

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : **CRIMINAL NUMBER:** _____
v. : **DATE FILED:** _____
DANIEL SHEEHAN : **VIOLATIONS:**
JOHN HOBAN, a/k/a “Jack” : **18 U.S.C § 1349 (wire fraud conspiracy**
: **– 1 count)**
: **18 U.S.C § 1343 (wire fraud – 26 counts);**
: **18 U.S.C § 2314 (interstate transportation**
: **of stolen property – 1 count);**
: **Notice of forfeiture**

INDICTMENT

COUNT ONE
(Conspiracy to Commit Wire Fraud)

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:
The Defendants

1. Defendant DANIEL SHEEHAN was a resident of Gloucester City, New Jersey. SHEEHAN held himself out as an expert in helping homeowners to obtain modifications of the mortgages on their homes and to recover settlements due them on account of mortgages on homes that they had already sold.

2. Defendant JOHN HOBAN a/k/a “Jack,” is a resident of Bellmawr, New Jersey, and has been friends with defendant DANIEL SHEEHAN for more than 20 years.

Mortgage Modifications

3. Due to changes in economic circumstances, such as the loss of employment or family illness, or due to an ongoing inability to make required mortgage payments, some

homeowners seek to modify their mortgages so that they can reduce their monthly payments. In the absence of one of these “distress modifications,” the homeowner would lose their home to foreclosure.

4. Other homeowners may be meeting their monthly home mortgage payment obligations, but may wish to modify in order to take advantage of lower rates or better terms. These “convenience modifications,” allow the homeowner to use their income for savings or other purposes.

5. As a result of the financial crisis, the government implemented the Making Home Affordable program. One aspect of this program is the Home Affordable Mortgage Program (“HAMP”), which was designed to assist homeowners in danger of default. HAMP operates by adjusting the homeowner’s mortgage terms so that the monthly payment is no more than 31 percent of the homeowner’s monthly gross income.

6. The federal Making Home Affordable program also includes the Home Affordable Refinance Program (“HARP”). HARP is designed for homeowners who, while current on their mortgage payments, find themselves unable to refinance due to economic circumstances, such as the fact that the value of their home is presently less than the amount of the outstanding loans secured by the residence.

7. Both the HAMP and HARP programs are subject to certain limits and requirements. Among these is the requirement that, to qualify for the HARP program, the homeowner’s mortgage must be owed by Fannie Mae or Freddie Mac. Both of these programs are available only to qualified homeowners who submit an appropriate application.

8. In order to help homeowners evaluate their options and apply to the program best suited to their needs, individuals act as mortgage modification professionals. For a fee, they

evaluate prospective clients' eligibility for mortgage modification programs and, if appropriate, prepare and submit the necessary application documentation.

9. A company identified here as Company One was a mortgage modification business started in October 2011. Its sole business was to prepare and submit applications for people who qualified for the HAMP program, *i.e.* homeowners needing distress modifications. Based on his knowledge of the mortgage modification industry, defendant DANIEL SHEEHAN was brought into Company One as a partner. He continued to work for Company One until about November 2012.

10. After leaving Company One, defendant DANIEL SHEEHAN worked for, or under the name of, National Securitization Auditors, Sheehan Consulting & Auditing, and DJS Consulting. After he left Company One, SHEEHAN diverted clients from Company One to his own mortgage refinancing businesses. SHEEHAN also paid defendant JOHN HOBAN a/k/a "Jack," for client referrals.

11. Defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a "Jack," along with others, used SHEEHAN's knowledge of, and expertise in, the mortgage modification industry to obtain unearned fees and to convert the good faith mortgage payments of more than 110 clients of SHEEHAN, and caused losses to those clients of in excess of \$400,000.

Client: SB (Fees and Good Faith Payments)

12. SB is an individual who formerly owned a home in Souderton, PA. SB was experiencing financial difficulties and desired to modify the mortgage on his residence.

13. SB spoke with defendant DANIEL SHEEHAN, who promised to try to get a modification of SB's mortgage through Wells Fargo, SB's current bank. SB paid SHEEHAN a

fee of \$800 for this service, using a July 10, 2013 moneygram sent by SB from Maryland to SHEEHAN in New Jersey.

14. On or about July 10, 2013, defendant DANIEL SHEEHAN sent SB an agreement allowing SHEEHAN to speak with Wells Fargo on SB's behalf. SB signed the agreement and returned it to SHEEHAN via email to daniels629@live.com. On or about August 30, 2013, SHEEHAN sent SB an application to request mortgage assistance, which SB also signed and returned.

15. On or about October 24, 2013, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between New Jersey and Missouri, in which SHEEHAN instructed SB to stop making mortgage payments to Wells Fargo while the modification application was being considered.

16. In December 2013, SB received a notice from Wells Fargo that his home was in foreclosure. SB contacted defendant DANIEL SHEEHAN, who instructed SB to start making trial mortgage payments directly to SHEEHAN rather than Wells Fargo. SB made three payments of \$2,304 each to SHEEHAN in January and February of 2014.

17. On February 16, 2014, SB received a court notification that his home was going to be sold via sheriff's sale. Defendant DANIEL SHEEHAN told SB to ignore the notice as this was just another scare tactic employed by banks to receive payments.

18. On or about March 6, 2014, defendant DANIEL SHEEHAN sent SB an email via the Internet from daniels629@live.com enclosing documents purporting to be pertinent to the modification of SB's mortgage.

19. On or about June 19, 2014, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between New Jersey and Missouri, in which SHEEHAN promised that he would stop the Sherriff's sale of SB's home.

20. On or about August 6, 2014, SB received a notice stating that his home had been sold at a sheriff's sale on July 30, 2014, and directing him to vacate the property. SB no longer owns or resides in his former home.

21. No application for a mortgage loan modification was ever filed on SB's behalf with Wells Fargo by SHEEHAN.

Client: LF (Fees and Good Faith Payments)

22. LF is an individual who owns a home in Bellmawr, NJ. LF was experiencing financial difficulties and desired to modify the mortgage and home equity loans on her residence. Both the mortgage loan and home equity loan were being held by Citi Financial Corporation ("Citi").

23. In January 2014, defendant DANIEL SHEEHAN met with LF at her home and promised that he could get her into the HAMP program due to her financial hardship. SHEEHAN collected a total of \$500 from LF as his fee for preparing and submitting the loan modification paperwork.

24. On or about March 15, 2014, defendant DANIEL SHEEHAN told LF that that Citi wanted LF to make trial payments of \$517 per month to SHEEHAN. SHEEHAN represented that LF would receive a new loan package from Citi after the trial period. SHEEHAN assured LF that he would place the trial payments in an escrow account to be held until after the trial period.

25. LF made a total of 11 trial payments to SHEEHAN. SHEEHAN did not place LF's money in escrow, but instead converted it to his own use.

26. On or about July 14, 2014, LF received a letter from Citi informing her that Citi was about to foreclose on LF's home due to LF's failure to pay her mortgage. Defendant DANIEL SHEEHAN told LF that it was a mistake, and represented that he had been dealing with a "Mike Weir" from Citi.

27. On or about August 28, 2014, LF received a letter from an attorney informing her that her home was in foreclosure. Defendant DANIEL SHEEHAN told LF that "Mike Weir" would come to her home and take care of the problem.

28. On or about September 12, 2014, LF received a telephone call from Defendant JOHN HOBAN a/k/a "JACK" who falsely represented himself as "Mike Weir" from Citi. HOBAN knew LF's account numbers for her mortgage and home equity loans with Citi. With LF's agreement, HOBAN added defendant DANIEL SHEEHAN to the call as a third-party. HOBAN represented to LF that her refinancing of both loans had been approved by Citi, that LF would be receiving welcome packages within 30 days, that LF's new mortgage rate would be two percent, and that the foreclosure letter from the lawyer would be frozen.

29. On or about October 6, 2014, LF told defendant DANIEL SHEEHAN that she had not received her welcome package. SHEEHAN assured her that he would get her the package.

30. On or about December 24, 2014, defendant DANIEL SHEEHAN sent a message to LF via the Internet that represented that a batch of packages were being sent by Federal Express, and that LF should receive hers by January 6 or January 7, 2015.

31. No application for a mortgage loan modification was ever filed on LF's behalf with Citi by SHEEHAN.

Client: DB (Fees and Good Faith Payments)

32. DB is an individual who owns a home in West Berlin, NJ. DB was experiencing financial difficulties and desired to modify the mortgage on her residence.

33. On or about February 8, 2013, defendant DANIEL SHEEHAN met with DB at her home. SHEEHAN agreed to prepare and submit documents to obtain a modification of the principal amount that DB owed on her house as well as a reduction of DB's interest rate to two percent. DB paid SHEEHAN a fee of \$1,295 for his services in obtaining a loan modification.

34. On or about February 8, 2013, defendant DANIEL SHEEHAN told DB that she had been approved for a loan modification, that as long as she was in the modification process she could not be foreclosed upon, and that all she had to do was to wait.

35. In or about March 2014, defendant DANIEL SHEEHAN told DB that her new loan would be handled by Bank of America ("BoA") and that she would need to make three trial mortgage payments of \$900 per month. SHEEHAN assured DB that her trial payments would be placed in an escrow account.

36. DB made trial payments to SHEEHAN of about \$7,200. SHEEHAN did not place DB's money in escrow, but instead converted it to his own use.

37. On or about September 12, 2014, DB participated a telephone conference call with defendant DANIEL SHEEHAN and defendant JOHN HOBAN a/k/a "JACK," who falsely represented himself as an employee of BoA. HOBAN and SHEEHAN reassured DB that BoA was servicing her newly modified mortgage and that all of her documents were on the way.

38. No application for a mortgage loan modification was ever filed on DB's behalf with BoA by SHEEHAN.

Clients: DC and MC (Fees)

39. DC and MC are individuals who own a home in Richboro, PA. Because MC had lost her job, in January 2014, DC and MC desired to modify the mortgage on their residence.

40. On or about January 28, 2014, defendant DANIEL SHEEHAN met with DC and MC and told them that they qualified for the HAMP program. SHEEHAN said that he would reduce the principle on DC and MC's loan with TruMark Financial Credit Union ("TruMark") by \$25,000. SHEEHAN had DC and MC sign a Third Party Authorization Form.

41. DC and MC paid defendant DANIEL SHEEHAN \$2,500 as a one-time fee to prepare and submit the necessary documentation to modify their home mortgage loan.

42. In or about February 2014, defendant DANIEL SHEEHAN informed DC and MC that he was in negotiations with TruMark. In July 2014, SHEEHAN presented DC and MC with a loan modification agreement that provided that DC and MC's mortgage principle would be reduced by \$25,000 and they would be getting a new loan at two percent interest.

43. Defendant DANIEL SHEEHAN told DC and MC to stop paying their mortgage to TruMark because it would interfere with their chances of getting their mortgage modified. DC and MC accepted SHEEHAN's advice but began receiving letters from TruMark asking for the monthly payments. SHEEHAN directed DC and MC not to pay TruMark anything, and not to respond to TruMark's letters.

44. Defendant DANIEL SHEEHAN told DC and MC that the final package would be coming, and gave DC and MC tracking numbers that he claimed were for their loan modification package.

45. On or about September 12, 2014, defendant DANIEL SHEEHAN arranged a conference telephone call with DC, SHEEHAN, and defendant JOHN HOBAN a/k/a “JACK,” who falsely represented himself as “Leonard Shaevo,” purportedly an employee of TruMark. HOBAN explained the modification agreement that DC and MC were purportedly getting, and told DC that they would be receiving it in about 30 days. That telephone call was routed between New Jersey and Pennsylvania.

46. On or about January 5, 2015, defendant DANIEL SHEEHAN sent a message to DC’s telephone via the Internet that represented that he would be placing a call that day to find out about DC and MC’s loan modification package.

47. No application for a mortgage loan modification was ever filed on DC and MC’s behalf with TruMark by SHEEHAN.

Client: BB (Fees)

48. BB is an individual who met with defendant DANIEL SHEEHAN in or about July 2013. SHEEHAN told BB that, because the mortgage on his former residence was with Sovereign Bank (“Sovereign”), BB was owed money from a settlement because Sovereign and BoA had been improperly selling mortgage loans in the secondary market. SHEEHAN promised that he could get BB a minimum of \$35,000, and as much as \$120,000 from Sovereign.

49. BB paid defendant DANIEL SHEEHAN at total fee of \$1,000 to prepare and submit the documentation, and to negotiate on his behalf, for a settlement with Sovereign.

50. After Sovereign was acquired by Santander Bank (“Santander”), defendant DANIEL SHEEHAN told BB that Santander was required to adhere to the settlement agreement with regard to Sovereign clients.

51. Defendant DANIEL SHEEHAN told BB that Santander had offered \$35,000, but that SHEEHAN believed they could obtain \$120,000, so SHEEHAN rejected their offer.

52. Almost a year after he started the process, defendant DANIEL SHEEHAN told BB that they had finally settled with Santander for \$35,000. SHEEHAN told BB that, because Santander was based in Texas, a company called Rust Consulting (“Rust”) was handling the disbursement of settlement checks.

53. On or about July 3, 2014, defendant DANIEL SHEEHAN sent BB a text that was routed from Missouri to New Jersey that represented that Rust, as third party trustee, was sending a check.

54. Rust has no record of any settlement involving BB.

Client: CM (Fees)

55. CM is an individual who owns a home in Marlton, NJ. CM desired to modify the mortgage on his residence.

56. CM first met with defendant DANIEL SHEEHAN in February 2014. SHEEHAN told CM that he believed he could obtain a mortgage loan modification that would reduce CM’s monthly payment by \$1,600. CM paid SHEEHAN \$1,390 to prepare and submit the documents necessary to obtaining the modification. At the time, CM had two outstanding mortgage loans, one with Citi and one with TD Bank (“TD”).

57. Defendant DANIEL SHEEHAN instructed CM to stop making mortgage payments on both the Citi and TD loans while his modification application was being considered. When CM began receiving notices from Citi and TD because he had stopped making payments, SHEEHAN said that the notices were a scare tactic employed by the banks. He informed CM that if he made any payments, his modification request would be in jeopardy.

58. In or about November 2014, CM received a foreclosure complaint notice from TD, which stated that CM was required to respond to the complaint. Defendant DANIEL SHEEHAN told CM to forward a copy of the notice to him so that SHEEHAN could file a response on behalf of CM via the Internet.

59. On or about November 26, 2014, defendant DANIEL SHEEHAN sent a message to CM via the Internet that represented that SHEEHAN had just filed a response to the foreclosure complaint.

60. In fact, SHEEHAN never filed a response to the foreclosure complaint.

Clients: LL & JH (Fees and Good Faith Payments)

61. LL & JH are individuals who own a home in Waterford Works, NJ. LL & JH desired to modify the mortgage on their residence.

62. Starting in September 2012, LL & JH became clients of a Company One. Working with BoA, the lender that held the mortgage on the residence owned by LL & JH, Company One obtained an approved modification through BoA in December 2012.

63. Before they finalized their approved modification with BoA, in or about March 2013, LL & JH met with defendant DANIEL SHEEHAN, who was then working for National Securitization Auditors. SHEEHAN told LL & JH that he could get them a better modification agreement than BoA had offered, including a reduction of their principal. LL & JH paid SHEEHAN his requested fee of \$1,300.

64. In early 2014, LL & JH received foreclosure notices of the mortgage on their home. Defendant DANIEL SHEEHAN promised that he would answer the foreclosure complaint, and told them not to worry.

65. In or about March, 2014, defendant DANIEL SHEEHAN told LL & JH that their loan modification had been approved. SHEEHAN directed them to make trial payments of \$1304.28 first to an individual identified here as SF, whom SHEEHAN falsely described as his lawyer, and then to SHEEHAN. SHEEHAN represented that these payments would be placed in an escrow account that SHEEHAN's "lawyer" would set up.

66. On or about March 18, 2014, defendant DANIEL SHEEHAN sent a text message to LL's telephone, which message was routed between New Jersey and Missouri, in which SHEEHAN claimed that his lawyer wanted him to tell LL that he was cashing the check because it would take too long to deposit and transfer.

67. LL & JH made a total of four "trial payments" as directed by SHEEHAN.

68. On or about April 28, 2014, defendant DANIEL SHEEHAN sent a text message to LL's telephone, which message was routed between New Jersey and Missouri, in which SHEEHAN stated that LL & JH's permanent modification was complete.

69. On about September 10, 2014, defendant DANIEL SHEEHAN arranged a conference telephone call with LL & JH, SHEEHAN, and defendant JOHN HOBAN a/k/a "Jack," who falsely represented himself as an employee of BoA. Hoban represented that BoA had their modification agreement and that BoA would be sending out their modification package in the upcoming weeks.

70. On or about December 19, 2014, defendant DANIEL SHEEHAN sent a text message to LL's telephone, that was routed from Missouri to New Jersey, that explained that the bank was sending modification packages out in three different groups on December 29, 2014, January 5, 2015, and January 12, 2015.

71. On or about January 13, 2015, defendant DANIEL SHEEHAN sent a text message to LL's telephone, that was routed from Missouri to New Jersey, that represented that LL & JH's modification package was complete and was being sent to them.

Client: LS (Fees and Good Faith Payments)

72. LS is an individual who formerly owned a home in Northfield, NJ. LS and his wife, DS, had lived in the Northfield home for years, and had raised their family in that home. After he lost his job, LS desired to modify the mortgage on his residence because the payments were too high.

73. Although the company that held LS's mortgage, Fidelity Mortgage Company ("Fidelity") offered to modify his mortgage, LS refused the offer because it would not have reduced LS's monthly payment.

74. In or around August 2013, LS met with defendant DANIEL SHEEHAN. SHEEHAN told LS that he could get him a modification agreement that would reduce both his principal and his interest rate. LS paid SHEEHAN his requested fee of \$1,700.

75. On or about February 27, 2014, defendant DANIEL SHEEHAN sent a text message to LS, which message was routed between New Jersey and Missouri, in which SHEEHAN informed LS that he saw LS's offer and that LS should have it in his hands in the next 24 to 48 hours.

76. Although LS's house was scheduled to be sold as a Sherriff's sale on several occasions, defendant DANIEL SHEEHAN reassured LS that he would take care of it. In late May 2014, a man came to LS's home to look at the property. The man told LS that he was going to purchase it at a Sherriff's sale. When LS told SHEEHAN of the conversation, SHEEHAN instructed LS to ignore the man.

77. On or about July 1, 2014, defendant DANIEL SHEEHAN told LS that the modification had been approved, that his house had not been sold, and presented him with an agreement to sign.

78. On or about July 1, 2014, defendant DANIEL SHEEHAN told LS that he would have to make trial payment of \$1,525.55 for the next three months. SHEEHAN instructed LS to make the payments out to SHEEHAN, and assured LS that they would be placed in an escrow account.

79. On or about July 17, 2014, August 12, 2014, and September 17, 2014, LS gave checks to defendant DANIEL SHEEHAN in the amount of \$1,525.55.

80. In or about September 2014, defendant DANIEL SHEEHAN gave LS a document that purported to be an order from a judge allowing LS to stay in his home until September 23, 2105. SHEEHAN told LS that he had appeared before the judge to get the order.

81. In or about September 2014, a company called New Jersey Homes offered to pay LS \$2,000 in moving expenses. Defendant DANIEL SHEEHAN told LS not to move or to pack, and LS declined the offered money.

82. On or about November 5, 2014, LS appeared in court where he learned from the judge that the document provided to him defendant DANIEL SHEEHAN was a forgery.

83. On or about November 5, 2014, LS and his family were physically evicted from their home.

Clients: RK & BK (Fees and Good Faith Payments)

84. RK & BK are individuals who own a home in Barrington, NJ. Although they were current on their mortgage with Green Tree Financial (“GreenTree”), RK & BK were having difficulty making their monthly mortgage payments due to a reduced household income. RK &

BK therefore desired to modify the mortgage on their residence because the payments were too high.

85. Defendant JOHN HOBAN a/k/a “Jack,” recommended that RK & BK employ his friend, defendant DANIEL SHEEHAN, to solve their problem through the HAMP program.

86. On or about October 1, 2013, defendant JOHN HOBAN a/k/a “Jack,” brought defendant DANIEL SHEEHAN to RK & BK’s home. SHEEHAN told RK & BK that he guaranteed that he could get them into the HAMP program, that he would reduce both their interest rate and principal balance, and that he would get their monthly payment down to about \$1301 per month. SHEEHAN told RK & BK that they needed to stop making mortgage payments in order to get into the HAMP program, and that they should not have any correspondence with their mortgage company.

87. Defendant DANIEL SHEEHAN told RK & BK that his fee, discounted due to their friendship with defendant JOHN HOBAN a/k/a “Jack,” was \$1,495. RK & BK paid this amount in three checks dated on or about October 1, 2013, October 23, 2013, and November 20, 2013. At Sheehan’s instruction, RK & BK made the first of these checks out to HOBAN.

88. On or about October 15, 2013, defendant JOHN HOBAN a/k/a “Jack,” sent defendant DANIEL SHEEHAN a message via Internet in which, referring to RK & BK, he wrote: “They’re not that book smart bro.”

89. On or about November 11, 2013, defendant JOHN HOBAN a/k/a “Jack,” sent defendant DANIEL SHEEHAN a message via Internet in which he described BK as “the nut,” said that she had texted him for status, and explained: “Just so were on same page I told her servicer has her package and next step is processing; underwriting all that can’t be completed until they pay last payment.”

90. On or about November 18, 2013, defendant JOHN HOBAN a/k/a “Jack,” sent defendant DANIEL SHEEHAN a message via Internet in which he said that he was going to get “the check” from RK & BK. On or about November 19, 2013, HOBAN sent SHEEHAN a message via Internet in which he said: “I’m gonna run and grab that loot for us now.” Later that same day, Hoban wrote that he was “grabbing [BK and RK’s] loot at 7am as well.”

91. In or about the Spring of 2014, RK & BK began to receive correspondence requesting payment of their mortgage. Defendant DANIEL SHEEHAN instructed them to ignore the correspondence.

92. On or about May 28, 2014, defendant DANIEL SHEEHAN told RK & BK that they would have to begin to make trial payments of \$1,301.47. SHEEHAN instructed RK & BK to make the payments out to SHEEHAN, and assured them that they would be placed in an escrow account.

93. On or about May 28, 2014, July 10, 2014, and August 15, 2014, RK & BK gave checks to defendant DANIEL SHEEHAN in the amount of \$1,301.47.

94. In or about November 2014, RK & BK received a letter from their lender advising them that the lender was about to start foreclosure proceedings. Defendant DANIEL SHEEHAN reassured RK & BK that he had spoken with GreenTree’s legal department and that everything was ok.

95. In or about December 2014, GreenTree offered to refinance RK & BK’s mortgage. This offer was unrelated to defendant DANIEL SHEEHAN, and SHEEHAN refused to come and help RK & BK review the offer.

THE CONSPIRACY

96. From in or around September 2012 to in or around February 2015, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

DANIEL SHEEHAN and JOHN HOBAN a/k/a “Jack”

conspired and agreed together and with others known and unknown to the grand jury, to knowingly devise a scheme to defraud owners of property subject to mortgage loans and the former owners of property subject to mortgage loans, and to obtain money and property from them, by means of false and fraudulent pretenses, representations and promises, and to transmit or cause to be transmitted, by means of wire, radio, and television communications in interstate commerce, writings, signs, signals, pictures, or sounds, for the purpose of executing such scheme, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS

It was part of the conspiracy that:

97. Defendant JOHN HOBAN a/k/a “Jack,” would refer individuals known to him to own a home subject to a mortgage loan who either needed or desired to modify that loan to defendant DANIEL SHEEHAN as prospective clients.

98. If a prospective client did not presently need or desire to modify a mortgage loan, but had a former property subject to a mortgage loan, defendant DANIEL SHEEHAN would offer to obtain settlement money for them from a purported settlement entered into by their bank. SHEEHAN would collect his fee in advance and would not obtain or attempt to obtain settlement money for his client.

99. If a prospective client did need or desire to modify a mortgage loan, defendant DANIEL SHEEHAN would make representations about the reductions in principal and interest

that he could obtain on their behalf, and would offer to prepare and submit the necessary documents on their behalf. SHEEHAN would collect his fee in advance and would not obtain or attempt to obtain a modified mortgage for his client.

100. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients that they should stop making mortgage payments, in order to assure that their request for refinancing would be acted upon favorably.

101. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients that they should ignore notices, including nonpayment notices, foreclosure notices, and foreclosure complaints, sent to them by or on behalf of their banks or lenders.

102. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients that they had been approved for refinancing of their mortgage loans when he knew that they had not been approved.

103. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients that they should make trial payments to him, or in the name of another person, and that he would keep these “trial payments” in escrow for the client’s bank or lender.

104. Defendant DANIEL SHEEHAN would provide his mortgage loan modification clients with copies of documents purporting to be escrow account statements when SHEEHAN knew that the funds were not being held in escrow but had been converted and misapplied by SHEEHAN.

105. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients that he would respond to, and resolve, legal actions to foreclose on their residences.

106. Defendant DANIEL SHEEHAN would arrange telephone conference calls between himself, his clients, and third parties falsely purporting to be representatives of a lending institution such as Fannie Mae, Freddie Mac, or a bank, credit union, or mortgage company.

107. Defendant DANIEL SHEEHAN would tell his mortgage loan modification clients to make out checks in the names of third parties, falsely representing that these parties were SHEEHAN's attorney, secretary, or other employee.

108. Defendant JOHN HOBAN a/k/a "Jack," would participate in telephone conference calls arranged by defendant DANIEL SHEEHAN with SHEEHAN's clients, and would falsely claim to be a representative of a lending institution such as Fannie Mae, Freddie Mac, or a bank, credit union, or mortgage company.

109. During telephone conference calls, defendant JOHN HOBAN a/k/a "Jack," would provide false and lulling assurances to defendant DANIEL SHEEHAN's clients about the status of their mortgage loan refinancing application.

110. By telephone calls, text messages, and Internet chats, defendant DANIEL SHEEHAN would provide false and lulling assurances and excuses to his clients about the status of their mortgage loan refinancing applications or settlements in order to prevent or forestall the discovery of his fraud.

OVERT ACTS

In furtherance of the conspiracy, defendant DANIEL SHEEHAN and defendant JOHN HOBAN a/k/a "Jack," and others known and unknown to the grand jury, committed the following overt acts, in the Eastern District of Pennsylvania and elsewhere:

1. On or about October 24, 2013, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between Pennsylvania and Missouri, in which

SHEEHAN instructed SB to stop making mortgage payments to Wells Fargo while the modification application was being considered.

2. On or about February 10, 2014, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between Pennsylvania and Missouri, in which SHEEHAN told SB that SB need to complete his trial mortgage payments to SHEEHAN in order to stop the Wells Fargo collections department.

3. On or about February 13, 2014, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between Pennsylvania and Missouri, in which SHEEHAN told SB that SHEEHAN had contacted Wells Fargo loss mitigation to inform them that SB had made his third trial payment and that SB's permanent modification agreement would be ready the following week.

4. On or about March 6, 2014, defendant DANIEL SHEEHAN sent SB an email via the Internet from daniels629@live.com enclosing documents purporting to be pertinent to the modification of SB's mortgage

5. On or about June 18, 2014, defendant DANIEL SHEEHAN sent a text message to SB, which message was routed between Pennsylvania and Missouri, in which SHEEHAN promised that he would stop the Sherriff's sale of SB's home.

6. On or about March 15, 2014, defendant DANIEL SHEEHAN sent LF a message via Internet that explained that Citi wanted LF to make trial payments of \$517 per month to SHEEHAN.

7. On or about September 12, 2014, defendant JOHN HOBAN a/k/a "JACK," placed a telephone call that to LF in which HOBAN falsely represented himself as "Mike Weir" from Citi Financial Corporation.

8. On or about October 6, 2014, defendant DANIEL SHEEHAN told LF that he would get her the welcome package for her modified mortgage.

9. On or about December 24, 2014, defendant DANIEL SHEEHAN sent LF a message via Internet that represented that a batch of welcome packages for mortgage modifications were being sent by Federal Express, and that LF should receive hers by January 6 or January 7, 2015.

10. On or about March 28, 2014, defendant DANIEL SHEEHAN obtained from client RT, JR. check number 345 made payable to SHEEHAN, purportedly as mortgage escrow for EverHome.

11. On or about January 8, 2014, defendant DANIEL SHEEHAN obtained from client MAF a check number 1745 made payable to an individual identified here as CC2, purportedly as mortgage escrow for BoA.

12. On or about September 12, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a "JACK," participated a three way telephone call with DB, which call in which SHEEHAN and HOBAN falsely represented that HOBAN was employee of Bank of America.

13. On or about September 12, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a "JACK," participated in a conference telephone call with DC which telephone call was routed between New Jersey and Pennsylvania, in which SHEEHAN, and HOBAN falsely represented HOBAN as "Leonard Shaevo," purportedly an employee of TruMark Financial Credit Union.

14. On or about January 5, 2015, defendant DANIEL SHEEHAN sent DC a chat message via Internet that represented that he would be placing a call that day to find out about DC and MC's loan modification package.

15. On or about July 3, 2014, defendant DANIEL SHEEHAN sent BB a message via Internet that represented that Rust Consulting, as third party trustee, was sending a check.

16. On or about November 26, 2014, defendant DANIEL SHEEHAN sent CM a message via Internet that represented that SHEEHAN had just filed a response to the foreclosure complaint that had been filed concerning CM's home.

17. On or about December 16, 2014, defendant DANIEL SHEEHAN sent CM a message via Internet that represented that CM's modification agreement was done and that CM was just waiting for his welcome package.

18. On or about March 17, 2014, defendant DANIEL SHEEHAN obtained check number 580 from LL made out to a real individual identified here as SF, whom SHEEHAN described as his attorney despite the fact that SF was not an attorney at all much less SHEEHAN's attorney.

19. On or about November 20, 2013, defendant DANIEL SHEEHAN sent a message to client PS via the Internet telling her that SHEEHAN's wife had been a nurse at the Childrens Hospital of Philadelphia for ten years when SHEEHAN had in fact never been married.

20. On or about January 13, 2014, defendant DANIEL SHEEHAN sent a message to client PS via the Internet telling her that SHEEHAN had a meeting scheduled with her lender on Thursday (January 16, 2014) and that he expected to have an offer.

21. On or about February 1, 2014, defendant DANIEL SHEEHAN sent messages to client PS via the Internet telling her that SHEEHAN had had a bad car accident, had suffered a concussion, and could not do any work until cleared by a doctor, but that he was being cared for by his wife and sister who were both nurses.

22. On or about May 11, 2014, defendant DANIEL SHEEHAN sent a message to client PS via the Internet telling her that after this payment she would complete her trial period and everything would become permanent.

23. On or about May 30, 2014, defendant DANIEL SHEEHAN sent a message to client PS via the Internet telling her that her modification documents were on their way to him.

24. On or about November 26, 2013, defendant DANIEL SHEEHAN sent a message to client CC via the Internet telling her that her modification documents were in executive review.

25. On or about January 29, 2014, defendant DANIEL SHEEHAN sent a message to client CC via the Internet telling her that he was scheduled for a second round of negotiations concerning her loan modification on the following Monday.

26. On or about March 14, 2014, defendant DANIEL SHEEHAN sent a message to client CC via the Internet telling her that her bank's offer to modify her home mortgage had arrived late the prior week.

27. On or about June 13, 2014, defendant DANIEL SHEEHAN sent a message to client JF via the Internet telling him that his check for a settlement of JF's claim against the bank that held the mortgage on a property that JF recently sold was being mailed out on Thursday of the next week, and that SHEEHAN would have a tracking number on Thursday.

28. In or about September 2014, defendant DANIEL SHEEHAN gave LS a forged document that purported to be an order from a judge allowing LS to stay in his home until September 23, 2105.

29. On or about September 10, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a “JACK,” participated in a telephone conference call with LL & JH in which SHEEHAN, and HOBAN falsely represented HOBAN as an employee of Bank of America.

30. On or about September 11, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a “JACK,” participated in a telephone conference call with client DM, that was routed between New Jersey and Connecticut, in which SHEEHAN and HOBAN falsely represented HOBAN as “John,” a representative of Fannie Mae.

31. On or about September 18, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a “JACK,” participated in a telephone conference call with client TB, that was routed between New Jersey and Indiana.

32. On or about September 26, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a “JACK,” participated in a telephone conference call with client TB, that was routed between New Jersey and Indiana.

33. On or about December 3, 2014, defendants DANIEL SHEEHAN and JOHN HOBAN a/k/a “JACK,” participated in a telephone conference call with client TB, that was routed between New Jersey and Indiana.

All in violation of Title 18, United States Code, Section 1349.

COUNTS TWO THROUGH NINE
(wire fraud by Sheehan and Hoban)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 11, 22 through 47, 61 through 71, and 84 through 95 of Count One are incorporated here.

THE SCHEME TO DEFRAUD

2. From in or around February 2013, to in or around February 2015, in Philadelphia, in the Eastern District of Pennsylvania, in the District of New Jersey, and elsewhere, defendants

**DANIEL SHEEHAN and
JOHN HOBAN a/k/a “Jack”**

devised and intended to devise a scheme to defraud the clients of defendant DANIEL SHEEHAN, and to obtain money and property from them, by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

3. Paragraphs 97 through 110 of Count One are incorporated here.

THE WIRINGS

4. On or about each of the dates set forth below, in Philadelphia, in the Eastern District of Pennsylvania, in the District of New Jersey, and elsewhere as set forth below,

**DANIEL SHEEHAN and
JOHN HOBAN a/k/a “Jack”**

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below, each transmission constituting a separate count:

COUNT	DATE/START TIME	DESCRIPTION
2.	March 18, 2014/ 1:24 p.m.	Text message from defendant DANIEL SHEEHAN to client LL routed between New Jersey and Missouri.
3.	April 28, 2014 6:31 p.m.	Text message from defendant DANIEL SHEEHAN to client LL routed between New Jersey and Missouri.
4.	September 11, 2014/ 2:34p.m.	Interstate telephone conference call among defendant DANIEL SHEEHAN, defendant JOHN HOBAN a/k/a "Jack," and client DM that was routed between New Jersey and Connecticut.
5.	September 12, 2014/ 12:11p.m.	Interstate telephone conference call among defendant DANIEL SHEEHAN, defendant JOHN HOBAN a/k/a "Jack," and client DC that was routed between New Jersey and Pennsylvania.
6.	January 5, 2015/ 10:53 a.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in Connecticut to client DC's telephone in Pennsylvania.
7.	September 18, 2014/ 2:21p.m.	Interstate telephone conference call among defendant DANIEL SHEEHAN, defendant JOHN HOBAN a/k/a "Jack," and client TB that was routed between New Jersey and Indiana.
8.	September 26, 2014/ 2:21p.m.	Interstate telephone conference call among defendant DANIEL SHEEHAN, defendant JOHN HOBAN a/k/a "Jack," and client TB that was routed between New Jersey and Indiana.
9.	December 3, 2014/ 10:24 a.m.	Interstate telephone conference call among defendant DANIEL SHEEHAN, defendant JOHN HOBAN a/k/a "Jack," and client TB that was routed between New Jersey and Indiana.

All in violation of Title 18, United States Code, Sections 1343 and 1349.

COUNTS 10 THROUGH 27
(wire fraud by Sheehan)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 95 of Count One are incorporated here.

THE SCHEME TO DEFRAUD

2. From in or around September 2012, to in or around February 2015, in Philadelphia, in the Eastern District of Pennsylvania, in the District of New Jersey, and elsewhere, defendants

DANIEL SHEEHAN

devised and intended to devise a scheme to defraud his clients, and to obtain money and property from them, by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

3. Paragraphs 97 through 110 of Count One are incorporated here.

THE WIRINGS

4. On or about each of the dates set forth below, in Philadelphia, in the Eastern District of Pennsylvania, in the District of New Jersey, and elsewhere as set forth below,

DANIEL SHEEHAN

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication

in interstate commerce the signals and sounds described below, each transmission constituting a separate count at or about the following dates and times:

COUNT	APPROXIMATE DATE/START TIME	GENERAL DESCRIPTION
10.	July 10, 2013/ 9:53 a.m.	Email message via the Internet from client SB in Pennsylvania to defendant DANIEL SHEEHAN in New Jersey at daniels629@live.com .
11.	July 10, 2013 4:55 p.m.	Moneygram from client SB to defendant DANIEL SHEEHAN to route between Maryland Pennsylvania.
12.	October 24, 2013/ 2:31 p.m.	Text message from defendant DANIEL SHEEHAN to client SB routed between New Jersey and Missouri.
13.	March 6, 2014/ 4:25 p.m.	Email message via the Internet from defendant DANIEL SHEEHAN in New Jersey at daniels629@live.com to client SB in Pennsylvania.
14.	June 19, 2014/ 2:03 p.m.	Text message from defendant DANIEL SHEEHAN to client SB routed between New Jersey and Missouri.
15.	July 3, 2014/ 7:58 p.m.	Text message between New Jersey and Missouri from defendant DANIEL SHEEHAN to client BB.
16.	March 18, 2014 10:27 a.m.	Text message from defendant DANIEL SHEEHAN to client LL routed between New Jersey and Missouri.
17.	April 28, 2014 6:31 p.m.	Text message from defendant DANIEL SHEEHAN to client LL routed between New Jersey and Missouri.
18.	February 27, 2014 10:14 a.m.	Text message from defendant DANIEL SHEEHAN to client LS routed between New Jersey and Missouri.

COUNT	DATE/START TIME	DESCRIPTION
19.	November 20, 2013/ 6:10 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client PS in Pennsylvania.
20.	January 13, 2014/ 5:27 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client PS in Pennsylvania.
21.	February 1, 2014/ 2:48 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client PS in Pennsylvania.
22.	May 11, 2014/ 1:21 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client PS in Pennsylvania.
23.	May 30, 2014/ 9:52 a.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client PS in Pennsylvania.
24.	November 26, 2013/ 1:32 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client CC in Pennsylvania.
25.	January 29, 2014/ 10:20 a.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client CC in Pennsylvania.
26.	March 14, 2014/ 10:20 a.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client CC in Pennsylvania.
27.	June 13, 2014/ 12:06 p.m.	Chat message via the Internet from defendant DANIEL SHEEHAN in New Jersey to client JF in Pennsylvania.

All in violation of Title 18, United States Code, Sections 1343 and 1349.

COUNT 28
(interstate transportation by Sheehan)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 95 and 97 through 110 of Count One are incorporated here.
2. Between in or about April 1, 2014 and on or about February 1, 2015, in the

Eastern District of Pennsylvania, defendant

DANIEL SHEEHAN

transported, transmitted, and transferred in interstate and foreign commerce, goods, wares, securities, and money of the value of \$5,000 or more, that is checks written on the following accounts on the following dates in the following amounts, knowing the same to have been stolen, converted, and taken by fraud:

CLIENT/ PAYOR	CHECK DATES/NUMBERS	CHECK PAYEE/AMOUNT
PS	April 15, 2014/ 121 May 12, 2014/ 126 August 4, 2014/ 129 October 7, 2014/ 101	Dan Sheehan/ \$746.36 Dan Sheehan/ \$746.36 Dan Sheehan/ \$746.36 An individual identified here as WR/ \$746.36
CD & BD	January 5, 2015/ 139	Dan Sheehan/ \$1,000
EL	January 1, 2015/ 130	Daniel Sheehan/ \$875
CS	December 29, 2014/ 4076	Daniel Sheehan/ \$1,026.33
SR	December 22, 2014/ 159	Dan Sheehan/ \$1,194.38
EB & MB	December 13, 2014/ 338 December 18, 2014/ 341 December 18, 2014/ 342	Dan Sheehan/ \$872.32 Dan Sheehan/ \$687.23 Dan Sheehan/ \$947.74
GM	December 10, 2014/ 354	An individual identified here as WR/ \$757.20
JM & JM	December 4, 2014/ 1537	Dan Sheehan/ \$1,498.12.

CLIENT/ PAYOR	CHECK DATES/NUMBERS	CHECK PAYEE/AMOUNT
RH & AH	July 22, 2014/ 3889	Dan Sheehan/ \$972.36
JB	July 21, 2014/ 1087	Dan Sheehan/ \$906.55
TR & MP	June 10, 2014/ 107	Dan Sheehan/ \$1411.75

In violation of Title 18, United States Code, Section 2314.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 1343, 1349, and 2314, as set forth in Counts One through 29

**DANIEL SHEEHAN and
JOHN HOBAN a/k/a “Jack”**

shall forfeit to the United States of America all property, real or personal, involved in the commission of the offenses and all property traceable to such property, including, but not limited to the sum of \$470,000.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred to or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty,

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c),

incorporating Title 21, United States Code, Section 853(p) to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

GRAND JURY FOREPERSON

**ZANE DAVID MEMEGER
UNITED STATES ATTORNEY**