



SIGTARP

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

ADVANCING ECONOMIC STABILITY THROUGH TRANSPARENCY, COORDINATED OVERSIGHT AND ROBUST ENFORCEMENT

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RINGLEADER OF MORTGAGE LOAN MODIFICATION SCHEME PLEADS GUILTY

WASHINGTON DC – Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program, and Deirdre M. Daly, United States Attorney for the District of Connecticut, announced that Aria Maleki, 33, of Santa Ana, Calif. pleaded guilty today before U.S. District Judge Stefan R. Underhill in Bridgeport, Conn. To conspiring to defraud homeowners across the United States who were seeking mortgage loan modifications.

“Aria Maleki and his co-conspirators targeted desperate homeowners across the country who sought relief through HAMP or other federal programs to avoid foreclosure, and instead swindled them out of their hard-earned money,” said Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program. “Maleki deceived innocent taxpayers by falsely representing that his phony mortgage relief agencies had ties to HAMP and could successfully obtain mortgage modifications under extremely favorable terms offering full refunds if the loan modification fell through. HAMP and other federal government mortgage modification programs are free. Homeowners should be wary of any business charging up-front fees, advertising pre-approval at rates more favorable than industry norms, or offering money-back guarantees.”

According to court documents and statements made in court, MALEKI and others jointly operated a series of California-based companies that falsely purported to provide home mortgage loan modifications and other consumer debt relief services to numerous homeowners in Connecticut and across the United States in exchange for upfront fees. The defendants did business, at various times, as “First Choice Financial Group, Inc.,” “First Choice Financial,” “First Choice Debt,” “Legal Modification Firm,” “National Freedom Group,” “Home Care Alliance Group,” “Home Protection Firm,” “Hardship Center,” “Network Solutions Center, Inc.,” “Premiere Financial Center,” “Premiere Financial,” “Rescue Firm,” “International Research Group LLC,” “Hardship Solutions,” “American Loan Center,” “Loan Retention Firm,” “Clear Vision Financial,” “Green Tree Financial Group,” “Green Tree Financial,” “Enigma Fund, Inc.,” “National Aid Group,” “Southern Chapman Group LLC,” “Save Point Financial,” “Best Rate Financial Solutions,” “Best Rate Financial Solution,” “Best Rate Financial,” “Best Rate Finance Group,” “Nation Star Financial,” and “Nation Star Fin Group.”

Acting as representatives of these entities, Maleki and his co-conspirators cold-called homeowners and offered to provide mortgage loan modification services to those who were having difficulty repaying their home mortgage loans. The defendants charged homeowners fees that typically ranged from approximately \$2,500 to \$4,300 for their services. To induce homeowners to pay these fees, the defendants falsely represented that the homeowners already had been approved for mortgage loan

modifications on extremely favorable terms; the mortgage loan modifications already had been negotiated with the homeowners' lenders; the homeowners qualified for and would receive financial assistance under various government mortgage relief programs, including the Troubled Asset Relief Program and the Home Affordable Modification Program; and if for some reason the mortgage loan modifications fell through, the homeowners would be entitled to a full refund of their fees.

In fact, the homeowners had not been preapproved for mortgage loan modifications with lenders, mortgage loan modifications had not been negotiated with the lenders, homeowners had not qualified for and did not receive any financial assistance through government mortgage relief programs, and homeowners did not receive a refund of their fees upon request. Few homeowners ever received any type of mortgage loan modification through the defendants' companies, and few homeowners received refunds of their fees.

Participants in the scheme used pseudonyms and periodically changed their business and operating names to evade detection. The defendants also directed homeowners to mail their checks to addresses and mail boxes that the defendants and their co-conspirators had set up in states other than California.

Maleki presided over the entire structure of this scheme. As a result, more than 1,000 homeowners suffered losses totaling more than \$3 million.

On January 21, 2016, a grand jury in New Haven returned an indictment charging Maleki and six other California residents with conspiracy and fraud offenses related to this scheme. The defendants were arrested on January 26.

Maleki pleaded guilty to one count of conspiracy to commit mail and wire fraud, an offense that carries a maximum term of imprisonment of 20 years. He also has agreed to pay restitution of approximately \$3 million. Sentencing is scheduled for June 14, 2016.

Maleki also has agreed to forfeit approximately \$350,000 that investigators seized from various bank accounts, approximately \$362,000 sized from a Bitcoin account, a \$100,000 cashier's check, and a 2013 Ferrari 458 Italia.

Three other defendants, Mehdi Moarefian, a.k.a. "Michael Miller," 36, and Daniel Shiau, a.k.a. "Scott Decker," 30, both of Irvine, Calif., and Serj Geutssoyan, also known as "Anthony Kirk," 33, of Santa Ana, Calif., previously pleaded guilty to the same charge and await sentencing

This matter is being investigated by SIGTARP, the U.S. Department of Homeland Security – Homeland Security Investigations, U.S. Postal Inspection Service, U.S. Department of Housing and Urban Development – Office of Inspector General, Federal Housing Finance Agency – Office of Inspector General, and Federal Bureau of Investigation, with assistance from the Oklahoma Attorney General's Office.

The case is being prosecuted by Assistant U.S. Attorneys Avi M. Perry and Sarah P. Karwan.

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.

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