met with four unidentified HASNY representatives, including a man who was introduced as Complainants **NAME REDACTED**' attorney. Complainants **NAME REDACTED** signed documents they believed would transfer the **NAME REDACTED** property to their son. Instead, the documents were to execute a short sale to Respondent Martin for \$155,000.
111. In 2014, the New York City Department of Finance valued the **NAME REDACTED** property at \$451,000.
112. Complainants **NAME REDACTED** did not want to sell the **NAME REDACTED** property. If they had known the documents they signed would effectuate a transfer of the property to anyone other than their son, they would not have signed them.
113. Mrs. **NAME REDACTED** soon became suspicious that HASNY was not transferring the **NAME REDACTED** property to their son and called Alvarenga to share her concerns. Alvarenga insisted that it would be transferred to their son after 91 days. He also told her the only alternative to this process was foreclosure.
114. Alvarenga requested that Complainants **NAME REDACTED** allow "investors" to inspect the **NAME REDACTED** property for damage. After they consented, Respondents Amir Meiri and Herzel Meiri visited the property. After learning that Complainants **NAME REDACTED** had a tenant, the Meiris demanded that Complainants **NAME REDACTED** and their tenants pay rent to Respondent HASNY.
115. In October and November of 2014, Respondent Amir Meiri, on behalf of Respondent Martin, issued eviction notices to Complainants **NAME REDACTED**, their son, and their tenant.
116. On October 15, 2014, Complainants **NAME REDACTED** filed an action in the New York Supreme Court against Respondents Martin, Launch, Maddiwar, HASNY, Springfield, Amir Meiri, and Herzel Meiri, as well as other participants in the HASNY scheme, alleging fraudulent misrepresentation and several violations of New York state laws, including the New York Home Equity Theft Prevention Act.
117. On November 26, 2014, Respondent Amir Meiri, on behalf of Respondent Martin, filed a Notice of Petition Holdover against Complainants **NAME REDACTED** with the Civil Court of the City of New York County of Kings: Housing Part. On December 2, 2014, Respondent Amir Meiri, on behalf of Respondent Martin, also filed Notices of Petition Holdover against Complainants **NAME REDACTED**'s son and tenant with the Civil Court of the City of New York County of Kings: Housing Part.
118. On September 5, 2014, Respondent Samra loaned Respondent Launch \$600,000 for Respondent Launch to acquire properties. Respondent Amir Meiri then provided Respondent Samra with title to two properties as collateral. Soon thereafter, Respondent Amir Meiri told

Respondent Samra that “there [wa]s a problem...we have to give the deed back[,]” and requested title to one property be returned.

119. On or about April 23, 2015, Respondent Martin transferred ownership of the **NAME REDACTED** property to Respondent Samra, as collateral for the loan. Respondent Launch made several interest payments to Respondent Samra and his wife for the loan between March of 2015 and July of 2015.
120. After Respondent Samra learned of the FBI involvement with HASNY in May or June of 2015, he met with Respondent Herzl Meiri to discuss how it would affect his loan.
121. Thereafter, in September of 2015 and March of 2016, respectively, Respondents Amir Meiri and Samra each visited the **NAME REDACTED** property and threatened to evict Complainants **NAME REDACTED**.
122. In April of 2016, Complainants **NAME REDACTED** rescinded the deed transfer under the New York Home Equity Theft Prevention Act. NY Real Prop L § 265-A(8)(a) (2015).
123. On March 15, 2017, Respondent Samra transferred title to the **NAME REDACTED** property to Respondent Milford to protect himself from personal liability. Respondent Milford then issued a notice to evict Complainants **NAME REDACTED** on March 23, 2017.
124. To date, Samra has not returned title to Complainants **NAME REDACTED**.

125. As a result of Respondents' discriminatory conduct, Complainants and their families lost ownership to their homes and suffered actual damages, including rent payments from tenants, legal fees, payments made to Respondents for rent and illegal and/or unfair mortgage modification services, lost housing opportunities and emotional distress.

D. Legal Allegations

126. As described above, Respondents discriminated against Complainants through a targeted and deceptive mortgage rescue scam, illegally obtaining title to their homes and making dwellings unavailable because of race, color and national origin, in violation of subsection 804(a) of the Act. 42 U.S.C. § 3604(a); 24 C.F.R. §§ 100.50(b)(3), 100.70(b).
127. As described above, Respondents discriminated against Complainants through a targeted and deceptive mortgage rescue scam in the provision of services in connection with the sale of a dwelling because of race, color and national origin, in violation of subsection 804(b) of the Act. 42 U.S.C. § 3604(b); 24 C.F.R. §§ 100.50(b)(2), (3); 100.65(a); 100.70(b).
128. As described above, Respondents discriminated against Complainants in making available residential real estate-related transactions, and in the terms or conditions of such transactions, by engaging in a targeted and deceptive mortgage rescue scam because of race, color and

national origin, in violation of section 805 of the Act. 42 U.S.C. § 3605; 24 C.F.R. §§ 100.110(b), 100.120; 100.130.

129. As described above, Respondents engaged in a targeted and deceptive mortgage rescue scam, illegally obtaining title to Complainants' properties and harassing them to vacate their homes, thus coercing, intimidating, threatening and interfering with Complainants in the exercise or enjoyment of rights granted or protected by sections 804 or 805 of the Act, in violation of section 818 of the Act. 42 U.S.C. § 3617; 24 C.F.R. §§ 100.400(b), (c)(2).

III. CONCLUSIONS

WHEREFORE, the Secretary of the U.S. Department of Housing and Urban Development pursuant to 42 U.S.C. § 3610(g)(2)(A) of the Act, hereby charges Respondents with engaging in discriminatory housing practices in violation of 42 U.S.C. §§ 3604(a) and (b), 3605, and 3617, and requests that an Order be issued that:

1. Declares that Respondents' discriminatory housing practices, as set forth above, violate the Act, 42 U.S.C. §§ 3601-19;
2. Enjoins Respondents, their agents, employees, and successors, and all persons in active concert or participation with them from discriminating against any person because of race or national origin in any aspect of the sale or rental of a dwelling, including services in connection therewith, and/or in any residential real estate-related transactions;
3. Awards such damages as will fully compensate Complainants for any and all damages caused by Respondents' discriminatory conduct;
4. Assesses the maximum civil penalty against each Respondent for each separate and distinct discriminatory housing practice that Respondent is found to have committed, pursuant to 42 U.S.C. § 3612(g)(3) and 24 C.F.R. § 180.671.
5. Awards any additional relief as may be appropriate, pursuant to 42 U.S.C. § 3612(g)(3).

Respectfully submitted on this 9th day of JUNE 2023.

JEANINE WORDEN
Associate General Counsel for Fair Housing

KATHLEEN M. PENNINGTON

Assistant General Counsel for
Fair Housing Enforcement

ALLEN LEVY

Deputy Assistant General Counsel
for Fair Housing Enforcement
U.S. Department of Housing and Urban
Development
Office of General Counsel
Fair Housing Enforcement Division
451 7th Street SW, Room 10270
Washington, DC 20410
Office: (202) 402-4733
Fax: (202) 619-8004
Email: allen.w.levy@hud.gov

LINDSEY COPE

Trial Attorney
U.S. Department of Housing and Urban
Development
Office of General Counsel
Fair Housing Enforcement Division
451 7th Street SW, Room 10270
Washington, DC 20410
Office: (202) 402-5205
Fax: (202) 619-8004
Email: lindsey.h.cope@hud.gov