



# 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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**FOR IMMEDIATE RELEASE**

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## **Couple Sentenced to Prison for HAMP Fraud Affecting Over 400 Vulnerable Homeowners Seeking Mortgage Assistance**

WASHINGTON, DC – Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP) and Dana J. Boente, US Attorney for the Eastern District of Virginia announced that Kristen Michelle Ayala, aka Amber Lynch, aka Olivia Benet, aka Grace Williams, 30, and Joshua Manuel Sanchez, aka Nelson Cruz, aka Chris Ward, aka Daniel Mora, 34, both formerly of Las Vegas, were sentenced today for conspiracy to commit wire fraud for their role in a \$3.8 million dollar mortgage modification scam.

Ayala was sentenced to 135 months in prison, while Sanchez was sentenced to 151 months in prison. Both defendants were also sentenced to three years of supervised release and ordered to pay full restitution to the victims of their crime.

"SIGTARP special agents initiation and investigation of this TARP fraud scheme resulted in the arrest and convictions of Joshua Sanchez and Kristen Ayala for stealing money from over 400 desperate homeowners seeking to modify their mortgage by posing as US government representatives for TARP's housing program HAMP" " said Christy Goldsmith Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP). "Sanchez and Ayala targeted struggling homeowners, used business names such as "Neighborhood Counseling Services of America" and "Residential Community Outreach Services", and told victims to send three alleged trial modification payments to them, even going so far as using the Treasury Seal on some of the mortgage payment coupons to convince the homeowners that their scheme was legitimate. Sadly, they scammed hundreds of homeowners into believing they were getting help. They made no homeowner' payments to mortgage lenders and instead stole over \$3.8 million from homeowners who were trying to do the right thing to modify their mortgages causing many to lose their homes and devastating their lives. SIGTARP commends U.S. Attorney Boente and the prosecution team for standing united with SIGTARP against crimes related to TARP."

"This nefarious crime, rooted in dishonesty and greed, ruined the lives of the victims while simultaneously enriching the lives of Ayala and Sanchez," said Dana J. Boente, U.S. Attorney for the Eastern District of Virginia. "Their deceitful actions targeted extremely vulnerable individuals, causing trauma and stress in their lives which led to divorce, severe health issues, and extreme despair to children, parents, combat veterans, and people who were already struggling to make it. I want to thank our prosecutors and the investigative team at SIGTARP for their outstanding work on this case."

In a statement of facts filed with the plea agreement, from in and around October 2012 through September 2014, Ayala, Sanchez, and others, executed a scheme that deliberately targeted extremely

vulnerable individuals who were in dire financial straits, desperate and literally on the verge of losing their homes. Ayala and Sanchez developed fraudulent documents, telephone scripts, and aliases in an effort to defraud the victim homeowners. Their scheme lulled victim homeowners into believing that the defendants were part of the legitimate U.S. Government “Home Affordable Modification Program” (HAMP) by using the Department of Treasury’s seal and other government markings. During the execution of the ruse, Ayala and Sanchez used documents containing fraudulent government seals, made statements regarding modification of the victims’ mortgages through the HAMP program, and the victims’ mortgage payments to their own accounts rather than to the victims’ lenders. The scheme defrauded more than 400 victims and caused losses of over \$3.8 million dollars and resulted in many victims losing their homes, despite the victims’ efforts to modify their mortgages and continue to make payments on their loans.

Ayala and Sanchez were indicted by a federal grand jury on May 1, 2015, and pleaded guilty on Aug. 3, 2015.

This case was investigated by SIGTARP. Assistant U.S. Attorneys Zach Terwilliger and James P. Gillis prosecuted the case.

### **About SIGTARP**

The Office of the Special Inspector General for the Troubled Asset Relief Program investigates fraud, waste, and abuse in connection with TARP. To date, SIGTARP investigations have yielded more than 200 convictions and resulted in the recovery of over \$2.4 billion to the Government.

To report suspected illicit activity involving TARP, dial the **SIGTARP Hotline**: 1-877-SIG-2009 (1-877-744-2009).

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