



SIGTARP

Office of the Special Inspector General
For The Troubled Asset Relief Program

FOR IMMEDIATE RELEASE

Wednesday, August 5, 2020

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TWO CALIFORNIA MEN SENTENCED FOR ROLES IN LOAN MODIFICATION SCAM THAT CAUSED \$3.5 MILLION IN LOSSES TO DISTRESSED HOMEOWNERS

Two Orange County residents were sentenced late this afternoon – with one being ordered to serve 12 years in federal prison – for their key roles in businesses that offered bogus modification programs to homeowners struggling to pay their mortgages in the wake of the 2008 financial crisis.

The two defendants who were associated with the Santa Ana-based company U.S. Homeowners Relief and several related businesses participated in a long-running “advance fee” scheme that caused more than 1,600 homeowners to suffer over \$3.5 million in losses. Many victims lost their homes in subsequent foreclosure proceedings.

Aminullah “David” Sarpas, 37, of Irvine, was sentenced to 144 months in federal prison after being convicted by a jury in April 2019 of 10 counts of conspiracy and mail fraud.

Samuel Paul Bain, 40, of Tustin, was sentenced to five years in prison after pleading guilty in 2016 to conspiracy and mail fraud.

The two men – who were co-owners of U.S. Homeowners Relief, Greenleaf Modify, Waypoint Law Group, and American Lending Review – were sentenced by United States District Judge Cormac J. Carney.

Sarpas and Bain established U.S. Homeowners Relief in late 2008, using it and the subsequent companies to offer programs that falsely offered to help distressed homeowners obtain modifications of their mortgages. Sarpas and Bain initially marketed the programs themselves, but they also used TV, radio and internet advertisements, as well as a team of telemarketers to entice victims. Homeowners who agreed to participate – based on false claims, including that the companies had a 97 percent success rate in obtaining loan modifications that dramatically reduced monthly mortgage payments – were charged an advance fee ranging between \$1,450 and \$4,200. In short, the scheme “compounded these homeowners’ financial woes by inducing them to dig the hole they were in even deeper,” prosecutors wrote in court documents.

There were two other defendants named in a [2014 indictment](#). One man was acquitted at trial after a

jury in his first trial was unable to reach a unanimous verdict. The fourth defendant – Louis Saggiani, 70, of Huntington Beach, pleaded guilty and is scheduled to be sentenced in October.

The investigation was conducted by the United States Postal Inspection Service, the Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) and IRS Criminal Investigation.

This matter was prosecuted by Special Assistant United States Attorney Ryan G. Adams of the Santa Ana Branch Office and Assistant United States Attorney David H. Chao of the Major Frauds Section.

About SIGTARP

TARP's largest open program, the Home Affordable Modification Program (HAMP) pays TARP dollars to banks and other financial institutions to modify mortgages to make them affordable and sustainable for homeowners suffering hardships.

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 \$11.2 billion, 386 criminal convictions and 305 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). To receive alerts about reports, audits, media releases, and other SIGTARP news, sign up at www.SIGTARP.gov/pages/press.aspx. Follow SIGTARP on Twitter @SIGTARP.

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