

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

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For Immediate Release

FOUR-YEAR SENTENCE FOR SAN DIEGO REAL ESTATE AGENT WHO HELPED DRUG TRAFFICKERS PURCHASE RANCHO SANTA FE RESIDENCE AND PALOMAR PROPERTY

NEWS RELEASE SUMMARY - August 27, 2012

United States Attorney Laura E. Duffy announced that defendant Marco Manuel Luis, a local San Diego real estate agent was sentenced today by the Honorable Irma E. Gonzalez, in United States District Court in San Diego, to serve forty-eight (48) months in custody, following his guilty plea to two counts of conspiracy to engage in money transactions in property derived from unlawful activity, in violation of Title 18, United States Code, Sections 1956(h) and 1957. The defendant pled guilty on March 19, 2012, to count 16, charging him with conspiracy to launder money related to the purchase of a Rancho Santa Fe residence exceeding \$2,000,000, and to count 25, charging him with conspiracy to launder money related to the purchase of the Palomar Mountain property and residence.

As part of his guilty plea, Luis admitted that he was the real estate agent for convicted drug trafficker Joshua Hester. Luis admitted that he submitted and facilitated the false loan applications in the name of nominee purchasers, verification documents, and financial documents for Hester. As to count 16, Luis admitted that from December 2006 to September 30, 2009, a three year period, he intentionally assisted his coconspirators in completing the loan application for the Rancho Santa Fe property, knowing that Hester was the true owner of the property. Luis also admitted that he intentionally falsified the loan application, in the name of Kelsey Wiedenhofer, including her alleged annual income (\$420,000), her employment history, and the source of down payments for the Rancho Santa Fe property, to secure the loan. Luis knew that the monthly mortgage payments were made with criminally derived proceeds.

As to Count 25 of the indictment, Luis admitted that he prepared a fraudulent loan application for the Palomar Mountain property and residence in the name of Jay Hansen for convicted drug trafficker Joshua Hester. Luis misrepresented Hansen's income as \$150,000, his employment history, and arranged for a false verification of rent form. As a result of the fraudulent loan applications facilitated by Luis, the bank caused the loans to be issued.

At today's sentencing hearing, Judge Gonzalez found that Marco Manuel Luis clearly knew that the money involved in the conspiracy for both counts including the down payment and monthly mortgage payments were drug proceeds based on his ongoing personal and business relationship with the convicted drug traffickers. She found that the defendant intentionally hid the true owner of the properties (Joshua Hester) to conceal Hester's drug proceeds. Judge Gonzalez ordered restitution to the banks that suffered financial harm in excess of \$500,000 because the properties were eventually foreclosed.

This prosecution was a product of an investigation conducted by Internal Revenue Service, Criminal Investigation, San Diego, and the San Diego Drug Enforcement Administration's Narcotics Task Force.

United States Attorney Duffy praised the Organized Crime Drug Enforcement Task Force (OCDETF) for the coordinated team effort in the culmination of this investigation. Several local, state and federal law enforcement agencies assisted in this OCDETF investigation, including DEA, IRS, San

Diego Narcotic Task Force, and the United States Marshal's Service. The OCDETF program was created to consolidate and utilize all law enforcement resources in this country's battle against major drug trafficking and financial crimes.

DEFENDANT

Case Number: 10cr2967-IEG

MARCO MANUEL LUIS

SUMMARY OF GUILTY PLEAS

Title 18, United States Code, Sections 1956(h) and 1957 - Conspiracy to Engage In Monetary Transactions in Property Derived from Unlawful Activity (Counts 16 and 25)

PARTICIPATING AGENCIES

Internal Revenue Service, Criminal Investigations
Drug Enforcement Administration
San Diego Narcotics Task Force
United States Marshals Service