



*United States Attorney
District of New Jersey*

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**UNION COUNTY, NEW JERSEY, MAN ADMITS ROLE IN \$6 MILLION MORTGAGE
FRAUD SCHEME**

NEWARK N.J. – An Elizabeth, New Jersey, man today admitted recruiting straw buyers and submitting bogus loan applications as part of large-scale mortgage fraud scheme involving properties in northern New Jersey, U.S. Attorney Paul J. Fishman announced.

Miguel LaRosa, 48, pleaded guilty before U.S. District Judge Susan D. Wigenton in Newark federal court of an information charging him with one count of conspiracy to commit wire fraud.

According to documents filed in this case and statements made in court:

LaRosa admitted that, from March 2011 through November 2012, he conspired with others to fraudulently obtain mortgages using falsified loan applications, supporting documents and closing documents. In addition to recruiting straw buyers to purchase properties, LaRosa and others created misleading certifications that bank accounts contained a specific amount of money when they actually contained less, prepared false appraisal reports, back-dated deeds and used unlicensed title agents to close transactions and disburse the mortgage proceeds.

Overall, the conspiracy in which LaRosa was involved resulted in more than \$6 million in fraudulent loans and exposed lenders and the Federal Housing Administration to more than \$2 million in potential losses.

The conspiracy to commit wire fraud charge is punishable by a maximum potential penalty of 30 years in prison and a \$1 million fine. Sentencing is scheduled for March 10, 2016.

U.S. Attorney Fishman credited law enforcement agents of the FBI Newark Mortgage Fraud Task Force, under the direction of Special Agent in Charge Richard M. Frankel; postal inspectors of the U.S. Postal Inspection Service, under the direction of Inspector in Charge Maria L. Kelokates; special agents of the U.S. Department of Housing and Urban Development, Office of Inspector General, under the direction of Special Agent in Charge Christina Scaringi; special agents of the Federal Housing Finance Agency, Office of Inspector General, under the direction of Special Agent in Charge Steven Perez; special agents of the Office of the Special Inspector

General for the Troubled Asset Relief Program (SIGTARP), under the direction of Special Inspector General Christy Romero; special agents of IRS–Criminal Investigation, under the direction of Special Agent in Charge Jonathan D. Larsen; and the Hudson County Prosecutor’s Office, under the direction of Prosecutor Esther Suarez, for their roles in the investigation leading to today’s plea.

The government is represented by Assistant U.S. Attorneys Lakshmi Srinivasan Herman and Andrew Kogan of the U.S. Attorney’s Office Economic Crimes Unit and Acting Chief Barbara Ward of the Asset Forfeiture Unit in Newark.

This case was brought in coordination with President Barack Obama’s Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch and, with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

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Defense Counsel: Dennis S. Cleary Esq., Newark