

USDS SDNY DOCUMENT ELECTRONICALLY FILED DOC #: DATE FILED: <u>3-26-12</u>

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 UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,	:	
	:	ECF Case
Plaintiff,	:	
	:	10 Civ. 9280 (PKC)
— v. —	:	
	:	
BUY-A-HOME, LLC, <i>et al.</i> ,	:	<u>CONSENT ORDER</u>
	:	
Defendants.	:	
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WHEREAS, on December 13, 2010, the United States of America (“United States”) commenced this action by filing a complaint in this Court against, *inter alia*, defendants William Buckley (“Buckley”) and Premier Appraisal Services, Inc. (“Premier”);

WHEREAS, in May 2011, Premier was renamed Buckley Consulting Group, Inc. (“Buckley Consulting”);

WHEREAS, in February 15, 2012, the United States filed an amended complaint (the “Amended Complaint”), asserting additional claims against Buckley and Premier;

WHEREAS, at all times relevant to this action, Buckley was a real estate appraiser licensed in the State of New York, *see* N.Y. Exec. L. § 160 *et seq.*, and also was an appraiser registered with the Federal Housing Authority (“FHA”), a division of the U.S. Department of Housing and Urban Development (“HUD”);

WHEREAS, at all times relevant to this action, Buckley, through Premier, issued appraisals for residential properties in connection with sales of such properties involving FHA-insured mortgage loans:

WHEREAS, the Amended Complaint alleges that, in 2007, and in connection with a scheme orchestrated by defendant Mitchell Cohen (“Cohen”) to fraudulently obtain FHA-insured mortgage loans for flip sales of five residential properties, Buckley and Premier issued FHA appraisal reports, which contained inflated valuations and/or false certifications, and were paid approximately \$2,500 for these five appraisals;

WHEREAS, the Amended Complaint further alleges that, in 2010, Buckley issued additional inflated FHA appraisals in connection with Cohen’s scheme to orchestrate fraudulent flip sales using FHA-insured mortgage loans, and also contracted with Cohen to make certain perfunctory renovations on residential properties that Cohen sought to sell;

WHEREAS, in the Amended Complaint, the United States seeks damages and civil penalties against Buckley and Premier pursuant to the False Claims Act, 31 U.S.C. §§ 3729–33, which imposes liability on, *inter alia*, persons who – with actual knowledge of the falsity or acting in reckless regard or deliberate ignorance of the falsity – present, or cause to be presented, false records or statements material to a false or fraudulent claim;

WHEREAS, in the Amended Complaint, the United States also seeks civil penalties against Buckley and Premier under the Financial Institutions Reform, Recovery and Enforcement Act, 12 U.S.C. § 1833a (“FIRREA”), and injunctive relief against Buckley and Buckley Consulting/Premier under the Fraud Injunction Statute, 18 U.S.C. § 1345;

WHEREAS, in their Answer to the Amended Complaint, Buckley Consulting/Premier denied all allegations of wrongdoing in the Amended Complaint;

WHEREAS, the parties desire to reach a full and final settlement and compromise of the claims that the United States asserts against Buckley and Buckley Consulting/Premier;

NOW, THEREFORE, it is hereby ORDERED as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331.
2. Within ninety (90) days of entry of this Consent Order, Buckley and Buckley Consulting shall pay \$250,000 to the United States (the "Settlement Amount"). Buckley and Buckley Consulting shall make payment in full of the Settlement Amount by electronic funds transfer pursuant to written instructions to be provided by the United States Attorney's Office for the Southern District of New York.
3. Buckley and Buckley Consulting/Premier admit, acknowledge, and accept responsibility for the following facts:
 - a. In 2007, and in connection with the sale of certain residential properties by Cohen that involved FHA-insured mortgage loans, Premier issued FHA appraisals at the behest of Cohen, and certain of these appraisals overstated the value of the properties;
 - b. In 2010, Buckley and Premier issued additional FHA appraisals in connection with the flip sale of residential properties by Cohen involving FHA-insured mortgage loans;
 - c. As part of these appraisals, Buckley certified that he did not have any present or prospective interest in the property or any present or prospective interest in or bias to the participants in the transaction;
 - d. In 2010, Buckley, through IDU Renovations, Inc. ("IDU"), contracted with Cohen to make renovations to a number of residential properties that Cohen sold in flip sales involving FHA-insured mortgage loans; and

e. Buckley issued an FHA appraisal in 2010 for a property sold by Cohen that Buckley also renovated through IDU.

4. Buckley and Buckley Consulting/Premier are hereby permanently enjoined from using the mails or wire transmissions, or causing use of the mails or wire transmissions, in connection with fraudulently obtaining mortgage insurance from HUD or otherwise to transact fraudulent real estate sales.

5. Buckley and Buckley Consulting/Premier are hereby permanently enjoined from engaging in any business transaction with Cohen, any entity controlled by Cohen, or any individual or entity acting on behalf of Cohen (including but not limited to Cohen's wife, Marcia Kaufman, and any business operated by Kaufman), that relates in any way to the purchase, renovation, or sale of any residential real estate property. Provided, however, that Buckley and Buckley Consulting/Premier shall not be precluded from seeking to collect on any debt owed them by Cohen or an entity controlled by Cohen (including but not limited to Cohen's wife, Marcia Kaufman, and any business operated by Kaufman) where the debt obligation existed prior to entry of this Consent Order.

6. Following entry of this Consent Order, Buckley shall withdraw his registration as a licensed real estate appraiser in the State of New York.

7. Beginning with the entry of this Consent Order, and for a period of ten (10) years, Buckley and Buckley Consulting/Premier shall agree to a voluntarily abstention from all HUD programs, including but not limited to conducting or supervising employees or independent contractors in the conduct of appraisals used to obtained FHA-insured mortgage loans.

8. Buckley and Buckley Consulting/Premier agree to cooperate fully with the United States in connection with the investigation of Cohen's schemes to defraud HUD and/or financial institutions. Specifically, Buckley and Buckley Consulting/Premier agree that they shall (a)

provide complete and truthful disclosure of all non-privileged information as may be required by the United States with respect to transactions involving Cohen, and (b) provide testimony and other information requested by the United States in connection with any criminal, civil, or administrative proceeding against Cohen or other individuals or entities involved in Cohen's schemes.

9. Subject to the exceptions in Paragraphs 10 and 11 below, in consideration of the obligations set forth in this Consent Order, and conditioned upon payment in full of the Settlement Amount by Buckley and Buckley Consulting/Premier and full compliance with Paragraphs 2-8 above, the United States (on behalf of itself and its agencies, departments, officers, employees, servants and agents) agrees to release Buckley and Buckley Consulting/Premier from any civil or administrative monetary claim or injunctive claim that the United States has, or may have, under the False Claims Act, FIRREA, or the Fraud Injunction Statute arising out of the allegations asserted in the Amended Complaint.

10. (Notwithstanding any term of this Consent Order, including the release provided in Paragraph 9, any and all of the following are specifically reserved and excluded from the scope and terms of this Consent Order as to any entity or person:

- a). any civil, criminal or administrative claims arising under Title 26, U.S. Code (Internal Revenue Code);
- b). any criminal liability;
- c). except as explicitly stated in this Consent Order, any administrative liability, including suspension or exclusion from participating in transactions with the United States;
- d). any liability to the United States (or its agencies) for any conduct other than that alleged in the Amended Complaint;

- e). any claims based upon such obligations as are created by this Consent Order; and
- f). any liability to the United States of any entity or person that or who is not released by the terms of this Consent Order.

11. In the event of a criminal prosecution or administrative action relating to the allegations asserted in the Amended Complaint, Buckley and Buckley Consulting/Premier waive and will not assert any defenses they may have based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Consent Order bars a remedy sought in such criminal prosecution or administrative action.

12. Nothing in this Consent Order constitutes an agreement by the United States concerning the characterization of the Settlement Amount for purposes of the Internal Revenue Code, Title 26 of the United States Code.

13. The Amended Complaint is hereby dismissed as to Buckley and Buckley Consulting/Premier. However, the Court will retain jurisdiction over the enforcement and interpretation of this Consent Order and to resolve all disputes arising hereunder.

14. The undersigned signatories represent that they are fully authorized to enter into this Consent Order and to execute and legally bind the parties they represent to the terms of this Consent Order.

15. The United States, Buckley, and Buckley Consulting/Premier shall bear their own costs and attorneys' fees in this action.

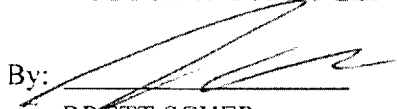
16. This Consent Order is intended for the benefit of the United States, Buckley, and Buckley Consulting/Premier only, and the parties do not release any claims against any other person or entity by executing this Consent Order.

17. This Consent Order contains the entire agreement between Buckley and Buckley Consulting/Premier, on one hand, and the United States, on the other hand, with respect to the subject matter of the Amended Complaint. No prior agreements, oral representations or statements shall be considered part of this Consent Order.

For Buckley and Premier:

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By:



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SO ORDERED ON THIS 23 DAY OF MARCH, 2012:


HON. P. KEVIN CASTEL
UNITED STATES DISTRICT JUDGE