



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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February 17, 2011

NEWS RELEASE

Frank Diaco and Jason Yates were charged today by indictment¹ with conspiracy, wire fraud, and making false statements to the United States Department of Housing and Urban Development for their participation in a mortgage fraud scheme, announced United States Attorney Zane David Memeger.

According to the indictment, Diaco owned and operated a real estate appraisal business, and Yates was an apprentice at the business. Diaco and Yates assisted in preparing and submitting false appraisals in support of mortgage applications for two properties, from 2008 through 2009. The mortgage applications were for law enforcement agents posing as buyers and sellers of real estate during an undercover investigation.

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Frank Diaco	Blackwood, New Jersey	33 years old
Jason Yates	Trenton, New Jersey	39 years old

If convicted of all charges, Diaco faces a maximum possible sentence of 67 years in prison, three years supervised release, a \$1.25 million fine, and a \$500 special assessment; Yates faces a maximum possible sentence of 67 years, three years supervised release, a \$1.25 million fine, and a \$500 special assessment.

The case was investigated by the Federal Bureau of Investigation and is being prosecuted by Assistant United States Attorneys Michael S. Blume and Sarah L. Grieb.

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¹An information is an accusation. A defendant is presumed innocent unless and until proven guilty.