



*United States Attorney
Southern District of New York*



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**QUEENS ATTORNEY SENTENCED IN MANHATTAN FEDERAL COURT TO
FIVE YEARS IN PRISON FOR ROLE IN \$23 MILLION
MORTGAGE FRAUD SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that real estate attorney CHEDDI GOBERDHAN was sentenced today in Manhattan federal court to five years in prison for his role in a massive mortgage fraud scheme involving loans totaling \$23 million on over 44 properties in the New York area. GOBERDHAN received millions of dollars in illicit funds from the scheme, in which he worked closely with corrupt loan officers of GuyAmerican Funding, a mortgage brokerage firm in Queens, New York. He previously pled guilty to one count of conspiring to commit bank and wire fraud and six counts of bank fraud on January 10, 2011. U.S. District Judge SHIRA A. SCHEINDLIN imposed today's sentence.

U.S. Attorney PREET BHARARA said: "Cheddi Goberdhan made a small fortune by playing every angle of this mortgage fraud scheme, ripping off banks and exploiting home buyers and sellers. His legal skills were the tools of his fraud. As with his co-conspirators, he will now go to prison and pay for his crimes."

According to the Superseding Indictment to which GOBERDHAN pled guilty, other court documents, and statements made in court:

GOBERDHAN and his co-conspirators participated in a wide-ranging mortgage fraud scheme operated through GuyAmerican Funding in Jamaica, New York. As part of the scheme, the co-conspirators arranged home sales between "straw buyers" -- people who were tricked into taking on mortgages for homes they never intended to live in or own -- and homeowners in financial distress who were willing to sell their homes. Corrupt GuyAmerican loan officers obtained mortgage loans for the sham deals by submitting fraudulent applications to banks and lenders, and using fraudulent representations about the supposed buyers' net worth, employment, income, and plans to live in the homes. The co-conspirators kept substantial amounts of the mortgage

proceeds for themselves, while the "straw buyers" ultimately defaulted on the mortgages, causing millions in losses to the banks and lenders. GOBERDHAN's co-conspirators in the scheme included, among others, the president of GuyAmerican (DAVID RAMNAUTH), GuyAmerican loan officers (PEGGY PERSAUD, ORETTE KILLIKELLY, TARAMATEE SINGH, GEORGE ESSO), individuals who recruited homeowners and "straw buyers" (ELTON LORD, RAFICK BAKSH, MAHAMOOD HUSSAIN), and another real estate lawyer (RAVI PERSAUD).

GOBERDHAN acted as the bank's attorney and/or the straw buyers' attorney on dozens of fraudulent mortgage loans originated through GuyAmerican, including loans in which the same straw buyer was used to purchase multiple homes within a short period of time. As bank attorney, GOBERDHAN created and sent false documents to the banks, received the loan money into his attorney account, and siphoned off huge amounts of that money for himself and his co-conspirators. He also structured highly lucrative "flip" sales in which he arranged for properties to be bought and sold in a sham sale the same day at a far higher price, stealing the difference. Furthermore, in order to fool the banks into thinking the properties were on firm financial footing in the first few months after closing, GOBERDHAN secretly wrote checks from the mortgage proceeds to a co-conspirator so she could make several months of mortgage payments on the homes before letting them fall into foreclosure. Meanwhile, many of the straw buyers "represented" by Goberdhan were not even aware that he was supposed to be their attorney in these transactions.

GOBERDHAN also acted as the conspiracy's "legal" advisor, advising the corrupt loan officers at GuyAmerican on how to structure the sham deals in order to avoid legal scrutiny. For example, he advised KILLIKELLY on how to pay straw buyers small amounts of money from the mortgage proceeds without raising suspicion, and he created and wrote checks to, a shell corporation for KILLIKELLY to use for this purpose.

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In addition to his prison term, Judge SCHEINDLIN sentenced GOBERDHAN, 57, of Elmont, New York, to three years of supervised release, imposed an order of forfeiture in an amount to be determined at a later date, a restitution order in the amount of \$4,698,500, and a special assessment of \$100.

While imposing the sentence, Judge SCHEINDLIN said GOBERDHAN "took advantage of some of the poorest people in his community" and that "many people were swindled by this fraud."

ELTON LORD, who pled guilty on August 4, 2010, was sentenced on January 13, 2011, to 46 months in prison and three years of supervised release. The Court also imposed an order of forfeiture in the amount of \$1.4 million in forfeiture and a restitution order of \$1.7 million.

GEORGE ESSO, who was convicted after a two-week trial on August 26, 2010, was sentenced on February 4, 2011, to 12 months in prison and three years of supervised release. The Court also imposed an order of forfeiture in the amount of \$30,000 and a restitution order of \$420,000.

RAVI PERSAUD was convicted after a trial and sentenced to time served.

PEGGY PERSAUD, ORETTE KILLIKELLY, TARAMATEE SINGH, and RAJNARINE SINGH previously pled guilty but have not yet been sentenced.

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Manhattan U.S. Attorney PREET BHARARA praised the investigative work of the Federal Bureau of Investigation and thanked it for its assistance in this case.

This case was brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. 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.

This case is being prosecuted by the Office's Complex Frauds Unit. Assistant U.S. Attorneys NICOLE FRIEDLANDER and ANTONIA M. APPS are in charge of the prosecution.

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