

Attorney General Becerra Announces Sentencings in \$2 Million Mortgage Fraud Scheme in Southern California

Press Release / *Attorney General Becerra Announces Sentencings in \$2 Million...*
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Contact: (916) 210-6000, agressoffice@doj.ca.gov

SAN DIEGO – California Attorney General Xavier Becerra today announced the sentencing of Andrew Valles for operating a \$2 million mortgage fraud scheme throughout Southern California. Today, Mr. Valles was sentenced to 13 years in state prison. Restitution was ordered in the amount of \$2,342,957. Co-defendant Arnold Millman was previously sentenced to a state prison term of three years and four months.

“These con artists stole the life savings of decent Californians who thought they were making a smart decision for their homes and their families,” **said Attorney General Becerra**. “These actions will not be tolerated. My office will continue to identify, investigate, and prosecute those who prey on hardworking Californians to line their own pockets.”

The scheme occurred between 2012 and 2017. The defendants conspired using a fake insurance company, “SafeCare,” which promised to provide home loan services at a low monthly price to primarily Latino and African American families. During this time, the defendants would delay foreclosures and eviction actions by filing false bankruptcy and other court documents under fictitious names. They would instruct victims to deposit illegal advance fees and other large payments into a bank account controlled by the defendants. When the promised loan did not come through, they would proceed with the fabricated filings. The scheme took place in San Diego, Riverside, Orange, Los Angeles, and San Bernardino Counties.

The sentencing and guilty pleas are the product of a joint investigation by the California Department of Justice, the California Department of Insurance, and the Federal Housing

Finance Agency Office of the Inspector General (FHFA-OIG). A third codefendant, Jemal Lilly, pled guilty and is scheduled to be sentenced on September 4, 2019.

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