

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

v.

ARMANDO SOLIS BARRON,
a/k/a "Solomon," and

DOMINIC AHIGA,
a/k/a "Michael Grinnell,"
a/k/a "Josh Weinstein,"

Defendants.

SEALED INDICTMENT

26 Cr. *347* ()

COUNT ONE
(Conspiracy to Commit Wire Fraud)

The Grand Jury charges:

Background

1. From at least in or about June 2018 through at least in or about September 2022, in the Southern District of New York and elsewhere, ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, and DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, together with others, defrauded clients of their mortgage modification business and the clients' mortgage lenders. BARRON, AHIGA, and others solicited homeowners who were struggling to make monthly payments on their mortgages and promised to have the homeowners' interest rates and monthly payments reduced in exchange for monthly fees. BARRON, AHIGA, and others induced the clients to accept their services and to continue to pay the monthly fees by making material misrepresentations and by engaging in fraudulent practices, including lying about, among other matters, the amount of time that the mortgage modification process would take and the nature of the fees that the clients were paying for mortgage modification services. BARRON, AHIGA, and others also defrauded the clients' lenders by

making material misrepresentations and by engaging in fraudulent practices to cause the lenders to modify the clients' mortgages. Clients of the mortgage modification business operated by BARRON, AHIGA, and others paid over approximately \$15 million for mortgage modification services, and a number of those clients' homes went into foreclosure.

The Mortgage Modification Company

2. ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, and others operated their mortgage modification fraud scheme under various corporate names (collectively, the "Company"), including Green Equitable Solutions, d/b/a "Academy Home Services"; South West Consulting Enterprises, Inc., d/b/a "Home Matters USA"; Apex Consulting & Associates Inc., d/b/a "Golden Home Services America"; and Infocom Entertainment Ltd., Inc., d/b/a "Atlantic Pacific Service." The defendants and others repeatedly changed the names of companies through which they operated their mortgage modification business in an effort to evade regulators and bad online reviews of their services. The defendants also frequently required the Company's employees to use fake names when interacting with the Company's clients and each other.

The Defendants

3. ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, was a beneficial owner and a senior manager of the Company.

4. DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, supervised the collection of monthly payments and documents from clients and was, at times, a beneficial owner of the Company.

The Scheme to Defraud

5. In order to induce clients to purchase their services and to continue to pay the Company's monthly fees, ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, and others represented to clients that the mortgage modification process would take approximately three to four months when, in reality, they knew that the process would take significantly longer. In an effort to create the appearance that the Company's operations were legitimate, BARRON, AHIGA, and others falsely told clients that their mortgages would be modified in conjunction with a federal government program, including the Troubled Asset Relief Program. BARRON, AHIGA, and others sent potential clients individualized "offers" drafted primarily by BARRON that referenced, without any basis in fact, modified interest rates at or below 2 percent and lower monthly mortgage payments than what the clients had been paying, and were designed intentionally to look like terms the client was guaranteed to receive.

6. ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, and others directed clients to stop making monthly mortgage payments to their lenders and to pay the Company monthly fees instead. The conspirators falsely told clients that their lenders would forgive their arrearages and, in many instances, that part of their monthly payments to the Company would go to pay down the balances of their mortgage loans. The conspirators also falsely told clients that the purpose of the clients' monthly payments to the Company was to prove to lenders that the clients were capable of paying those amounts each month.

7. Once clients were induced through the use of material misrepresentations to pay the Company for its mortgage modification services, ARMANDO SOLIS BARRON, a/k/a

“Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others intentionally delayed the mortgage modification process, in many cases for many months or more, in order to continue collecting monthly payments from clients. BARRON, AHIGA, and others intentionally delayed the process by various means, including asking clients on a piecemeal basis to submit documents the Company needed to submit to lenders and intentionally waiting a period of weeks before asking for additional documents.

8. ARMANDO SOLIS BARRON, a/k/a “Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others rejected modification offers from lenders without telling the clients, and delayed telling clients about modification offers, if they believed they could collect additional monthly fees from those clients. For example, during a meeting on or about December 9, 2021, which meeting was recorded, BARRON, AHIGA, a co-conspirator not named as a defendant herein (“CC-1”), and others discussed, among other things, waiting until the next month to tell a client about a modification offer from a lender so that the client would pay another monthly fee to the Company. If a lender proposed what the conspirators believed to be an attractive modification offer, the conspirators often demanded the client pay the Company an additional fee based on the misrepresentation that the additional fee was necessary in order for the client to receive the offer and that the client could not accept the offer from the lender absent making that additional payment to the Company.

9. In order to prevent the clients from discovering the fraud, ARMANDO SOLIS BARRON, a/k/a “Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others directed clients not to communicate with their lenders and caused the lenders not to communicate with the clients by having clients execute documents that required the clients’ lenders to communicate only with the Company. As a result, many clients

paid fees to the Company for months, unaware that work was not being performed on their mortgage files and that they were at risk of—and in many cases were going into—foreclosure.

10. ARMANDO SOLIS BARRON, a/k/a “Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others frequently promised that they could secure their clients mortgage modifications without first confirming that those clients were eligible for a modification. In order to induce lenders to modify mortgages of clients who were ineligible for a modification due to, among other reasons, their debt-to-income levels, BARRON, AHIGA, and others created and submitted fabricated bank statements to the lenders so that the Company’s clients appeared to meet the lenders’ criteria for a modification.

11. Clients paid more than approximately \$15 million to the Company for mortgage modification services.

Statutory Allegations

12. From at least in or about June 2018 through at least in or about September 2022, in the Southern District of New York and elsewhere, ARMANDO SOLIS BARRON, a/k/a “Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343.

13. It was a part and an object of the conspiracy that ARMANDO SOLIS BARRON, a/k/a “Solomon,” the defendant, DOMINIC AHIGA, a/k/a “Michael Grinnell,” a/k/a “Josh Weinstein,” the defendant, and others known and unknown, knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit

and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343, to wit, BARRON and AHIGA agreed with each other and others at the Company to defraud the Company's clients, including clients located in the Southern District of New York, by engaging in fraudulent practices and by making false statements, to convince clients to purchase the Company's mortgage modification services and to continue making monthly payments to the Company, through the use of wire communications in interstate and foreign commerce, including wire communications that traveled to and through the Southern District of New York and elsewhere.

(Title 18, United States Code, Section 1349.)

COUNT TWO
(Wire Fraud)

The Grand Jury further charges:

14. The allegations contained in paragraphs 1 through 11 of this Indictment are repeated and realleged as if fully set forth herein.

15. From at least in or about June 2018 through at least in or about September 2022, in the Southern District of New York and elsewhere, ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, and others knowingly having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, transmitted and caused to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, to wit, BARRON and

AHIGA engaged in a scheme to defraud the Company's clients, including clients located in the Southern District of New York, by engaging in fraudulent practices and by making false statements, to convince clients to purchase the Company's mortgage modification services and to continue making monthly payments to the Company, through the use of wire communications in interstate and foreign commerce, including wire communications that traveled to and through the Southern District of New York and elsewhere.

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATION

16. As a result of committing the offenses alleged in Counts One and Two of this Indictment, ARMANDO SOLIS BARRON, a/k/a "Solomon," the defendant, and DOMINIC AHIGA, a/k/a "Michael Grinnell," a/k/a "Josh Weinstein," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(8) and Title 28, United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

Substitute Assets Provision

17. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- 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 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981 and 982;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)



FOREPERSON



JAMES M. McDONALD
United States Attorney