

Department of Justice

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Western District of New York

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THREE PEOPLE INDICTED IN **MORTGAGE SCHEME AGAINST FLAHERTY FUNDING**

ROCHESTER, N.Y.-- U.S. Attorney William J. Hochul, Jr. announced today that Sean Ola-Ojo, 31, of Brooklyn, N.Y., Angelo Louissaint, 38, of West Babylon, N.Y., and Jennifer Johnson, 36, of Dix Hills, N.Y., have been indicted by a federal grand jury and charged with conspiracy, mail fraud and wire fraud. In addition, Louissaint is charged with money laundering. The defendants are accused of defrauding Flaherty Funding, a mortgage company located in Rochester. The charges carry a maximum penalty of 20 years in jail, a fine up to \$500,000 fine or both.

Defendant Ola-Ojo was arrested and arraigned yesterday before U.S. Magistrate Judge Marian W. Payson. Defendants Louissaint and Johnson remain at large, and are believed to have fled the United States.

Assistant U.S. Attorney John J. Field, who is handling the case, stated that according to the Indictment, Ola-Ojo, Louissaint and Johnson organized a scheme to obtain large mortgage loans from Flaherty Funding. The Indictment alleges that the defendants recruited straw-buyers to purchase five properties in the New York City area at substantially inflated prices. These buyers did not qualify for the financing sought, and had no intention of repaying the mortgages or of occupying the properties. To make the straw-buyers appear more wealthy than they actually were, the defendants submitted falsified income, asset and down payment information to Flaherty Funding. Virtually every supporting document submitted by the defendants on behalf of the straw-buyers was forged or altered, including the Form W-2s, earnings statements, bank account statements, and down-payment checks.

In one instance, the purported seller of the property did not even own the property that was sold to the straw-buyer. Defendant Johnson prepared fake title insurance for this

transaction, creating the appearance of valid title in the property, in order to induce Flaherty Funding to issue a mortgage loan.

As a result of this scheme, Flaherty Funding issued three mortgage loans to straw-buyers in the amounts of \$533,850, \$533,850 and \$646,300, totaling \$1,714,000. The vast majority of the mortgage loan proceeds went to defendants. In addition, Ola-Ojo, Louissaint and Johnson submitted two other false applications, but those transactions did not close.

Defendant Louissaint is also charged with money-laundering for using approximately \$173,000 of his ill-gotten gains to acquire a property that he used to promote additional mortgage fraud.

In July 2010, four other defendants were indicted for their involvement in the scheme. All four have been convicted.

This indictment is the culmination of an investigation by the United States Postal Inspection Service, Boston Division, under the direction of Inspector in Charge Robert Bethel, 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 Christopher M. Piehota, Special Agent in Charge.

The fact that a defendant has been charged with a crime is merely an accusation and the defendant is presumed innocent until and unless proven guilty.

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