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FORMER LAWYER CHARGED WITH BILKING HOME BUYERS
OUT OF MORE THAN \$1 MILLION IN DOWN PAYMENTS

*Defendant Allegedly Collected Money for Properties
in Queens, Brooklyn and the Bronx Without Closing on Homes;
Defendant Faces Up to 5 to 15 Years in Prison if Convicted*

Queens District Attorney Melinda Katz announced today that suspended lawyer Freddie Berg, of the Berg Law Firm LLC, has been charged with grand larceny, conspiracy and other crimes for allegedly conning nearly two dozen would-be home buyers out of their down payments between September 2016 and December 2018.

District Attorney Katz said, “This defendant is accused of turning the American Dream of home ownership into a nightmare for 18 people. Despite repeated demands for the return of their money, the vast majority of the victims were never refunded their down payments and were never able to close on the homes they sought to buy.”

Berg, 61, of Lefferts Avenue in Brooklyn, was arraigned yesterday evening before Queens Criminal Court Judge Saul Stein on a complaint charging him with grand larceny in the second and third degree, conspiracy in the fourth degree and two counts of scheme to defraud in the first degree. Judge Stein ordered the defendant to return to Court on August 11, 2021. If convicted Berg faces up to 5 to 15 years in prison.

According to the charges, in the summer of 2016, one of the victims, a woman, responded to an internet listing for two houses for sale on 12th Avenue in Flushing, Queens. The would-be buyer spoke to an unapprehended party who partnered with Berg to sell homes. Following a series of conversations, the victim agreed to buy the properties and paid \$400,000 in three separate checks as the down payment. In May 2017, the woman spoke to Berg about the properties and he allegedly told her a closing date was imminent. However, a date to complete the purchase of either property was never set and none of her money was returned.

As alleged, the victim’s three checks were deposited into the Berg Law Firm’s Citibank account. Soon afterwards, there was a withdrawal for \$250,000, a debit for \$7,500 that went to a Ford Dealership and a bank check of \$33,000 endorsed to another car dealership. There was also a wire transfer allegedly initiated by the unapprehended other to a travel agency. In all there were at least \$337,500 withdrawn out of the \$400,000 down payment made by the victim.

According to the charges, the defendant and the unapprehended other allegedly swindled a total of 18 people out of \$1.3 million and not a single individual was able to close on a property they sought to buy. Only

one person received any cash back. That victim was refunded \$4,950 – even though he allegedly gave defendant Berg a down payment of \$205,000 for a home on Madison Street in Brooklyn.

DA Katz said, in February 2018, another victim made an offer through a real estate broker to buy a home on Eastern Parkway in Brooklyn. The offer was accepted, and in the meeting where the contract was signed, defendant Berg was allegedly the lawyer representing the home seller. Two checks for \$25,000 each were allegedly given to the Berg Law Firm. A year later, in February 2019, while the buyer was waiting to close on the brownstone, he learned that the property had been sold to someone else. He did not receive a refund of his down payment.

DA Katz said, as of December 3, 2019, defendant Berg’s license to practice law had been suspended.

According to the complaint, in numerous instances money that was deposited into the Berg Law Firm account was wired out to various other banks.

DA Katz added that, if anyone believes they may have been victimized in a scheme of this nature, please call my Office at 718 286-6560.

The investigation was conducted by Detective Thomas Kaup, of the District Attorney’s Detectives Bureau, under the supervision of Lieutenant John Kenna, Deputy Chief Daniel O’Brien, and under the overall supervision of Chief Edwin Murphy. Also assisting in the investigation was Supervising Accountant Joseph Plonski, Director of the District Attorney’s Forensic Accounting Unit.

Senior Assistant District Attorney Karlton Jarrett, of the DA’s Public Corruption Bureau, is prosecuting the case, under the supervision of Assistant District Attorneys James Liander, Bureau Chief, Khadijah Muhammad-Starling, Deputy Bureau Chief, Yvonne Francis, Supervisor, and under the overall supervision of Executive Assistant District Attorney for Investigations Gerard A. Brave.

Criminal complaints and indictments are accusations. A defendant is presumed innocent until proven guilty.

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