

**EASTERN DISTRICT OF CALIFORNIA
MORTGAGE FRAUD STATISTICS FOR JUNE 2010 – JUNE 2011**

I. OPERATION STOLEN DREAMS CASES

U.S. v. Paul Bridge, Case No. 08-277 KJM

Bridge was sentenced on 8/27/10 to a 36-month term of supervised release and \$7,500 fine for payment of illegal referral fees, as part of a scheme involving kickbacks for illegal referrals of borrowers to a mortgage broker.

U.S. v. George Eggleston, Case No. 10-248 LJO

Eggleston pleaded guilty on 2/1/11 to wire fraud and mail fraud in connection with a \$392,000 Internet foreclosure-rescue scheme, and loan application fraud relating to his own home purchase. He was sentenced on 6/3/11 to 82 months in prison and ordered to forfeit \$364,899.

U.S. v. Albert Lewis Ellis, et al., Case No. 10-266 LJO

A \$1,580,500 loan origination fraud scheme. Ellis pleaded guilty to conspiracy to commit mail fraud, mail fraud, and identity theft on 2/7/11. He was sentenced on 5/20/11 to 33 months in prison and ordered to pay restitution of \$548,178. Wrenl Burge pleaded guilty to conspiracy to commit mail fraud and mail fraud on 2/7/11. He was sentenced on 5/20/11 to 41 months in prison and ordered to pay restitution of \$1,011,524. Richard Hanna pleaded guilty on 2/7/11 to identity theft. He is scheduled to be sentenced in late June 2011.

U.S. v. Garret Griffith Gililand III, et al., Case No. 08-376 EJG

A \$6.5 million builder-bailout mortgage fraud scheme and loan origination fraud. Eight new defendants (W. Baker, S. Burreson, C. Chiavola, B. Resendez, L. Williams, N. Fortune, K. Haynie, and R. Heng) were indicted on 6/17/10 for mail fraud and money laundering in connection with the scheme. Shane Burreson pleaded guilty on 1/28/11 to mail fraud and money laundering. Christopher Chiavola pleaded guilty on 2/25/11 to mail fraud and money laundering. Niche Fortune pleaded guilty on 3/11/11 to mail fraud. Gililand pleaded guilty on 5/5/11 to mail fraud and money laundering. Nicole Magpusao pleaded guilty on 5/5/11 to mail fraud.

U.S. v. Jeremiah Martin, et al., Case No. 10-191 JAM

Martin pleaded guilty on 5/3/11 to mail fraud and conspiracy to launder funds in connection with a \$2 million foreclosure-rescue fraud scheme that involved theft of homes.

U.S. v. Richard Norton, Case No. 10-267 LJO

Scheme to defraud HUD by making false statements to obtain housing benefits. Norton pleaded guilty, and was sentenced on 12/17/10 to 30 months in prison and ordered to pay restitution of \$953,936.

U.S. v. Hoda Samuel, et al., Case No. 10-223 JAM

Over \$5 million cash-back mortgage fraud scheme. Defendant Harrison pleaded guilty on 9/7/10 to making false statements to a financial institution. Defendant Moore pleaded guilty on 9/3/10 to making false statements to a financial institution.

TOTAL GUILTY PLEAS OF STOLEN DREAMS DEFENDANTS: 5

TOTAL STOLEN DREAMS DEFENDANTS SENTENCED: 13

II. NEW MORTGAGE FRAUD INDICTMENTS/ INFORMATIONS SINCE OPERATION STOLEN DREAMS, JUNE 18, 2010

U.S. v. Bhamani, et al, Case No. 10-327 MCE

On 8/12/10, eight defendants were charged in an indictment with mail fraud, wire fraud and/or money laundering. Alleged \$800,000 real estate investment fraud scheme including efforts to raise revenue via straw buyer mortgage fraud.

U.S. v. Alonzo Jackson Brown, Case No. 11-mj-145 KJN

Defendant charged on 5/23/11 by complaint for bank, mail, and wire fraud, and identity theft, indicted on 6/16/11 for wire fraud. Alleged \$1.7 million loan origination mortgage fraud scheme by realtor to obtain commissions on five properties and sell realtor's property.

U.S. v. Carlos Chamorro, Case No. 10-405 EJG

On 9/15/10, defendant was charged by information with conspiracy, in connection with alleged \$6.5 million builder-bailout mortgage fraud scheme and loan fraud scheme.

U.S. v. David Crisp, Carl Cole, et al., Case No. 11-026 LJO

On 1/13/11, a 57-count indictment was returned charging 10 defendants (David Marshall Crisp; Carlyle Lee Cole; Julie Dianne Farmer; Sneha Ramesh Mohammadi; Jayson Peter Costa; Jeriel Salinas; Robinson Dinh Nguyen; Michael Angelo Munoz; Jennifer Anne Crisp, 29, and Caleb Lee Cole) with conspiracy to commit bank, mail and wire fraud, and/or wire fraud, bank fraud, and conspiracy to launder money. Alleged \$10 million property-flipping mortgage fraud scheme.

U.S. v. Michael Giang, Case No. 11-037 JAM

An information charging mail fraud was filed on 2/8/11, charging defendant with loan origination fraud to acquire properties for marijuana cultivation.

U.S. v. Brandon Hanly, et al., Case No. 10-474 WBS

An indictment charging three defendants with wire and mail fraud was filed on 11/4/10. An alleged \$1.5 million cash-back mortgage fraud scheme.

U.S. v. Eric Ray Hernandez, et al., Case No. 10-249 AWI

A superseding indictment was returned on 11/10/10 charging five defendants, including two new defendants, with: conspiracy to commit mail fraud, wire fraud, and bank fraud; mail fraud; and/or money laundering. An alleged loan origination fraud scheme involving a loan officer at a mortgage brokerage, his associates, and a tax return preparer.

U.S. v. Theodore Hutz, Case No. 10-238 EJG

On 6/24/10, defendant was charged by information with bid rigging at foreclosed property auctions, \$96,500 in losses.

U.S. v. Gregory Jackson, Case No. 11-090 EJG

On 2/22/11, defendant was charged by information with bid rigging and conspiracy to commit mail fraud involving foreclosed property auctions, \$21,000 loss.

U.S. v. James Lankford and Jon McDade, Case No. 10-398 AWI

On 9/23/10, two defendants, including a real estate broker, were charged in a 50-count indictment with mail fraud and/or bank fraud, in connection with an alleged \$10 million equity-skimming mortgage fraud scheme. McDade was also charged with bank fraud regarding the short sale of his own home, which resulted in a loss of approximately \$580,000.

U.S. v. Andy Lieng, et al., Case No. 07-316 LJO

A third superseding indictment charging four defendants with mail fraud was filed on 5/17/11, in connection with an alleged loan origination fraud to acquire properties for marijuana cultivation.

U.S. v. Yama Marifat, Case No. 11-039 EJG

On 1/28/11, defendant was charged by information with bid rigging and conspiracy to commit bid rigging at foreclosed property auctions, \$79,000 loss.

U.S. v. Royce Lee Newcomb, Case No. 11-172 MCE

Defendant was indicted on 4/14/11 for wire fraud, in connection with alleged \$2.9 million real estate Ponzi scheme.

U.S. v. Richard Northcutt, Case No. 11-038 MCE

On 1/28/11, defendant was charged by information with bid rigging and conspiracy to commit mail fraud at foreclosed property auctions, \$400,000 in losses.

U.S. v. Vera Kuzmenko, et al., Case No. 11-210 JAM

Eight defendants, including two real estate salespersons and one real estate broker, were indicted on 5/12/11 for wire and mail fraud, money laundering, and/or witness tampering, in connection with an alleged \$17 million cash-back mortgage fraud scheme.

U.S. v. John Vanzetti, Case No. 10-239 EJG

On 6/24/10, defendant was charged by information with bid rigging at foreclosed property auctions in San Joaquin County. Losses of \$271,000.

U.S. v. Carrie Yeung, Case No. 10-358 EJG

An information charging mail fraud was filed on 8/24/10, alleging a loan origination fraud scheme to acquire properties for marijuana cultivation.

TOTAL NEW DEFENDANTS CHARGED WITH MORTGAGE FRAUD: 47

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III. OTHER MORTGAGE FRAUD PLEAS/SENTENCING (NON STOLEN DREAMS)
SINCE OPERATION STOLEN DREAMS, JUNE 18, 2010

U.S. v. Iftikhar Ahmad, Case No. 07-386 WBS

Defendant was sentenced on 2/14/11 to 21 months in prison and ordered to pay \$382,750 in restitution for mail fraud and money laundering. Mortgage fraud scheme to sell defendant's homes at inflated prices to straw buyers.

U.S. v. Leonard Bernot, Case No. 08-093 FCD

Bernot pleaded guilty to conspiracy to commit mail fraud on 6/16/11, in connection with an alleged \$14 million dollar mortgage fraud rescue scheme.

U.S. v. Carlos Chamorro, Case No. 10-405 EJG

Chamorro pleaded guilty to conspiracy on 10/15/10, in connection with an alleged \$6.5 million builder bailout mortgage fraud scheme and loan fraud scheme.

U.S. v. Eric Clawson, Case No. 10-180 MCE

On 9/9/10, Clawson was sentenced to 37 months for mail fraud (concurrent with an unrelated hate crime conviction), for participating in a builder bailout mortgage fraud scheme.

U.S. v. Pierce Dandridge, et al., Case No. 09-196 GEB

On 4/1/11, defendant was sentenced to 17 months in prison for his role in a \$400,000 equity stripping scheme.

U.S. v. Joshua Gervolstad, Case No. 09-146 WBS

Defendant was sentenced on 7/12/10 to 36 months in prison and ordered to pay \$1,485,000 in restitution for mail fraud in connection with a cash-back mortgage fraud scheme.

U.S. v. Betty Gracia, Case No. 11-027 WBS

Defendant pleaded guilty on 4/11/11 to misprision of a felony. Loan application fraud.

U.S. v. Dickson Hung, et al., Case No. 09-438 EJG

Three defendants (Ngai Hung, Win Chan and Wayne Feng) pleaded guilty on 2/18/11 to mail fraud, as part of a loan origination fraud scheme to acquire properties for use as indoor marijuana grows. Sentencing is scheduled for 6/24/11 for Hung and Feng and 7/29/11 for Chan.

U.S. v. Theodore Hutz, Case No. 10-238 EJG

Defendant pleaded guilty on 7/9/10 to bid rigging at foreclosed property auctions in San Joaquin County, \$96,500 loss.

U.S. v. Charles Jamison, Case No. 11-028 LKK

Jamison was sentenced on 5/10/11 to 32 months in prison and ordered to pay a \$1,000 fine for bankruptcy fraud in connection with a foreclosure-rescue fraud scheme.

U.S. v. Gregory Jackson, Case No. 11-090 EJG

Defendant pleaded guilty on 3/18/11 to bid rigging and conspiracy to commit mail fraud at foreclosed property auctions in San Joaquin County, \$21,000 loss.

U.S. v. Joy Johnson, et al., Case No. 08-318 LKK

A \$3.5 million cash-back loan fraud scheme with fictitious home renovation entities. Rommel Antolin pleaded guilty to mail fraud on 4/19/11. Angelito Evangelista pleaded guilty to mail fraud on 5/18/11. Arthur Evangelista pleaded guilty to conspiracy to launder funds on 5/18/11. Elizabeth Carrion pleaded guilty to mail fraud on 5/24/11.

U.S. v. Andy Lieng, et al., Case No. 07-316 LJO

An alleged loan origination fraud scheme to acquire properties for marijuana cultivation. Shirley Wong, buyer, pleaded guilty on 12/17/10 to mail fraud conspiracy and was sentenced on 4/1/11 to 21 months in prison. Monique Nguyen, a real estate agent, pleaded guilty on 9/2/10 to mail fraud conspiracy and was sentenced on 12/3/10 to 20 months in prison. Actual loss exceeded \$510,000.

U.S. v. Yama Marifat, Case No. 11-039 EJG

Defendant pleaded guilty on 3/4/11 to bid rigging and conspiracy to commit mortgage fraud at foreclosed property auctions in San Joaquin County, \$79,000 loss.

U.S. v. Robert Martinson, et al., Case No. 08-294 EJG

One million dollar cash-back loan fraud scheme with fictitious home renovation entities. Kathleen DeLapp pleaded guilty to misprision of felony on 12/9/10. Rick Villegas pleaded guilty to mail fraud on 12/15/10. Melissa Villegas pleaded guilty to mail fraud on 12/17/10.

U.S. v. Dennis Aaron Moore, et al., Case No. 09-066 GEB

Over \$1 million cash-back mortgage fraud scheme. Veronika Wright pleaded guilty on 5/28/10 to conspiracy to commit bank and mail fraud, and false statements on a loan application. Sentencing is set for 6/17/11. Moore pleaded guilty on 9/3/10 to conspiracy to commit bank and mail fraud.

U.S. v. Royce Lee Newcomb, Case No. 11-172 MCE

Newcomb pleaded guilty to wire fraud on 5/12/11 in connection with a \$2.9 million real estate Ponzi scheme. As part of the plea, he also agreed to make restitution to victims of a separate bankruptcy/loan modification fraud scheme.

U.S. v. Richard Northcutt, Case No. 11-038 MCE

Northcutt pleaded guilty on 2/4/11 to bid rigging and conspiracy to commit mail fraud at foreclosed property auctions in San Joaquin County, \$400,000 loss.

U.S. v. John Ngo, Case No. 07-545 WBS

Ngo was sentenced on 9/20/11 to nine months in prison for false declaration before a grand jury in connection with a mortgage fraud investigation.

U.S. v. Anthony Portillo, Case No. 11-020 WBS

Portillo pleaded guilty on 4/11/11 to money laundering in a loan application fraud scheme.

U.S. v. Ralondria Stafford and Necole Ward, Case No. 09-037 MCE

A \$275,000 cash-back loan fraud scheme. Stafford was sentenced on 5/26/11 to 21 months in prison and ordered to pay \$200,000 in restitution for bank fraud. Ward was sentenced on 5/26/11 to 12 months and one day and ordered to pay \$200,000 in restitution for bank fraud.

U.S. v. Chris Stovall, Case No. 10-271 OWW

Stovall pleaded guilty to four counts of mail fraud on 7/10/10, admitting participation in a loan origination fraud by a loan officer with Tower Lending, a wholly owned in-house mortgage broker for Crisp and Cole Real Estate. (Related to Crisp and Cole prosecution, above.) Sentencing is scheduled for 10/24/11.

U.S. v. John Vanzetti, Case No. 10-239 EJG

Defendant pleaded guilty on 7/16/10 to bid rigging at foreclosed property auctions in San Joaquin County, \$271,000 loss.

U.S. v. Gabriel Viramontes, et al., Case No. 07-432 EJG

Gabriel Viramontes was convicted by a jury on 3/31/11 for bank fraud and mail fraud following a trial in connection with a \$3.3 million straw buyer mortgage fraud scheme for receipt of mortgage broker and real estate broker fees. Joseph Gallo pleaded guilty on 2/18/11 to misprision of felony.

U.S. v. Carrie Yeung, Case No. 10-358 EJG

Defendant pleaded guilty to mail fraud on 6/10/11 in connection with a loan origination fraud scheme to acquire properties for use as indoor marijuana cultivation operations.

TOTAL OTHER MORTGAGE FRAUD GUILTY PLEAS AND CONVICTIONS: 27

TOTAL OTHER MORTGAGE FRAUD DEFENDANTS SENTENCED: 10

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**TOTAL EASTERN DISTRICT OF CALIFORNIA MORTGAGE FRAUD RESULTS,
12 MONTHS FROM JUNE 18, 2010 - JUNE 10, 2011**

TOTAL NEW DEFENDANTS CHARGED: 47

TOTAL GUILTY PLEAS AND CONVICTIONS: 40

TOTAL DEFENDANTS SENTENCED: 15

The descriptions of these various schemes are derived from the factual allegations contained in publicly filed indictments. Some of these cases have not yet been resolved and those defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt.