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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

MAY - 5 2014

AT 8:30
WILLIAM T. WALSH CLERK

UNITED STATES OF AMERICA

: Hon. Joel A. Pisano

v.

: Criminal No. 14-

ALEX SCHLEIDER

: 18 U.S.C. § 1343

247(JAP)-01

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

Relevant Entities and Individuals

1. At all times relevant to this Information, unless otherwise indicated:
 - a. Defendant ALEX SCHLEIDER was a resident of Lakewood, New Jersey, who purported to be a real estate investor.
 - b. Co-schemer Eliyahu Weinstein, a/k/a "Eli Weinstein," who is the subject of a separate Indictment, Crim. No. 14-219 (JAP), concerning the fraudulent conduct described herein, was a resident of Lakewood, New Jersey who purported to broker investment opportunities in real estate and securities, among other things.
 - c. Victim "G.C." and his son, Victim "J.C.," were residents of New Zealand. In or around 2011, defendant SCHLEIDER first met Victim G.C. because they had both allegedly lost money in investments with an individual located in or around Lake Elsinore, California. In or around 2011, defendant

SCHLEIDER learned from Victim G.C. that Victim G.C. had a substantial sum of money available to him and was looking for real estate investment opportunities in the United States for his son, Victim J.C., to manage.

d. The Belle Glade Gardens Apartments Complex ("Belle Glade Gardens") was a group of approximately 384 apartments located in or around Belle Glade, Florida that was available for purchase in or around 2012. Co-schemer WEINSTEIN solicited defendant SCHLEIDER to broker the purported purchase and resale of Belle Glade Gardens in exchange for a commission of 4% upon successful completion of the transaction.

The Scheme to Defraud

2. From in or about February 2012 through in or about May 2013, in Ocean County, in the District of New Jersey and elsewhere, defendant

ALEX SCHLEIDER

did knowingly and intentionally devise a scheme and artifice to defraud and to obtain money and property from Victim G.C. and Victim J.C. by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing such scheme and artifice, transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce, certain signs, signals, and sounds.

Object of the Scheme to Defraud

3. The object of the scheme to defraud was for defendant SCHLEIDER, co-schemer Weinstein, and others to enrich themselves by obtaining money from Victim G.C. and Victim J.C. by making false and fraudulent representations relating to a purported investment in Belle Glade Gardens.

Manner and Means of the Scheme to Defraud

4. It was part of the scheme to defraud that defendant SCHLEIDER, co-schemer Weinstein, and others made, and caused to be made, the following materially false and misleading statements and material omissions, among others, to Victim G.C. and Victim J.C. concerning a purported investment in Belle Glade Gardens:

a. First, defendant SCHLEIDER told Victim G.C. and Victim J.C. that he and co-schemer Weinstein had the opportunity to purchase Belle Glade Gardens at a discounted price and immediately resell it at a substantial profit.

b. Second, defendant SCHLEIDER told Victim G.C. and Victim J.C. that he and co-schemer Weinstein had placed approximately \$2.5 million in the trust account of a Miami law firm for the transaction.

c. Third, defendant SCHLEIDER told Victim G.C. and Victim J.C. that he and co-schemer Weinstein needed an additional approximately \$2.5 million to be wired to the Miami law firm's trust account to complete the transaction.

d. Fourth, defendant SCHLEIDER told Victim G.C. and Victim J.C. that their funds would remain in escrow at the Miami law firm until the deal closed, and that Victim G.C. and Victim J.C. would be repaid within 60 days.

5. It was further part of the scheme to defraud that the above representations to Victim G.C. and Victim J.C. were false because, among other things and as defendant SCHLEIDER well knew, he and co-schemer Weinstein never had \$2.5 million in escrow at the Miami law firm at any time.

6. It was further part of the scheme to defraud that based on the above misrepresentations, among others, Victim G.C. and Victim J.C. caused the following wires to be made from outside of the United States to Miami, Florida to the trust account of the Miami law firm for the purported purchase and resale of Belle Glade Gardens:

a. On or about February 23, 2012, Victim G.C. and Victim J.C. wired approximately \$2.5 million from an account in Jersey, Channel Islands, to the Miami law firm's trust account.

b. On or about April 18, 2012, Victim G.C. and Victim J.C. wired approximately \$330,000 from an account in the Cayman Islands to the Miami law firm's trust account.

7. It was further part of the scheme to defraud that contrary to their representations to Victim G.C. and Victim J.C. concerning the Belle Glade Gardens transaction, defendant SCHLEIDER and co-schemer Weinstein misappropriated the victim investors' funds for their own use and benefit.

Immediately after each of the wires described in paragraphs 6(a) and 6(b) were received by the Miami law firm, defendant SCHLEIDER and co-schemer Weinstein caused the Miami law firm to forward the incoming funds to a bank account in New Jersey controlled by co-schemer Weinstein ending in 5080 (the "5080 Account") in the following amounts:

- a. a wire for approximately \$2.5 million to the 5080 Account on or about February 27, 2012; and
- b. a wire for approximately \$311,075 to the 5080 Account on or about April 19, 2012.

8. It was further part of the scheme to defraud that despite the above transactions, on or about April 16, 2012, defendant SCHLEIDER wrote Victim G.C. an e-mail in which he falsely stated that the closing of the Belle Glade Gardens transaction was imminent and that defendant SCHLEIDER and Victim G.C. should realize a gain of approximately \$2.5 million. In addition, defendant SCHLEIDER falsely represented that both he and Victim G.C. each still had "\$2,500,000 in escrow totaling \$5MM" in the Miami law firm's trust account.

9. It was further part of the scheme to defraud that on or about June 22, 2012, defendant SCHLEIDER sent Victim G.C. an e-mail in which he falsely stated that the Belle Glade Gardens transaction had closed. In subsequent conversations, defendant SCHLEIDER requested wiring instructions from Victim G.C. purportedly for the return of Victim G.C.'s principal and profit from the Belle Glade Gardens transaction.

10. It was further part of the scheme to defraud that contrary to the representations made to Victim G.C. and Victim J.C, defendant SCHLEIDER, co-schemer Weinstein, and others misappropriated all of Victim G.C. and Victim J.C.'s funds that were intended for the Belle Glade Gardens transaction for their own use and benefit, without disclosing the diversion of funds.

In violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION

1. The allegations contained in this Information are hereby incorporated and realleged by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).


2. The United States hereby gives notice to defendant that, upon conviction of the offense charged in this Information, the United States will seek forfeiture, in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), of any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offense.

3. If by any act or omission of defendant any of the property subject to forfeiture described above:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section

2461(c), to seek forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.



PAUL J. FISHMAN
United States Attorney

CASE NUMBER:

**United States District Court
District of New Jersey**

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v.

ALEX SCHLEIDER

INFORMATION FOR

18 U.S.C. § 1343

PAUL J. FISHMAN

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