



SIGTARP

OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM

ADVANCING ECONOMIC STABILITY THROUGH TRANSPARENCY, COORDINATED OVERSIGHT AND ROBUST ENFORCEMENT

FOR IMMEDIATE RELEASE

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FIVE CALIFORNIA RESIDENTS PLEAD GUILTY TO DEFRAUDING HOMEOWNERS IN NATIONWIDE HOME LOAN MODIFICATION SCAM

Defendants Used US Treasury Seals and Fake TARP Information to Deceive

WASHINGTON DC – Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program, and Dana Boente, U.S. Attorney for the Eastern District of Virginia announced today that five California men have pleaded guilty for their roles in a nationwide home loan modification scam that defrauded over 400 homeowners out of over \$3.8 million.

Roscoe Umali, 38; Jefferson Maniscan, 34; Raymund Dacanay, 47; Isaac Perez, 33; and Joshua Johnson, 36, all resided in the greater Los Angeles area.

“Roscoe Ortega Umali, ringleader of a nationwide mortgage scam ring, and four of his co-conspirators pled guilty to swindling hundreds of desperate homeowners and will now face federal prison time and pay at least \$1.2 million in restitution and forfeitures to their victims,” said Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP). “Umali and his cohorts made false claims of operating a non-profit company, brazenly used the U.S. Treasury seal on fabricated documents, and invented fictitious HAMP benefits. Victim-homeowners paid thousands of dollars in reinstatement fees and trial mortgage payments that never went to their respective lenders; instead Umali and his co-conspirators pocketed over \$3.8 million. The U.S. Government’s Home Affordable Mortgage Program (HAMP) is designed to aid struggling homeowners, and like other federal government housing programs, the HAMP application and assistance is free. SIGTARP remains committed to safeguarding victims from TARP-related crimes.”

According to statements of facts filed with their plea agreements, from at least October 2012 through September 2014, the defendants and their co-conspirators targeted struggling homeowners and made a series of misrepresentations to induce those homeowners to make payments of thousands of dollars in exchange for supposed home loan modification assistance. Operating under the names of fictional companies like “Equity Restoration Group,” the defendants falsely held themselves out as a non-profit organization or as affiliated with a real government program, the “Home Affordable Modification Program” (HAMP), designed to help homeowners at risk of foreclosure. Through mass mailings, phone calls, faxes, and emails with their victims, the defendants convinced homeowners to send them “reinstatement fees” and to make several monthly “trial mortgage payments” to the conspiracy, rather than to the homeowners’ lenders. The defendants then did nothing to help modify any mortgages. Instead, they used the victims’ payments for their own personal benefit and to further the fraud scheme.

This scam victimized over 400 individuals and families nationwide, resulting in a total loss of over \$3.8 million. It also resulted in many victims losing their homes, despite the victims' efforts to modify their mortgages and continue to make payments on their loans.

The defendants were indicted on Oct. 22, 2015, and each faces a maximum penalty of 20 years in prison. Umali, Maniscan, and Dacanay will be sentenced on June 23, while Perez and Johnson will be sentenced on July 7. The maximum statutory sentence is prescribed by Congress and is provided here for informational purposes, as the sentencing of the defendants will be determined by the court based on the advisory Sentencing Guidelines and other statutory factors.

Assistant U.S. Attorneys Samantha P. Bateman and James P. Gillis are prosecuting the case.

A copy of this press release may be found on the SIGTARP website. Related court documents and information may be found on the website of the District Court for the Eastern District of Virginia or on PACER by searching for Case No. 1:15cr301.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program was created as an independent law enforcement agency to investigate fraud, waste, and abuse related to the TARP bailout. To date, SIGTARP investigations have resulted in the recovery of over \$5.17 billion to the Government and 146 defendants sentenced to prison.

To report a suspected crime related to TARP, call **SIGTARP's Crime Tip Hotline**: 1-877-SIG-2009 (1-877-744-2009).

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