



NEWS RELEASE

***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Laura E. Duffy***

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For Immediate Release

**LOCAL REAL ESTATE AGENT AND EIGHT OTHER
INDUSTRY PROFESSIONALS CHARGED IN
MASSIVE MORTGAGE FRAUD SCHEME THAT
CAUSED AT LEAST \$15 MILLION IN LOSSES**

NEWS RELEASE SUMMARY - February 21, 2012

United States Attorney Laura E. Duffy announced the unsealing of an indictment today charging a local real estate agent, Eric Elegado, and eight other mortgage industry professionals, Charmagne Elegado, Theodore Cohen, Minh Nguyen, Regidor Pacal, Alexander V. Garcia, Roman Macabulos, Ramin Lotfi, and Roderick Huerto, with multiple counts of conspiracy, wire fraud, money laundering, and criminal forfeiture. According to court proceedings, these defendants engaged in a multi-million dollar mortgage fraud scheme that targeted vulnerable, low-income, immigrants in San Diego. All of the defendants were arraigned today in federal court before U.S. Magistrate Judge William McCurine, Jr.

According to the indictment, Eric Elegado owned and operated real estate and mortgage brokerage

businesses in San Diego and employed Theodore Cohen, Minh Nguyen, Regidor Pacal, Alexander V. Garcia, Roman Macabulos, Ramin Lotfi, and Roderick Huerto. These defendants conspired together and with others to obtain mortgage loans for unqualified buyers by falsifying and assisting others in falsifying the employment and salary information on the loan documents. According to the indictment, Eric Elegado directed the mortgage loans to be processed through his wife, Charmagne Elegado, who was working at the subprime mortgage lender. In order to further the fraudulent scheme, the defendants allegedly created and caused others to create false financial records for the purpose of verifying income listed on the false loan applications, such as W-2s, bank statements, rental income statements, ownership records, and bank deposit documents.

According to court proceedings, the defendants caused these fraudulent loan documents to be submitted to mortgage lenders in order to induce the lenders to loan more than \$50 million dollars in mortgage loans. As a result of their scheme to defraud, defendants and others caused the mortgage companies, lending institutions, and financial institutions to lose more than \$15 million.

This case is being investigated by special agents with the Federal Bureau of Investigation.

During today's court proceedings, the Government moved to detain Minh Nguyen without bail. A detention hearing is set for February 24, 2012, at 9:30 a.m., before Magistrate Judge William V. Gallo. A personal appearance bond in the amount of \$75,000, secured by the signatures of two financially responsible adults, was set for defendant Charmagne Elegado. A bond in the amount of \$100,000, secured by real property, was set for defendant Eric Elegado. A personal appearance bond in the amount of \$50,000, secured by the signatures of two financially responsible adults, was set for defendants Alexander V. Garcia and Ramin Lotfi. A personal appearance bond in the amount of \$35,000, secured by the signatures of two financially responsible adults, was set for defendants Roman Macabulos and Regidor Pacal. A bond in the amount of \$50,000, secured by a corporate surety, was set for defendant Theodore Cohen.

The defendants are next scheduled to be in court before United States District Judge Anthony J. Battaglia for a motion hearing on March 28, 2012, at 2:00 p.m.

DEFENDANTS**Criminal Case No. 12CR0404-AJB**

Charmagne Elegado
Eric Elegado
Theodore Cohen
Minh Nguyen
Regidor Pacal
Alexander V. Garcia
Roman Macabulos
Ramin Lotfi
Roderick Huerto

SUMMARY OF CHARGES

Count 1: Title 18, United States Code, Section 1349 – Conspiracy to Commit Mail and Wire Fraud
Maximum penalties: 20 years’ imprisonment, \$250,000 fine or twice the gross pecuniary gain or twice the gross pecuniary loss (whichever is greatest), \$100 special assessment, 3 years of supervised release.

Counts 2-7: Title 18, United States Code, Section 1343 – Wire Fraud
Maximum penalties per count: 20 years’ imprisonment, \$250,000 fine or twice the gross pecuniary gain or twice the gross pecuniary loss (whichever is greatest), \$100 special assessment, 3 years of supervised release.

Count 8: Title 18, United States Code, Section 1956(h) – Conspiracy to Commit Money Laundering
Maximum penalties: 10 years’ imprisonment, \$250,000 fine, \$100 special assessment, 3 years of supervised release.

Counts 9-12: Title 18, United States Code, Section 1957 – Money Laundering
Maximum penalties per count: 10 years’ imprisonment, \$250,000 fine, \$100 special assessment, 3 years of supervised release.

INVESTIGATING AGENCY

Federal Bureau of Investigation

An indictment itself is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.