

1 E. KATE PATCHEN (NYRN 4104634)  
2 ALBERT B. SAMBAT (CSBN 236472)  
3 MICHAEL A. RABKIN (ILRN 6293597)  
4 U.S. Department of Justice  
5 Antitrust Division  
6 450 Golden Gate Avenue  
7 Box 36046, Room 10-0101  
8 San Francisco, CA 94102  
9 michael.rabkin@usdoj.gov  
10 Telephone: (415) 934-5300

11 Attorneys for the United States

12 UNITED STATES DISTRICT COURT  
13 NORTHERN DISTRICT OF CALIFORNIA  
14 OAKLAND DIVISION

15 UNITED STATES OF AMERICA

16 v.

17 BRADLEY ROEMER,  
18 Defendant.

) Criminal No.

) INFORMATION

) VIOLATIONS: 15 U.S.C. § 1 –

) Bid Rigging (Count One);

) 18 U.S.C. § 1349 – Conspiracy to

) Commit Mail Fraud (Count Two)

19  
20 The United States of America, acting through its attorneys, charges:

21 BRADLEY ROEMER,  
22 the defendant herein, as follows:

23 BACKGROUND

24 1. At all times relevant to this Information, when California homeowners defaulted  
25 on their mortgages, mortgage holders could institute foreclosure proceedings and sell the  
26 properties through non-judicial public real estate foreclosure auctions (“public auctions”). These  
27 public auctions were governed by California Civil Code, Section 2924, *et seq.* Typically, a  
28 trustee was appointed to oversee the public auctions. These public auctions usually took place at

INFORMATION – BRADLEY ROEMER – 1

FILED

APR 23 2015

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND

CR15-00229

JSW

1 or near the courthouse of the county in which the properties were located. The auctioneer, acting  
2 on behalf of the trustee, sold the property to the bidder offering the highest purchase price.  
3 Proceeds from the sale were then used to pay the mortgage holders, other holders of debt secured  
4 by the property, and, in some cases, the defaulting homeowner (collectively, "beneficiaries").

5 COUNT ONE: 15 U.S.C. § 1 – Bid Rigging (Alameda County)

6 THE COMBINATION AND CONSPIRACY

7 2. Beginning as early as December 2009 and continuing until in or about November  
8 2010, the defendant, BRADLEY ROEMER, and co-conspirators entered into and engaged in a  
9 combination and conspiracy to suppress and restrain competition by rigging bids to obtain  
10 selected properties offered at public auctions in Alameda County in the Northern District of  
11 California, in unreasonable restraint of interstate trade and commerce, in violation of the  
12 Sherman Act, Title 15, United States Code, Section 1.

13 3. The charged combination and conspiracy consisted of a continuing agreement,  
14 understanding, and concert of action among the defendant and his co-conspirators to suppress  
15 competition by agreeing to refrain from or stop bidding against each other to purchase selected  
16 properties at public auctions in Alameda County at non-competitive prices.

17 4. For the purpose of forming and carrying out the charged combination and  
18 conspiracy, the defendant and his co-conspirators did those things that they combined and  
19 conspired to do, including, among other things:

20 a. agreeing not to compete to purchase selected properties at public auctions  
21 in Alameda County;

22 b. designating which conspirator would win the selected properties at the  
23 public auctions for the group of conspirators; and

24 c. refraining from or stopping bidding for the selected properties at the  
25 public auctions.

26 //

27 //

28 //

1           5.       Various entities and individuals not made defendants in this Count participated as  
2 co-conspirators in the offense charged and performed acts and made statements in furtherance  
3 thereof.

4                               TRADE AND COMMERCE

5           6.       During the period covered by this Information, the business activities of the  
6 defendant and his co-conspirators that are the subject of this Information were within the flow of,  
7 and substantially affected, interstate trade and commerce. For example, beneficiaries located in  
8 states other than California received proceeds from the public auctions that were subject to the  
9 bid-rigging conspiracy.

10                              JURISDICTION AND VENUE

11           7.       The combination and conspiracy charged in this Information was carried out, in  
12 part, in the Northern District of California, within the five years preceding the filing of this  
13 Information.

14           ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

15           COUNT TWO: 18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud (Alameda County)

16                              THE CONSPIRACY

17           8.       Beginning as early as December 2009 and continuing until in or about November  
18 2010 in Alameda County in the Northern District of California, the defendant, BRADLEY  
19 ROEMER, and his co-conspirators did willfully and knowingly combine, conspire, and agree  
20 with each other to violate Title 18, United States Code, Section 1341, namely, to knowingly  
21 devise and intend to devise and participate in a scheme and artifice to defraud beneficiaries, and  
22 to obtain money and property from beneficiaries by means of materially false and fraudulent  
23 pretenses, representations, and promises.

24           9.       The objects of the conspiracy were to fraudulently acquire title to selected  
25 properties sold at public auctions in Alameda County, to make and receive payoffs, and to divert  
26 money to conspirators that would have gone to the beneficiaries.

27       //

28       //

INFORMATION – BRADLEY ROEMER – 3

1           10.     Various entities and individuals not made defendants in this Count participated as  
2 co-conspirators in the offense charged and performed acts and made statements in furtherance  
3 thereof.

4                                   MEANS AND METHODS

5           11.     For the purpose of forming and carrying out the charged conspiracy, the  
6 defendant and his co-conspirators did those things that they conspired to do, including, among  
7 other things:

- 8                   a.     purchasing selected properties at public auctions at suppressed prices;
- 9                   b.     in some instances, negotiating payoffs with one or more conspirators not  
10 to compete;
- 11                  c.     in many other instances, holding second, private auctions at or near the  
12 courthouse steps where the public auctions were held, frequently referred to as "rounds," open  
13 only to members of the conspiracy, to bid for title to the selected properties;
- 14                  d.     awarding the selected properties to the conspirators who submitted the  
15 highest bids at the second, private auctions;
- 16                  e.     transferring the right to title to the selected properties into the names of the  
17 conspirators who submitted the highest bids at the second, private auctions;
- 18                  f.     paying conspirators monies that otherwise would have gone to  
19 beneficiaries, using either a predetermined formula based on the bidding at the second, private  
20 auction or through direct negotiations among the conspirators;
- 21                  g.     taking steps to conceal the fact that monies were diverted from the  
22 beneficiaries to the conspirators;
- 23                  h.     making and causing to be made materially false and misleading statements  
24 on records of public auctions that trustees relied upon to distribute proceeds from the public  
25 auction to the beneficiaries and convey title to properties sold at the public auction; and
- 26                  i.     causing the suppressed purchase price to be reported and paid to the  
27 beneficiaries.

28 //

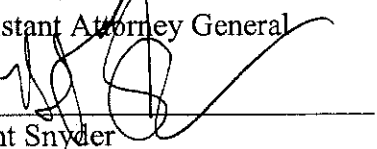
1 12. For the purpose of executing the scheme and artifice to defraud and attempting to  
2 do so, the defendant and his co-conspirators knowingly used and caused to be used the United  
3 States Postal Service and private or commercial interstate carriers. For example, trustees used  
4 the United States mail and private or commercial interstate carriers to transmit the Trustee's  
5 Deeds Upon Sale and other title documents to participants in the conspiracy. These mailings  
6 were foreseeable to the defendant in the ordinary course of business.

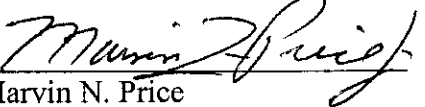
7 JURISDICTION AND VENUE

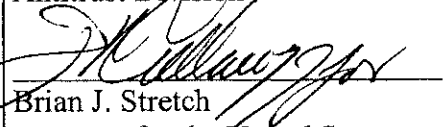
8 13. The combination, conspiracy, and agreement to violate Title 18, United States  
9 Code, Section 1341 charged in this Information was carried out, in part, in the Northern District  
10 of California, within the five years preceding the filing of this Information.

11 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 1349.

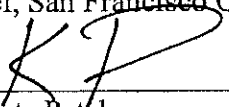
12   
13 William J. Baer  
14 Assistant Attorney General

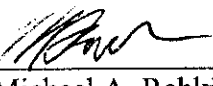
15   
16 Brent Snyder  
17 Deputy Assistant Attorney General

18   
19 Marvin N. Price  
20 Director of Criminal Enforcement  
21 United States Department of Justice  
22 Antitrust Division

23   
24 Brian J. Stretch  
25 Attorney for the United States  
26 Acting under Authority Conferred  
27 by 28 U.S.C. § 515  
28

  
Marc Siegel  
Chief, San Francisco Office

  
E. Kate Patchen  
Assistant Chief, San Francisco Office

  
Michael A. Rabkin  
Albert B. Sambat  
Trial Attorneys  
U.S. Department of Justice  
Antitrust Division