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Northern District of California

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FORMER MORTGAGE LENDER PLEADS GUILTY TO FRAUD

IN CONNECTION WITH REAL ESTATE INVESTMENT SCHEME

SAN FRANCISCO – Cheryl Hernandez Camus pleaded guilty yesterday to mail fraud and wire fraud in connection with a real estate investment scheme, United States Attorney Joseph P. Russoniello announced.

Camus, 36, of Concord, Calif., was indicted by a federal Grand Jury on April 8. She was charged with five counts of wire fraud and two counts of mail fraud. Under the plea agreement, Camus pled guilty to all counts of the indictment.

In pleading guilty, Camus admitted to devising a short-term money lending investment scheme in which she promised fixed returns and the return of the principle investment within a fixed period of time. Camus admitted making a number of false representations in conjunction with the investment scheme, including:

- The investor’s money would be used to help finance real estate transactions, such as payment of closing costs or down payment;
- The investor’s money would be used to pay medical costs;
- The investor would receive a fixed monthly interest payment on the investment;
- The investor would receive the return of the principle investment amount within a fixed period of time;
- The loans would involve “really no risk.”
- Camus screened the borrowers to ensure that money was only lent to borrowers who had the ability to repay;
- Camus had been conducting similar transactions for three years and the returns had been “awesome.”
- Camus would personally guarantee the investment;
- The investment would be secured by a legitimate deed of trust.

Camus used the money she obtained from investors for personal expenses and to pay back earlier investors. As a result of this fraud scheme, Camus obtained \$1,760,200 from more than 50 victims. As part of the plea agreement, Camus agreed to pay restitution to victims as ordered by the Court.

The sentencing of Camus is scheduled for March 16 before Judge Marilyn Hall Patel in San Francisco. The maximum statutory penalty for each count of mail fraud, in violation of 18 U.S.C. § 1341, and wire fraud, in violation of 18 U.S.C. § 1343 is 20 years in prison, and a fine of \$250,000, plus restitution if appropriate. However, any sentence following conviction would be imposed by the Court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Christina Hua is the Assistant U.S. Attorney who is prosecuting the case with the assistance of Wilson Wong. The prosecution is the result of a two year investigation by the Federal Bureau of Investigation.

Further Information:

Case #: CR 08-0231 MHP

All press inquiries to the U.S. Attorney’s Office should be directed to Jack Gillund at (415) 436-6599 or by email at Jack.Gillund@usdoj.gov