

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Criminal Case No.

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. IYAD YASIR ALLIS,
a/k/a “Eddie Awad”,
a/k/a “Eddie A.”,
d/b/a “Creativity Financing, LLC”,
d/b/a “Creative Financing”
d/b/a “New Horizon Mortgage”,

Defendant.

INDICTMENT

18 U.S.C. § 1344(2) – Bank Fraud
18 U.S.C. § 922(d)(1) – Sale of a Firearm to a Prohibited Person
18 U.S.C. § 2 – Aiding and Abetting

COUNT 1

The Grand Jury charges that:

1. Beginning in or about November 2004 and continuing through to December 2004, inclusive, in the State and District of Colorado and elsewhere, the defendant, IYAD YASIR ALLIS, a/k/a “Eddie Awad”, a/k/a “Eddie A.”, d/b/a “Creativity Financing, LLC”, d/b/a “Creative Financing”, together with others, did knowingly execute, and attempt to execute, a scheme and artifice to obtain any of the moneys, funds, credits, assets and other property owned by, and under the custody and control of, a financial institution, namely Finance America, by

means of materially false or fraudulent pretenses, representations and promises. It was part of the scheme that:

2. In 2004, E.B. owned the residence located at 7021 Saulsbury Street in Arvada, Colorado. E.B. originally purchased the house for approximately \$209,000 with a fixed rate loan. E.B., along with her daughter M.B., went to New Horizon Mortgage to lower E.B.'s monthly payments through a refinance.

3. The defendant handled the re-finance at New Horizon Mortgage for E.B.'s home. He told M.B. she needed to be listed as the "primary borrower" on the loan because she had good credit. The defendant signed the Uniform Residential Loan Application, ("URLA") as the loan officer, dated November 14, 2004, using the name Eddie Awad. The paperwork for the refinancing was filled out at the New Horizon Mortgage offices at 1450 South Havana Street in Aurora, Colorado.

4. The URLA falsely states that M.B. worked for "Banuelos Jewelry" earning \$4,500 per month. It stated M.B. worked at "Banuelos Jewelry" for 10 years. M.B. was not working at the time and has never worked for or heard of "Banuelos Jewelry."

5. The URLA falsely states that M.B. had two separate bank accounts with \$4,500 in one and \$3,000 in the other. M.B. had only one bank account.

6. The URLA falsely states that M.B. was paying \$1,454 per month on the original mortgage when in fact M.B. was not paying anything on the original mortgage.

7. The URLA falsely states M.B. is a United States citizen. M.B. is a permanent resident alien.

8. The URLA falsely states that E.B. worked for "Banuelos Jewelry" earning \$3,750 per

month. It stated E.B. worked at “Banuelos Jewelry” for 15 years. E.B. has never worked for or heard of “Banuelos Jewelry.”

9. The URLA falsely states E.B. is a United States citizen. E.B. is a permanent resident alien.

10. Based upon this loan application, Finance America wired \$222,882.46 to fund the loan on November 17, 2004. New Horizon Mortgage received a check for \$7,626.00 dated November 17, 2004 from the Title Company of Denver for this loan.

11. Records from New Horizon Mortgage show a payment to Creativity Financing of \$5,380.80 for this loan. New Horizon Mortgage records also show the loan officer as the defendant, Iyad Allis. New Horizon Mortgage records also indicate that payment was made to the defendant d/b/a Creativity Financing on November 24, 2004 with check #1182. The defendant deposited this check in his Compass Bank account.

12. E.B.’s original mortgage was a fixed rate loan with payments of approximately \$1,300 per month. After the defendant’s refinancing, her payments increased. E.B.’s payments continued to increase because the new mortgage was an adjustable rate loan. The house went into foreclosure.

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

COUNT 2

The Grand Jury further charges that:

13. Beginning in or about February 2005 and continuing through to March 2005, inclusive, in the State and District of Colorado and elsewhere, the defendant, IYAD YASIR ALLIS, a/k/a “Eddie Awad”, a/k/a “Eddie A.”, d/b/a “Creativity Financing, LLC”, d/b/a

“Creative Financing”, together with others, did knowingly execute, and attempt to execute, a scheme and artifice to obtain any of the moneys, funds, credits, assets and other property owned by, and under the custody and control of, a financial institution, namely Finance America, LLC, by means of materially false or fraudulent pretenses, representations and promises. It was part of the scheme that:

14. On February 25, 2005, the defendant completed and signed a Uniform Residential Loan Application (“URLA”) to purchase a residence at 6011 S. Andes Circle in Aurora, Colorado for \$725,000 using two mortgages from Victor Jesus Rodriguez.

15. On the URLA, the defendant stated he was self employed as a broker at New Horizon Mortgage for 10 years. He falsely listed his monthly income as \$15,000. Records checks with the Colorado Department of Labor indicated that the defendant reported \$3,915 in earnings from 2002 to 2003. There were no other reported earnings for the defendant.

16. The loan application has six checks included as support from the defendant falsely showing payment for rent of \$1,500 a month for March 1, 2004 through August 1, 2004. The account number on the checks belongs to an account that was not opened until October 26, 2004.

17. The loan application has false bank account statements for the defendant from January 24, 2004 to January 23, 2005. The actual account number on the false statements was for an account the defendant opened on January 10, 2005, with the first account statement dated February 3, 2005.

18. The defendant also signed an Occupancy Agreement stating the home would be his primary residence and that he intended to occupy the property for a 12 month period immediately following the closing. Subsequently, the defendant never resided at the property.

19. The URLA loan officer signature was the name Vincent Lawrey of New Horizon Mortgage, 1450 S. Havana Street, Ste. 801, Aurora, CO, 80012. Public records queries were negative for anyone by that name in the state of Colorado.

20. Based upon the foregoing loan application, Finance America, LLC sent two wire transactions on February 25, 2005 to the Title Company of Denver. One was for \$144,961.74. The other was for \$581,429.40. The Title Company of Denver disbursed a check for \$3,100 to New Horizon Mortgage on February 28, 2005. That same day, the Title Company of Denver disbursed a check for \$68,978.63 to Victor Jesus Rodriguez.

21. On March 7, 2005, a warranty deed was issued from Victor Jesus Rodriguez to the defendant Iyad Allis. Then, on April 4, 2005, a quit claim deed was issued from defendant Iyad Allis back to Victor Jesus Rodriguez and Nicole Lee Rodriguez. The property was later foreclosed in 2006 and sold at a loss.

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

COUNT 3

The Grand Jury further charges that:

22. Beginning in or about July 2004 and continuing through to August 2004, inclusive, in the State and District of Colorado and elsewhere, the defendant, IYAD YASIR ALLIS, a/k/a “Eddie Awad”, a/k/a “Eddie A.”, d/b/a “Creativity Financing, LLC”, d/b/a “Creative Financing”, together with others, did knowingly execute, and attempt to execute, a scheme and artifice to obtain any of the moneys, funds, credits, assets and other property owned by, and under the custody and control of, a financial institution, namely Washington Mutual, by means of materially false or fraudulent pretenses, representations and promises. It was part of the scheme

that:

23. In or about July 2004, A.O. spoke with an employee of New Horizon Mortgage about a mortgage for a residence at 1907 North Taft Avenue in Loveland, Colorado via telephone.

24. After consulting with New Horizon Mortgage by telephone, A.O. went to the New Horizon Mortgage offices to complete a Uniform Residential Loan Application, ("URLA"). A.O.'s URLA, dated July 7, 2004, was signed by the defendant as the loan officer, using the name Eddie A. of New Horizon Mortgage at 1450 S. Havana Street, Ste. 801, Aurora, CO.

25. The URLA falsely states that A.O. lived at 1957 South Peoria Street for the previous two years. A.O. never resided at that address.

26. The URLA falsely states that A.O. worked for Helping Hands Home Health Care for three years. The loan file had two W-2 pay stubs for A.O. from Helping Hands Home Health Care. A.O. never worked for that organization.

27. Helping Hands Home Health Care was operated by Nebiyou "Nate" Tirfe. When Tirfe changed the business name to My Home Health Care, Colorado Secretary of State records list the defendant, Iyad Allis, as the registered agent with an address of 1450 South Havana Street, Ste. 232, Aurora, Colorado.

28. The URLA falsely states A.O. is a United States citizen. A.O. is not a United States citizen.

29. The loan file contained a false Verification of Deposit for a checking account claiming a balance of \$26,000 in A.O.'s name at Bank One. A.O. never had an account at Bank One.

30. Based upon this loan application, Washington Mutual wired \$215,285.87 to fund the

loan on July 7, 2004. New Horizon Mortgage received a check for \$9,336.00 dated July 7, 2004 from the Title Company of Denver for this loan.

31. Records from New Horizon Mortgage show a payment to Creativity Financing of \$6,748.80 for this loan. New Horizon Mortgage records also indicate that payment was made to the defendant d/b/a Creativity Financing on July 15, 2004 with check #1060.

32. The loan on this house foreclosed.

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

COUNT 4

The Grand Jury further charges that:

33. Beginning in or about January 2005 and continuing through to March 2005, inclusive, in the State and District of Colorado and elsewhere, the defendant, IYAD YASIR ALLIS, a/k/a “Eddie Awad”, a/k/a “Eddie A.”, d/b/a “Creativity Financing, LLC”, d/b/a “Creative Financing”, together with others, did knowingly execute, and attempt to execute, a scheme and artifice to obtain any of the moneys, funds, credits, assets and other property owned by, and under the custody and control of, a financial institution, namely Freemont Investment and Loan, by means of materially false or fraudulent pretenses, representations and promises. It was part of the scheme that:

34. In 2002, O.C. owned the residence located at 11852 Clayton Street in Thornton, Colorado. O.C. originally purchased the house for approximately \$219,800 with a fixed rate loan. Payments were about \$1,150 per month.

35. In 2005, O.C. decided he wanted to refinance to lower his monthly payments and pull some equity out of his house to pay off some bills. O.C. went to New Horizon Mortgage to do a

refinance upon the suggestion of a friend who worked for the defendant. O.C. was told to talk to the defendant, Iyad Allis.

36. The defendant handled the re-finance for O.C.'s home at the New Horizon Mortgage offices located at 1450 South Havana Street in Aurora, Colorado. The defendant promised O.C. he could get qualified for a refinance, and that the monthly payments would decrease through the use of an 80/20 Adjustable Rate Mortgage ("ARM").

37. During the loan application process, O.C. explained to the defendant that O.C. did not have a valid social security number. The defendant used the social security number belonging to O.C.'s daughter on the Uniform Residential Loan Application, ("URLA") instead.

38. The URLA falsely states that O.C. is a United States citizen. O.C. is not a citizen.

39. The URLA is signed by the defendant as the loan officer using the name Eddie Awad. Although the URLA is not dated, it was faxed to Freemont Investment and Loan on January 28, 2005.

40. The URLA falsely states that O.C. was paying \$1,605 per month on the original mortgage when in fact O.C. was paying approximately \$1,150 per month on the original mortgage.

41. Based upon this loan application, Freemont Investment and Loan wired approximately \$222,000 to fund the loan on February 7, 2005. New Horizon Mortgage records show that they received \$5,953.00 dated February 7, 2005 for this loan.

42. Records from New Horizon Mortgage show a payment to Creativity Financing of \$3,791.40 for this loan. New Horizon Mortgage records also indicate that payment was made to the defendant d/b/a Creativity Financing on February 21, 2005 with check #1221. The defendant

deposited this check in his Compass Bank account.

43. After the defendant's refinancing, O.C.'s payments increased. O.C.'s payments continued to increase because the new mortgage was an adjustable rate loan. The house foreclosed.

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

COUNT 5

The Grand Jury further charges that:

44. On or about July 30, 2008, in the State and District of Colorado, the defendant, IYAD ALLIS, together with others, did unlawfully and knowingly sell and otherwise dispose of a firearm, to wit: a shotgun; in and affecting interstate commerce, to a person while knowing or having reasonable cause to believe that the person had been convicted in any court of a crime punishable by imprisonment for a term exceeding one year.

All in violation of Title 18, United States Code, Sections 922(d)(1) and 2.

COUNT 6

The Grand Jury further charges that:

45. On or about August 6, 2008, in the State and District of Colorado, the defendant, IYAD ALLIS, together with others, did unlawfully and knowingly sell and otherwise dispose of a firearm, to wit: a handgun; in and affecting interstate commerce, to a person while knowing or having reasonable cause to believe that the person had been convicted in any court of a crime punishable by imprisonment for a term exceeding one year.

All in violation of Title 18, United States Code, Sections 922(d)(1) and 2.

A TRUE BILL

Ink signature on file in the clerk's office
FOREPERSON

TROY A. EID
United States Attorney

By: s/Greg Holloway
GREG HOLLOWAY, WSBA #28743
Assistant U.S. Attorney
U.S. Attorney's Office
1225 17th St., Ste. 700
Denver, CO 80202
Telephone: 303-454-0100
Fax: 303-454-0403
E-mail: Gregory.Holloway@usdoj.gov
Attorney for Government

DEFENDANT: IYAD ALLIS

AGE: 1975

ADDRESS: Unknown

COMPLAINT FILED? ☒ YES ☐ NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER: 08-mj-01193

IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? ☒ YES ☐ NO

IF NO, A NEW WARRANT IS REQUIRED

OFFENSE: Counts 1, 2, 3 and 4: 18 U.S.C. § 1344(2)
Bank Fraud

Counts 5 and 6: 18 U.S.C. § 922(d)(1)
Selling a Firearm to a Prohibited Person

LOCATION OF OFFENSE: Arapahoe County, Colorado

PENALTY: Counts 1, 2, 3 and 4: NMT 30 years imprisonment, \$1,000,000 fine, or both;
NMT 3 years supervised release; \$100.00 Special Assessment Fee, each count

Counts 5 and 6: NMT 10 years imprisonment, \$250,000 fine, or both; NMT 3
years supervised release; \$100.00 Special Assessment Fee, each count

AGENT: Stonie Carlson
SA FBI

AUTHORIZED BY: Gregory A. Holloway
Assistant U.S. Attorney

ESTIMATED TIME OF TRIAL:

☒ five days or less

☐ over five days

THE GOVERNMENT

☒ will seek detention in this case

☐ will not seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE: Yes X No