IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI

UNITED STATES OF AMERICA,
Plaintiff,
v. **Case No. 23-cr-00067-BP**

MIRZA MICHAEL REAZUDDIN,
Defendant.

RESPONSE TO GOVERNMENT'S SENTENCING MEMORANDUM

COMES NOW the Defendant, by and through counsel, David McDonald and responds to the Sentencing Memorandum filed by the Government on June 12th, 2024, by stating the following.

The Defendant seeks to explain and clarify the facts surrounding the business at issue for the Court. The Government's Memorandum states that Defendant submitted a false loan application on a business which was no longer in operation. While this was the case, the Defendant remained hopeful he could revive the hotel with the PPP loan funds.

In 2014, Defendant formed a one-man Missouri Limited Liability Company (which is still in existence) under the name of "The Grandview Hotel, LLC" and operated the business under the assumed name of "The Besthost Inn." Grandview Hotel, LLC entered into a five-year Lease to operate a hotel called Besthost Inn located at 5701 Longview Rd, Kansas City, MO 64137. During the operation of the hotel, landlord's son, Cody Nguyen, joined the business as an owner. There was eventually a falling out between the Defendant, Mr. Cody Nguyen and the landlord which included a dispute over ownership. This dispute led to litigation between the

parties during the time of the PPP loan applications in which the Defendant was ultimately unsuccessful.

In 2020, when the CARES Relief Act was rolled out, Defendant received a barrage of mail, email and telephone solicitation to apply for PPP loans. He had lost his income and felt financial pressure. He was hopeful he would be successful in his litigation and then could use the financial assistance for its stated purpose. The payroll numbers the Defendant entered in the loan application were anticipated payroll and not actual payroll in existence being paid by the Defendant at the time of the application. He was not successful in the litigation and never used any of the funds for their state purposes. When the Defendant entered into the PPP loan, he executed a Promissory Note and a Repayment Schedule in the event the loan is not used for the intended purpose and had to be repaid upon its maturity in two years.

Notwithstanding, defendant accepts full responsibility for obtaining the SBA loan. He was wrong. In hindsight, the Defendant recognizes the gravity and unscrupulousness of his actions. If he could take his actions back, he would in a heartbeat. The funds from this PPP loan have truly ruined the Defendant's life.

As stated in the Defendant's previous sentencing filing, he has now done everything he can to try to right his wrongful actions. He has now accepted responsibility for what he did. He has offered to cooperate with the Government in any way possible. He has agreed to transfer all his rights to the "Georgia Property" which will, hopefully, satisfy his restitution obligation.

WHEREFORE, the defense requests the Court to grant its motion and impose a downward variance to five years of probation. Alternatively, the defense requests the Court grant a two-level downward departure for a total prison sentence of 18 months of incarceration.

Respectfully submitted,

/s/ _____
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CERTIFICATE OF SERVICE

I, David McDonald, hereby certify that a copy of the above and foregoing **RESPONSE** was served on the prosecution, by electronic the date of filing.

/s/
David McDonald