

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 8:15-cr 397 T33 AEP

GARY HUGHES, and  
JASON MARTIN

18 U.S.C. § 1349  
18 U.S.C. § 1344  
18 U.S.C. § 982- Forfeiture

**SEALED**

**INDICTMENT**

The Grand Jury charges:

**COUNT ONE**  
**(Conspiracy - 18 U.S. C. § 1349)**

**A. Introduction**

At times material to this Indictment:

1. The Federal Deposit Insurance Corporation ("FDIC") was an agency of the United States of America, established to protect depositors against substantial loss with the purpose of preventing bank collapses and instilling public confidence in the nation's banks.

2. Wells Fargo Bank N.A. ("Wells Fargo") was a financial institution, with offices located throughout the United States, including the State of Florida, the deposits and accounts of which were insured by the FDIC.

3. Bank United N.A. ("Bank United") was a financial institution, with offices located throughout the United States, including the State of Florida, the deposits and accounts of which were insured by the FDIC.

**SEALED**

4. It was the practice of many lending institutions, including the above-named financial institutions, to make loans secured by real property to borrowers (mortgages or mortgage loans). In determining whether or not to extend any such loan, it was also the practice of the lending institutions to rely upon the information contained in a borrower's mortgage-related documents, such as the Uniform Residential Loan Application, the United States Department of Housing and Urban Development Settlement Statement, and the mortgage itself.

5. A Uniform Residential Loan Application (or a "Fannie Mae Form 1003"), commonly referred to as a mortgage loan application, was generally utilized by lending institutions and other lenders in the mortgage loan approval process. The Fannie Mae Form 1003 was designed to be completed by the applicant borrower(s) with the lender's assistance and required the borrower truthfully to provide to the lender various types of material information, including employment information, monthly income, detailed financial information (including asset and liability information), and other specifics of the residential property transaction, such as the purchase price and whether the borrower would use the property as a primary residence, secondary residence, or an investment.

6. The Fannie Mae Form 1003 required that the individual completing it certify that the information contained within it was true and correct and the form itself warned that misrepresentations could expose the signer to civil penalty or criminal prosecution.

7. The United States Department of Housing and Urban Development Settlement Statement (or a "HUD-1 Settlement Statement") was a form generally used in closings of the sales of residential properties in the United States. A HUD-1 Settlement Statement was used to identify and allocate the various receipts, disbursements, expenses, and payments associated with the sale of residential real estate between the buyer and the seller of the property. The signers of the HUD-1 Settlement Statement certified that the information contained within it was true and correct. The HUD-1 also included a similar warning to its signers as to the penalty for making false statements in the form itself.

8. The Settlement Agent responsible for handling the closing of the sale of residential property was also required to sign the HUD-1 Settlement Statement attesting to the truth and accuracy of the form.

9. Set2Go Loans, Inc. ("Set2Go"), was a mortgage brokerage firm based in California. HUGHES and MARTIN both originated residential mortgage loans at Set2Go.

10. Envision Lending Group ("Envision") was also a mortgage brokerage firm based in Utah. HUGHES and MARTIN both originated residential mortgage loans at Envision.

11. Humar Investment Group ("Humar") was a subprime mortgage and investing business formed by HUGHES and MARTIN in California.

12. The Arbors at Carrollwood Apartments (hereinafter "The Arbors") was a 390-unit apartment complex located in the Middle District of Florida at 3939 Ehrlich Road, Tampa, Florida.

13. Brendan Bolger marketed and managed properties at The Arbors.

14. DBM Real Estate Group, LLC ("DBM Real Estate Group") was a Florida real estate company controlled by Brendan Bolger.

15. Capital Management Guarantee, LLC ("Capital Management Guarantee") was a Florida limited liability company owned by Brendan Bolger.

16. Capital Exchange Solutions, LLC, ("Capital Exchange Solutions") was an Illinois limited liability company formed by one of Bolger's employees.

#### **B. The Conspiracy**

17. Beginning on a date unknown to the Grand Jury, but no later than in or around March, 2007, and continuing through in and around May, 2008, in Hillsborough County, in the Middle District of Florida, and elsewhere,

GARY HUGHES, and  
JASON MARTIN,

the defendants herein, did knowingly and willfully combine, conspire, confederate, and agree with Brendan Bolger and others, both known and unknown to the Grand Jury, to commit the following offense:

to knowingly execute and attempt to execute a scheme and artifice to defraud a financial institution and to obtain money, funds, credits, assets, and other property owned by, and under the custody or control of, a financial institution, by means of materially false and

fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

**C. Manner and Means of the Conspiracy**

19. The manner and means by which the defendants and other co-conspirators sought to accomplish the object and purpose of the conspiracy included, among other things, the following:

- a. It was a part of the conspiracy that the defendants, GARY HUGHES and JASON MARTIN, in concert with others, would and did cause documents that contained materially false and fictitious statements and omissions to be prepared and submitted to Wells Fargo Bank and other lenders as well as to obtain money, funds, credits, assets, and other property owned by, and under the custody or control of, Wells Fargo Bank and other federally insured financial institutions and/or their mortgage subsidiaries, by means of materially false and fraudulent pretenses, representations, and promises.
- b. It was a further part of the conspiracy that the defendants, GARY HUGHES and JASON MARTIN, in concert with others, would and did loan money to buyers for their use as “cash to close” at settlement without disclosing the existence of such loans to Wells Fargo Bank and other federally insured financial institutions.

- c. It was further part of the conspiracy that the defendants, GARY HUGHES, JASON MARTIN, and Brendan Bolger, in concert with others, would and did distribute and/or share funds acquired during the conspiracy, often using bank accounts held in the name of Humar Investment Group, DBM Real Estate, Capital Management Guarantee, Capital Exchange Solutions, and other entities.
- d. It was a further part of the conspiracy that the defendants, GARY HUGHES and JASON MARTIN, in concert with others, would and did perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the purpose of the conspiracy and the acts committed in furtherance thereof.

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

**COUNTS TWO THROUGH FIVE**  
**(Bank Fraud - 18 U.S.C. § 1344)**

**A. Introduction**

1. The Grand Jury re-alleges the paragraphs in section A of Count One of this Indictment as though fully set forth herein.

**B. The Scheme**

2. Beginning in or around September, 2007, and continuing through in or about February, 2008, within the Middle District of Florida and elsewhere, the defendants listed in Counts Two through Five below, with others, did devise and

intend to devise a scheme and artifice to defraud a federally insured financial institution and for obtaining money and property of said financial institution by means of materially false and fraudulent pretenses, representations, and promises.

**C. Manner and Means of Scheme**

3. The manner and means are described in Section C of Count One of this Indictment, and the Grand Jury re-alleges those allegations as though fully set forth herein.

**D. Execution of the Scheme**

4. On or about the dates set forth below in each count, within the Middle District of Florida and elsewhere,

GARY HUGHES, and  
JASON MARTIN,

the defendants herein, did attempt to execute, and aided and abetted the execution of the aforementioned scheme and artifice the financial institution, and to obtain, money, funds, and property under the custody and control of a federally insured financial institution by means of materially false and fraudulent pretenses, caused the following transfer of mortgage loan funds to be made by Wells Fargo Bank and Bank United:

COUNT	DEFENDANT	DATE	BANK	AMOUNT	PROPERTY
Two	GARY HUGHES	4-18-2007	Bank United	\$270,200.00	15020 Arbors Reserve Circle #303 Tampa, FL 33624
Three	JASON MARTIN	7-27-2007	Wells Fargo Bank	\$214,700.00	15011 Arbors Reserve Circle Unit #15011 Tampa, FL 33624

COUNT	DEFENDANT	DATE	BANK	AMOUNT	PROPERTY
Four	JASON MARTIN	9-14-2007	Wells Fargo Bank	\$189,095.00	15002 Arbors Reserve Circle #208 Tampa, FL 33624
Five	GARY HUGHES	11-13-200 7	Wells Fargo Bank	\$189,704.28	15031 Arbors Reserve Circle #102 Tampa, FL 33624

All in violation of Title 18, United States Code, Sections 1344 and 2.

**FORFEITURES**

1. The allegations contained in Count One through Five of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 982(a)(2)(A).

2. Upon conviction of a violation alleged in Counts One through Five of this Indictment, the defendants,

GARY HUGHES, and  
JASON MARTIN,

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(2)(A), any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation.

3. If any of the property described above, 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 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 divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

A TRUE BILL,

  
Earl Roberts  
Foreperson

A. LEE BENTLEY, III  
United States Attorney

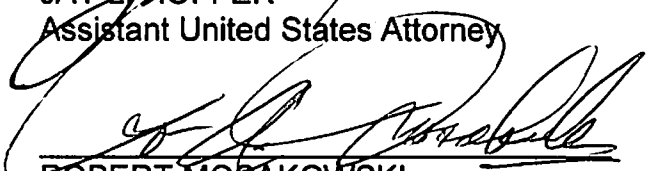
By:

  
CHRISTOPHER POOR  
Special Assistant United States Attorney

By:

  
JAY L. HOFFER  
Assistant United States Attorney

By:

  
ROBERT MOSAKOWSKI  
Assistant United States Attorney  
Chief, Economic Crimes Section

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**UNITED STATES DISTRICT COURT**  
Middle District of Florida  
Tampa Division

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THE UNITED STATES OF AMERICA

vs.

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**INDICTMENT**

Violations:

Title 18, United States Code, Sections 1349 and 1344

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A true bill,

  
\_\_\_\_\_  
Foreperson

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Filed in open court this 22nd day  
of September, 2015.

\_\_\_\_\_  
Clerk

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Bail \$ \_\_\_\_\_

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