

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,
Plaintiff,

NO. CR21-001 JCC
INFORMATION

v.

EDWIN JOSUE HERRERA ROSALES
aka "Josh Herrera,"

Defendant.

The United States Attorney charges that:

COUNT 1
(Conspiracy)

A. Background

At all times relevant to the Information:

1. Between about February 2016 and about March 2018, defendant EDWIN JOSUE "JOSH" HERRERA ROSALES operated a call center in Everett, Washington ("the Everett Call Center"). The Everett Call Center operated under the name "Sound Solutions Group" between February 2016 and about February 2017 and under the name "Community Assistance Center" between about March 2017 and March 2018. Between about March 2017 and March 2018, HERRERA also managed a California-based call

1 center called "Sienna Support Network," which engaged in practices similar to the
2 Everett Call Center.

3 2. The Everett Call Center solicited homeowners facing foreclosure. The
4 Everett Call Center represented to the homeowners that it employed skilled professionals
5 who could negotiate favorable modifications of the homeowners' mortgages, to include
6 reductions in principal, interest rates, and monthly payments, in exchange for a fee of
7 approximately \$3,000.

8 3. HERRERA modeled the Everett Call Center on a group of call centers
9 based in Southern California (the "California Call Centers"). The California Call Centers
10 were operated by a California-based relative of HERRERA ("Co-conspirator 1") and two
11 of his associates ("Co-conspirators 2 and 3"). HERRERA agreed with Co-conspirators 1-
12 3 that Co-conspirators 1-3 would provide HERRERA with assistance and support for the
13 Everett Call Center, to include startup funding, promotional material, and scripts and
14 training for the call center operators. They also agreed that affiliates of Co-Conspirators
15 1-3 known as "processors" would be responsible for pursuing mortgage modifications for
16 the Everett Call Center's customers. HERRERA agreed with Co-conspirators 1-3 that
17 HERRERA would retain 40% of each fee collected, and would forward the remaining
18 proceeds to Co-conspirators 1-3.

19 **B. The Conspiracy**

20 4. Beginning in or about February 2016, and continuing until at least about
21 March 29, 2018, at Everett, within the Western District of Washington, and elsewhere,
22 EDWIN JOSUE HERRERA ROSALES ("HERRERA"), together with others known and
23 unknown, did conspire, confederate and agree, together and with each other, to commit
24 the offense of wire fraud in violation of Title 18, United States Code, Section 1343.
25 Specifically, HERRERA, together with others known and unknown, with intent to
26 defraud, knowingly devised a scheme and artifice to defraud and to obtain money and
27 property by means of materially false and fraudulent pretenses, representations and
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1 promises. To execute and attempt to execute the scheme and artifice to defraud,
2 HERRERA and other members of the conspiracy knowingly transmitted, and caused to
3 be transmitted, by wire communication in interstate and foreign commerce, writings,
4 signs, signals, pictures and sounds.

5 5. The object of the conspiracy was to persuade distressed homeowners facing
6 foreclosure to pay HERRERA and others a fee of approximately \$3,000 each by falsely
7 representing that, under government and other programs, the homeowners were eligible
8 for mortgage modifications that would significantly reduce their monthly payments and
9 principal balances, which the Everett Call Center could negotiate in return for the fee. In
10 fact, as HERRERA and his co-conspirators well knew, the promised modifications were
11 highly unlikely or impossible and rarely, if ever, obtained.

12 **C. Manner and Means**

13 HERRERA and his co-conspirators acted in the following manner, and used the
14 following means, to effect the conspiracy:

15 6. Co-conspirator 2 caused approximately 4,000 mailers to be sent to
16 distressed homeowners each week, soliciting the recipients to contact the Everett Call
17 Center. The mailers contained false and misleading statements suggesting that the
18 homeowners had been "pre-approved" for extremely favorable modifications to their
19 mortgages. The mailers told the homeowners they were eligible under new government
20 programs for reductions in their interest rate to as low as 2%, and also stated that their
21 principal balances could be reduced. In fact, the homeowners had not been
22 "preapproved" for any modification, and no analysis had been conducted to determine
23 whether these modifications were likely or possible. To the contrary, HERRERA and his
24 co-conspirators knew that modifications of this nature were extremely unlikely or
25 impossible.

26 7. HERRERA obtained from Co-conspirator 1, and distributed to the Everett
27 Call Center staff, scripts instructing the operators to make deceptive statements and
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1 representations to homeowners when they contacted the Everett Call Center. The scripts
2 were intended to trick homeowners into believing that experienced underwriters and
3 attorneys affiliated with the Everett Call Center had reviewed the homeowners'
4 mortgages and other circumstances and concluded the organization could obtain very
5 favorable mortgage modifications. Operators were told to place callers on hold for a
6 specified period of time and pretend they were consulting with "the underwriting
7 department" or "the legal department" during the calls with customers. Callers were told
8 that only a small percentage of homeowners were "accepted" by the underwriting
9 department, and that the underwriting department only "accepted" cases where
10 underwriters were certain that a favorable modification could be obtained.

11 8. Following the hold, operators would return to the caller, offer
12 congratulations, and tell the caller that the "underwriting" or "legal" department had
13 determined the caller's interest rate could be significantly reduced to a rate between 2%
14 and 4%, and sometimes, that the loan principal could also be reduced. In fact, the Everett
15 Call Center had no underwriting department or legal department, and the operators
16 simply used made-up figures (based on directions provided in the scripts) to entice the
17 homeowner to enroll with the Everett Call Center and agree to pay a fee.

18 9. HERRERA and the Everett Call Center used deceptive practices to conceal
19 the location of the call center and the identities of the operators from its customers. For
20 example, on correspondence with the homeowners, Sound Solutions Group and
21 Community Assistance Center listed their business addresses as being in Salt Lake City,
22 Utah, and never disclosed to customers the fact that they were based in Washington. In
23 fact, the Salt Lake City address was simply a mail forwarding service used solely for the
24 purpose of deceiving customers and others. Similarly, when speaking or emailing with
25 customers, HERRERA and other Everett Call Center employees used aliases to disguise
26 their true identities. For example, HERRERA used the aliases "Mark Chambers" and
27 "Gabriel Ortega."
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1 10. Operators advised homeowners that they could obtain the promised
2 mortgage modifications only if the homeowner signed a contract and agree to pay a fee of
3 approximately \$3,000, to be paid in three installations. The scripts instructed operators
4 that, if the homeowner “balks” at the fee and agreement, the operator should “put the fear
5 of God in them” by using “hot buttons” to persuade the homeowner to agree to pay the
6 fee.

7 11. After the homeowners signed the agreements and made the first installation
8 payments, the Everett Call Center referred the homeowners’ files to a Southern
9 California-based loan processing group affiliated with Co-Conspirators 1-3. While the
10 processing group made some efforts on the homeowners’ behalfs, the group was rarely,
11 if ever, able to negotiate modifications on terms as favorable as those promised in the
12 mailers and by the Everett Call Center operators. In some cases, the mortgages were not
13 modified at all; in others, the new monthly payment was only slightly lower than the
14 original payment; and in others, the new monthly payment was actually *higher* than the
15 existing payment.

16 12. Between March 16, 2016 and May 18, 2018, as a result of the false
17 statements, pretenses and promises described above, approximately 1,000 homeowners
18 paid over \$2.5 million to Sound Solutions Group, Community Assistance Center, and
19 Sienna Support Network. After paying expenses associated with the call center and
20 sharing the proceeds with Co-conspirators 1-3, HERRERA retained approximately
21 \$360,000 of these payments.

22 13. HERRERA and his co-conspirators used the interstate wires in various
23 ways in furtherance of the scheme to defraud. For example, Co-conspirator 1 emailed
24 scripts from California to HERRERA at the Everett Call Center in Washington.
25 Similarly, Co-conspirator 1 emailed samples of solicitation mailings from California to
26 HERRERA for his review at the Everett Call Center. HERRERA and the Everett Call
27 Center operators, spoke and emailed on a daily basis with customers in other states using
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1 the interstate wires. Customers also used the interstate wires to deposit the fees solicited
2 by the Everett Call Center. And, HERRERA used interstate wire transfers to transfer the
3 proceeds of the fraud from the bank accounts of Sound Support Group, Community
4 Assistance Center, and Sienna Support Network, to HERRERA's personal bank account.

5 **D. Overt Acts**

6 14. In furtherance of the conspiracy, and to effect its object, within the Western
7 District of Washington and elsewhere, EDWIN JOSUE "JOSH" HERRERA ROSALES,
8 together with other individuals, committed and caused to be committed, among others,
9 the following overt acts, which are examples of the various overt acts undertaken in
10 furtherance of the fraud:

11 a. On or about April 11, 2016, Co-conspirator 1 emailed a "Current
12 Final Interview" script from California to HERRERA in Everett, Washington.

13 b. On September 6, 2016, Co-conspirator 2 emailed a copy of a
14 solicitation mailer from California to HERRERA in Everett, Washington. HERRERA
15 then circulated the mailer to Everett Call Center operators the following day.

16 c. On October 16, 2016, HERRERA transferred \$4,800, representing
17 proceeds of the fraud, from a Sound Solutions Group Bank of America account into
18 HERRERA's Bank of America account.

19 d. On January 29, 2018, HERRERA transferred \$5,000, representing
20 proceeds of the fraud, from a Sienna Support Network Bank of America account into


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1 HERRERA's Bank of America account.

2 All in violation of Title 18, United States Code, Section 371.

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4 DATED: January TH4, 2021

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6 
7 BRIANT. MORAN
8 United States Attorney

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10 ANDREW FRIEDMAN
11 Assistant United States Attorney

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13 SETH WILKINSON
14 Assistant United States Attorney
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