

ORIGINAL

United States District Court  
District of New Jersey

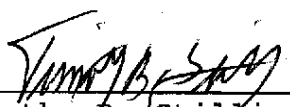
UNITED STATES OF AMERICA : Hon. Madeline Cox Arleo, U.S.M.J.  
 :  
 v. : CRIMINAL COMPLAINT  
 :  
 JAIRO BORGES NUNES : Mag. No. 10-8033

I, Timothy B. Stillings, the undersigned complainant being duly sworn, state the following is true and correct to the best of my knowledge and belief:

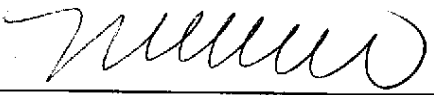
SEE ATTACHMENT A.

I further state that I am a Special Agent with the Federal Bureau of Investigation and that this complaint is based on the following facts:

SEE ATTACHMENT B.

  
\_\_\_\_\_  
Timothy B. Stillings  
Special Agent, Federal Bureau  
of Investigation

Sworn to and subscribed before  
me in West Caldwell, New Jersey  
this 8th day of March, 2010

  
\_\_\_\_\_  
Hon. Madeline Cox Arleo  
U.S. Magistrate Judge

ATTACHMENT A

Wire Fraud Conspiracy

From at least as early as May 2009 through in or about August 2009, in the District of New Jersey and elsewhere,

**Jairo Borges Nunes**

did knowingly and intentionally conspire and agree with others to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme and artifice, to transmit and cause to be transmitted by means of wire communications in interstate commerce certain writings, signs, signals, pictures, and sounds, contrary to 18 U.S.C. § 1343.

In violation of 18 U.S.C. § 1349.

ATTACHMENT B

I, Timothy B. Stillings, a Special Agent with the Federal Bureau of Investigation, having conducted this investigation and discussed this matter with other law enforcement officers who have participated in the investigation, have knowledge of the facts set forth below. Because this affidavit is being submitted for the limited purpose of establishing probable cause, I have not included every detail of every aspect of the investigation. All conversations and statements described in this affidavit are related in substance and in part and are not word-for-word transcripts or quotations.

1. The investigation has uncovered evidence that **defendant Jairo Borges Nunes** has conspired with realtors, mortgage consultants and loan officers to generate false documents to obtain residential mortgage loans for unqualified borrowers. **Defendant Nunes**, a Brazilian national, resides in a basement apartment at 23 Esther Street, Newark, New Jersey. The investigation has uncovered evidence that he has created false documents concerning the income, assets, and identification of the borrowers in connection with various real estate transactions.

2. For example, through execution of court-authorized email search warrants, law enforcement learned that on or about May 13, 2009, **defendant Nunes** emailed a PDF file containing a fraudulent earnings statement to R1, a realtor working at a real estate agency located in the Ironbound section of Newark, New Jersey. The earnings statement was for L.A. of "122 W Bigelow St, Newark, NJ 07108." A search of databases available to law enforcement confirmed that a person with L.A.'s first name, middle initial and last name was associated with this address.

3. The earnings statement was false in several respects:

a. Even though **defendant Nunes** emailed it to R1 on May 13, 2009, the earnings statement was dated May 18, 2009 - five days later - and purported to be for the May 8 to May 14, 2009 pay period.

b. The earnings statement claimed that L.A. had earned "Regular Pay" of approximately \$1,690 for the pay period and approximately \$33,800 for the year to date. This translated to a yearly salary of approximately \$88,000. But the L.A. associated with 122 West Bigelow Street was only 21 years old.

c. The earnings statement identified L.A.'s employer address as "McCarthy Tire of Philadelphia, 340 Kidder Street, Wilkes-Barre PA, NJ [sic] 18703." A review of databases available to law enforcement confirmed that McCarthy Tire Service Co., Inc., not "McCarthy Tire of Philadelphia," is headquartered at 340 Kidder Street, Wilkes-Barre, PA 18702, not "PA, NJ 18703."

d. According to its website, McCarthy Tire has no locations in Philadelphia. Furthermore, a McCarthy Tire representative has confirmed to law enforcement that although L.A. was an employee of the company at its Elizabeth, New Jersey location, he earned approximately \$844.16 for the pay period described in the earning statement - roughly half of the amount listed on the fraudulent earnings statement.

4. After receiving the fraudulent earnings statement for L.A. from **defendant Nunes, R1** emailed it to L01, who was a loan officer at a New Jersey-based mortgage company. Law enforcement agents began monitoring a database maintained by the Federal Housing Administration ("FHA") to see whether L.A. would apply for a mortgage loan. On or about August 15, 2009, law enforcement discovered that L.A. had submitted an application to another New Jersey-based mortgage company for an FHA-insured mortgage loan in the amount of approximately \$279,850 to finance his purchase of 214 Sherman Avenue, Newark, New Jersey from R1 and R1's spouse for approximately \$290,000.

5. Law enforcement agents also learned through execution of court-ordered email search warrants that on or about May 13, 2009, **defendant Nunes** emailed to R1 another earnings statement, which R1 then emailed to L01. This earnings statement, dated May 8, 2009, was for J.M. and claimed that J.M. worked for "Down Neck General Improvement, 122 Fairbanks St, Hillside, NJ 07205." A review of databases available to law enforcement revealed that Down Neck General Improvement was registered to R1 and that the address was for a single-family home then owned by M.Z. A law enforcement agent who visited the address saw no signs of commercial activity there. The residence is presently listed for sale at approximately \$229,800.

6. The earnings statement also claimed that J.M. had earned approximately \$1,683 in "Regular Pay" for the May 1 to May 7, 2009 pay period, had earned approximately \$33,600 for the year-to-date, and had an address of "49 Halstead St, Kearny, NJ 07032-2018." A review of databases available to law enforcement, however, revealed no indication that J.M. was in fact associated with this address.

7. Law enforcement agents also learned through execution of court-ordered email search warrants that **defendant Nunes** had applied for at least one mortgage loan in his own name but using a false Social Security Administration number ("SSN"):

a. On or about June 18, 2009, **defendant Nunes** emailed to **MC1**, a mortgage consultant, a letter explaining why he "was late" on his "mortgage payments back in 2005," attributing it to hospital and funeral bills for his grandmother.

b. On or about June 19, 2009, **MC1** emailed to **defendant Nunes** a mortgage commitment letter dated June 19, 2009 from yet another mortgage company. The commitment letter required **defendant Nunes** to provide several documents, including a copy of a "bank statement with Bank of America #5942 for the month of April."

c. On or about June 19, 2009, **defendant Nunes** emailed to **MC1** a copy of a Bank of America statement purporting to be for an account number ending in 5942 in his name. The bank statement was for the period April 12 through May 11, 2009 and claimed an ending balance on May 11, 2009 of approximately \$37,228.53. A representative of Bank of America has confirmed that the account whose number ended in 5942 was closed in February 2009 and never belonged to **defendant Nunes** but instead belonged to a resident of Colorado.

d. The running header in the upper right corner of the bank statement listed a different account number, ending in 1590. Records obtained from Bank of America confirmed that this account was held by Greenstone Construction, with **defendant Nunes** and his wife as the account signatories. According to Bank of America's records, the balance of this account as of May 12, 2009 was approximately \$37.96 - roughly \$37,000 less than claimed on the fraudulent bank statement.

e. On or about July 6, 2009, **defendant Nunes** emailed to [miracle\\_mortgage@yahoo.com](mailto:miracle_mortgage@yahoo.com) a letter purporting to be from the Internal Revenue Service dated July 6, 2009 concerning a 2008 tax return that **defendant Nunes** purportedly had filed using the SSN ending in 7428. A representative of the Social Security Administration Office of Inspector General has confirmed that this SSN did not belong to **defendant Nunes**.

f. On or about July 9, 2009 **defendant Nunes** emailed to **MC1** a copy of a 1040EX income tax return that he purportedly filed for the 2008 tax year using the SSN that did not belong to him. On this return, **defendant Nunes** claimed that he earned approximately \$96,540 in 2008 as a plumber supervisor. He also claimed that he was owed an approximately \$2,511 refund.

8. **Defendant Nunes** used Hotmail and Yahoo! email accounts to send or receive the messages summarized above. Records of those and other internet service providers confirmed that **defendant Nunes** sent or received at least some of the emails in question from IP addresses associated with his residence at 23 Esther Street, Newark, New Jersey through an Optimum Online account in his wife's name and paid using a Bank of America account held jointly by **defendant Nunes** and his wife.