



*United States Attorney  
District of New Jersey*

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**MERIDEN, CONN., MAN SENTENCED TO FOUR YEARS IN PRISON  
IN TWO MORTGAGE FRAUD SCHEMES**

***Co-Defendant, Waterbury Mortgage Broker, Gets Two Years for Her Role in Fraud***

NEW HAVEN, Conn. – Two people have been sentenced to prison for their respective roles in an extensive mortgage fraud scheme related to the purchases of numerous homes in New Haven, U.S. Attorney Paul J. Fishman, District of New Jersey, announced today.

Kwame Nkrumah, a/k/a Roger Woodson, 57, of Meriden, Conn., was sentenced Sept. 12, 2012, to 48 months in prison and Charmaine Davis, 54, of Waterbury, Conn., was sentenced Sept. 6, 2013, to 24 months in prison. Both were sentenced by U.S. District Judge Janet C. Hall in New Haven federal court.

Nkrumah previously pleaded guilty before Judge Hall to an Indictment charging him with conspiracy to commit mail, bank, and wire fraud in two separate mortgage fraud schemes from September 2006 to November 2008. Davis previously pleaded guilty before Judge Hall in Bridgeport federal court to an information charging her with one count of making a false statement on a loan application

According to documents filed in these cases and statements made in court:

Nkrumah, his conspirators, and others, received millions of dollars in residential real estate loans by submitting false loan applications, fictitious leases, and false down payments to mortgage lenders. Nkrumah and his conspirators hid from mortgage lenders the true sales price of the houses through, among other things, the use of two HUD-1 forms, only one of which was sent to the lender, and secret contract addenda. The buyers often received payments at closing, but those payments were not disclosed to the mortgage lender.

The conspirators entered into sales contracts with property sellers for prices that were higher than the actual prices the sellers received at closing. The conspirators then executed contract addenda that reflected the actual, lower prices. While the sales contracts bearing the contract price would be disclosed to mortgage lenders, the contract addenda were never disclosed.

Separately, Nkrumah pleaded guilty to conspiracy to defraud mortgage lenders in connection with the purchase of other New Haven properties in early 2007. According to court documents filed in this case and related cases, Nkrumah and others submitted fraudulent loan applications, HUD-1 forms, employment verification forms and other documentation to mortgage

lenders to obtain financing to purchase properties. Nkrumah submitted multiple false employment verification forms indicating that an individual borrower was employed as an office manager at All World Realty Enterprise and/or Homesavers LLC when, in fact, those statements were not true.

Davis owned and operated Optimum Mortgage in New Haven. From November 2006 to April 2007, she submitted loan applications to lenders that falsely stated the borrower's intention to reside in the subject property, failed to disclose a complete listing of the borrower's assets and liabilities, including other residential mortgages that Davis brokered for the same borrower. Davis admitted that on two occasions she used her own money to make the down payment on behalf of the borrower.

In addition to the prison term, Judge Hall sentenced Nkrumah and Davis each to five years of supervised release. She ordered Nkrumah to forfeit \$113,080 and pay restitution of \$2,939. Davis was fined \$6,000 and ordered to forfeit \$39,434.

U.S. Attorney Fishman credited the FBI, the U.S. Postal Inspection Service, the U.S. Department of Housing and Urban Development – Office of Inspector General, and the Federal Housing Finance Agency – Office of Inspector General, which identified multiple Fannie Mae and Freddie Mac loans that went into foreclosure, with the investigation leading to these sentences.

The government is represented in the criminal cases by Assistant U.S. Attorney David T. Huang and Special Assistant U.S. Attorney John McReynolds of the U.S. Attorney's Office, District of Connecticut; the parallel civil forfeiture cases are being handled by Assistant U.S. Attorney Julie G. Turbert, U.S. Attorney's Office, District of Connecticut. The U.S. Attorney for the District of New Jersey has been overseeing the case because of the recusal of the U.S. Attorney's Office for the District of Connecticut.

To report financial fraud crimes, and to learn more about the President's Financial Fraud Enforcement Task Force, please visit [www.stopfraud.gov](http://www.stopfraud.gov).

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