

Department of Justice

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SIX INDIVIDUALS CHARGED IN MULTI-MILLION DOLLAR MORTGAGE SCHEME AGAINST FLAHERTY FUNDING

ROCHESTER, N.Y.-- U.S. Attorney Kathleen M. Mehlretter of the Western District of New York announced that six individuals located in the New York City area were charged yesterday in a criminal complaint with defrauding Flaherty Funding, a mortgage company located at 2595 Brighton Henrietta Town Line Road, Rochester, New York 14623. Specifically, Manre Ebhomielen has been charged with mail fraud, bank fraud, and conspiracy; Tyshe Bankston, Merrick Henry and Val Taylor have been charged with mail fraud and conspiracy; and Jocelyn Joseph and Bernard Lawson have been charged with mail fraud.

Assistant U.S. Attorney Richard A. Resnick, who handled the case, stated that in April 2008, Flaherty Funding contacted Vista Mortgage, a licensed mortgage company located in Queens, New York, in an effort to expand its business into the New York City area. Flaherty Funding and Vista Mortgage eventually agreed that Vista Mortgage would close its operation and some of its staff would become employees of Flaherty Funding. One such person was Ebhomielen. Subsequently, Ebhomielen and the other defendants participated in a scheme to obtain large mortgage loans from Flaherty Funding by submitting false information and documents to Flaherty Funding during the mortgage loan approval process. The scheme involved five properties that were purchased in the New York City area. The purchasers were promised \$10,000 if they purchased the homes and applied for a mortgage loan from Flaherty Funding. During the mortgage loan approval process, the defendants submitted false information and documentation which included false employment information, false monthly income amounts, false bank records, false Form W-2s, and false down payment information. As a result of this false information and documentation, Flaherty Funding provided three mortgage loans in the amounts of \$533,850, \$533,850 and \$646,300, totaling \$1,714,000. The remaining two mortgage loans, which were not provided by Flaherty Funding due to the discovery of the fraud, would have totaled \$913,500.

The complaint in this case was the culmination of an investigation by the

United States Postal Inspection Service, Boston Division, under the direction of Acting Inspector in Charge Robert Malaby, the United States Postal Inspection Service, New York Division, under the direction of Inspector in Charge Ronald Verrochio, and the Federal Bureau of Investigation, under the direction of James H. Robertson, Special Agent in Charge.

Today three of the defendants were arrested and will have their initial appearances in the New York City area. These defendants are Ebhomielen, Henry and Taylor. After their initial appearances, the defendants will be ordered to appear in Rochester, New York at a later date.