



*United States Attorney
District of New Jersey*



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WATERBURY MORTGAGE BROKER ADMITS MORTGAGE FRAUD

NEWARK, N.J. – A Waterbury, Conn., mortgage broker today admitted her role in obtaining more than \$1 million in fraudulent mortgages for properties in New Haven, Conn., U.S. Attorney Paul J. Fishman, District of New Jersey, announced.

Charmaine Davis, 54, of Waterbury, Conn., pleaded guilty before U.S. District Judge Janet C. Hall in Bridgeport federal court to an information charging her with one count of making a false statement on a loan application.

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

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.

The count to which Davis pleaded guilty is punishable by a maximum potential penalty of 30 years in prison and a fine of \$1.2 million. As part of her plea agreement, Davis agreed to pay at least \$605,300 in restitution. Judge Hall has scheduled sentencing for Sept. 6, 2013.

This case is being investigated by 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.

The criminal case is being prosecuted by Assistant U.S. Attorney David T. Huang and Special Assistant U.S. Attorney John McReynolds; the parallel civil forfeiture cases are being handled by Assistant U.S. Attorney Julie G. Turbert.

The U.S. Attorney for the District of New Jersey has been handling the case because of the recusal of the U.S. Attorney's Office for the District of Connecticut.

This case was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force. The task force was established to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. With more than 20 federal agencies, 94 U.S. Attorneys' offices and state and local partners, it's the broadest coalition of law enforcement, investigatory and regulatory agencies ever assembled to combat fraud. Since its formation, the task force has made great strides in facilitating increased investigation and prosecution of financial crimes; enhancing coordination and cooperation among federal, state and local authorities; addressing discrimination in the lending and financial markets and conducting outreach to the public, victims, financial institutions and other organizations. Over the past three fiscal years, the Justice Department has filed nearly 10,000 financial fraud cases against nearly 15,000 defendants including more than 2,900 mortgage fraud defendants. For more information on the task force, please visit www.stopfraud.gov

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