



*United States Attorney
District of New Jersey*



FOR IMMEDIATE RELEASE

December 10, 2010

www.justice.gov/usao/nj

CONTACT: Rebekah Carmichael

Office of Public Affairs

(973) 645-2888

**MAN WHO POSED AS PURCHASER FOR CASH PLEADS GUILTY
TO ROLE IN MORTGAGE FRAUD SCHEME**

TRENTON, N.J. – Ricardo Muniz pleaded guilty today to conspiring to commit wire fraud, admitting he posed as a potential buyer in a mortgage fraud scheme orchestrated to purchase property with fraudulently-obtained loans, U.S. Attorney Paul J. Fishman announced.

Muniz, 40, of Newark, N.J., entered his guilty plea to an Information before United States District Judge Freda L. Wolfson in Trenton federal court.

Muniz was originally charged, along with Edivaldo dos Santos, Rosa Damasceno, and Maria Lourdes Sousa, in June 2010 as part of a coordinated mortgage fraud takedown in which 28 defendants were charged for their alleged roles in various mortgage fraud schemes in northern New Jersey.

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

In August 2009, dos Santos asked a loan officer at a New Jersey mortgage company to act as loan officer on a real estate transaction in which a prospective purchaser, Muniz, would obtain property and cash back at closing. Muniz was not qualified to obtain the loan he sought.

In October 2009, Sousa met with dos Santos and a cooperating witness to discuss providing false documents to support the loan application. The cooperating witness later ordered false pay stubs from Sousa and false W-2 forms from her sister, Damasceno. Sousa created fraudulent pay stubs and Damasceno created false W-2s that showed falsely inflated income for Muniz to help him get the loan; both received payment for the phony documents from the cooperating witness.

Muniz told dos Santos that he wanted to receive at least \$50,000 for his role in the scheme.

Dos Santos and Damasceno pleaded guilty November 9, 2010, before Judge Wolfson to conspiring to commit wire fraud, admitting that they attempted to use false documents to secure a fraudulent mortgage loan. They are scheduled to be sentenced on February 16, 2011. Sousa pleaded guilty to the same charge before Judge Wolfson on November 16, 2010, admitting that she made false documents that were to be used to secure a fraudulent mortgage loan. She is scheduled to be sentenced February 25, 2011.

U.S. Attorney Fishman praised agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward in Newark, and the Hudson County Prosecutor's Office, under the direction of Prosecutor Edward J. De Fazio, for their work leading the investigation of this case. He also credited the other members of the Mortgage Fraud Task Force, including the U.S. Department of Housing and Urban Development Office of Inspector General, the Internal Revenue Service, the United States Secret Service, and United States Postal Inspection Service for their important contributions to the investigation. Fishman also thanked the Department of Homeland Security's Customs and Border Protection and U.S. Citizenship and Immigration Services; the U.S. Social Security Administration; and the New Jersey Attorney General's Office for their assistance.

The government is represented by Assistant U.S. Attorneys Christine Magdo and Charlton A. Rugg of the U.S. Attorney's Office Economic Crimes 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.

10-365

###

Defense counsel: Christopher D. Adams, Esq., Roseland, N.J.