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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
08-20568-CR-UNGARO/SIMONTON
CASE NO.

18 U.S.C. § 1349
18 U.S.C. § 1343
18 U.S.C. § 2
18 U.S.C. § 982

UNITED STATES OF AMERICA

vs.

**JULIO DIAZ and
ANGEL BARROSO,**

Defendants.

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At various times relevant to this Indictment:

1. Colonial Bank, N.A. ("Colonial") was a financial institution with offices located throughout the United States, including the State of Florida, and whose accounts were insured by the Federal Deposit Insurance Corporation ("FDIC").

2. LendAmerica Home Loans, Inc. ("LendAmerica") was a Florida corporation, with its principal place of business listed as 8603 South Dixie Highway, Suite 407, Miami, Florida, and doing business as a mortgage lender in the State of Florida. LendAmerica maintained a warehouse mortgage line of credit at Colonial, with an account number of xxxxxx7775, from which funds were delivered to individuals whose residential mortgage loans were approved by LendAmerica.

3. Premier Title & Research Services, Inc. ("Premier Title") was a Florida corporation, with its principal place of business listed as 7811 Coral Way, Suite 130, Miami, Florida. Premier Title maintained its trust account at TransAtlantic Bank of Miami, Florida.

4. Defendant **ANGEL BARROSO** was the owner of residential property located at 21800 SW 232nd Street, Miami, Florida (the "232nd Street property").

5. Defendant **JULIO DIAZ** allowed his identity to be used as a straw buyer in the purchase of the 232nd Street property. **DIAZ** agreed to pose as the purchaser of the 232nd Street property with the understanding that he would not be the true owner and would not be responsible for the monthly mortgage payments.

COUNT 1
CONSPIRACY TO COMMIT WIRE FRAUD
(18 U.S.C. § 1349)

1. Paragraphs 1 through 5 of the General Allegations section of this Indictment are re-alleged and incorporated fully herein by reference.

2. From in or around October 2006, through in or around February 2008, the exact dates being unknown to the grand jury, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

JULIO DIAZ and
ANGEL BARROSO,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other and with others known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1343, that is, to knowingly and with intent to defraud, devise and intend to devise a scheme and artifice to defraud, and to obtain

money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and transmitting and causing to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, signals, pictures and sounds.

The Purpose of the Conspiracy

3. It was the purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by, among other things: (a) using a straw buyer to purchase the 232nd Street property in the straw buyer's name; (b) submitting false and fraudulent mortgage loan applications and related documents to a bank and lending institution, thereby inducing the bank and lending institution to make mortgage loans to the straw buyer for the purchase of the 232nd Street Avenue property; (c) concealing the false and fraudulent information submitted in the loan applications and related documents; and (d) diverting the loan proceeds for their personal use and benefit and to further the fraud scheme.

The Manner and Means of the Conspiracy

The manner and means by which the defendants and their co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

4. **ANGEL BARROSO** owned the 232nd Street property which was the subject of two mortgages.

5. In November 2006, **ANGEL BARROSO** arranged for the sale of the property to **JULIO DIAZ** who acted as a straw buyer for the property. **JULIO DIAZ** posed as a buyer who was to purchase the 232nd Street property ostensibly from **ANGEL BARROSO** as the seller of the property. The purchase price of the 232nd Street property was \$1,400,000.

6. False and fraudulent mortgage loan applications and other related documents were prepared on behalf of **JULIO DIAZ** and submitted to LendAmerica to induce LendAmerica, through its warehouse line of credit at Colonial, to fund two mortgage loans on the 232nd Street property. The two mortgage loan applications prepared on behalf of and by **JULIO DIAZ** each contained **JULIO DIAZ**' purported employment, income, funds on deposit, rent payment amount and other information necessary to assess his qualifications to borrow funds in the amounts of \$1,050,000 and \$350,000. The false and fraudulent loan applications included, among other things, inflated statements of **JULIO DIAZ**'s income and funds on deposit, false statements of his employment and his monthly rent payment, and false statements of his intent to use the property as his primary residence. **JULIO DIAZ** signed the false and fraudulent mortgage loan applications.

7. As a straw buyer, **JULIO DIAZ**, allowed his identity and credit information to be used in the mortgage loan applications for the purchase of the 232nd Street property. In this way, he represented himself to be a true buyer of the 232nd Street property and the individual responsible for making payments on the loans. **JULIO DIAZ** at no time believed himself to be the true purchaser of the property and understood that all mortgage payments were to be made by someone else. He never disclosed this understanding to the bank and lending institution.

8. Based on the materially false and fraudulent misrepresentations in the loan applications, LendAmerica approved the mortgage applications, and the loan proceeds were wired in interstate commerce from Colonial Bank in Alabama to Premier Title in Florida for disbursement at the closing of the sale of the 232nd Street property.

9. After the closing of the loan, **JULIO DIAZ** failed to make payments on the loans

obtained as part of the fraudulent scheme, causing the 232nd Street property to go into foreclosure in 2007 and causing the LendAmerica to suffer financial losses.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2-3
WIRE FRAUD
(18 U.S.C. §§ 1343 and 2)

1. Paragraphs 1 through 5 of the General Allegations section of this Indictment are re-alleged and incorporated fully herein by reference.

2. From in or around October 2006, through in or around February 2008, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

**JULIO DIAZ AND
ANGEL BARROSO,**

did knowingly and with intent to defraud, devise, intend to devise, and attempt to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made.

The Purpose of the Scheme and Artifice

3. It was the purpose of the scheme and artifice for the defendants and their accomplices to unlawfully enrich themselves by, among other things: (a) using a straw buyer to purchase the 232nd Street property in the straw buyer's name; (b) submitting false and fraudulent mortgage loan applications and related documents to a bank and lending institution, thereby inducing the bank and lending institution to make mortgage loans to the straw buyer for the purchase of the 232nd Street property; (c) concealing the false and fraudulent information

submitted in the loan applications and related documents; and (d) diverting the loan proceeds for their personal use and benefit and to further the fraud scheme.

The Scheme and Artifice

4. Paragraphs 4 through 9 of the Manner and Means section of Count 1 of this Indictment are re-alleged and incorporated fully herein by reference as a description of the scheme and artifice.

Use of the Wires

5. On or about November 16, 2006, the defendants, **JULIO DIAZ and ANGEL BARROSO**, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, did knowingly transmit and cause to be transmitted in interstate commerce, by means of wire communication, certain writings, signs, and signals, as more particularly described in each count below:

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
2	November 16, 2006	Wire transfer in the amount of \$1,044,750 from LendAmerica Home Loans, Inc.'s warehouse line of credit at Colonial Bank, N.A. in Birmingham, Alabama to Premier & Research Services, Inc.'s account at TransAtlantic Bank in Miami, Florida, relating to the sale of the property located at 21800 SW 232 nd Street, Miami, Florida
3	November 16, 2006	Wire transfer in the amount of \$347,590 from LendAmerica Home Loans, Inc.'s warehouse line of credit at Colonial Bank, N.A. in Birmingham, Alabama to Premier Title & Research Services, Inc.'s account at TransAtlantic Bank in Miami, Florida, relating to the sale of the property located at 21800 SW 232 nd Street, Miami, Florida

In violation of Title 18, United States Code, Sections 1343 and 2.

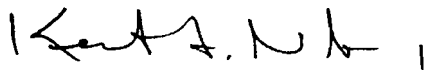
FORFEITURE ALLEGATIONS

1. The General Allegations and the allegations of Counts 1 through 3 of this Indictment are re-alleged and by this reference fully incorporated herein for the purpose of alleging forfeitures to the United States of America of certain property in which the defendants have an interest, pursuant to the provisions of Title 18, United States Code, Sections 982(a)(2) and 982(b), and the procedures set forth at Title 21, United States Code, Section 853.

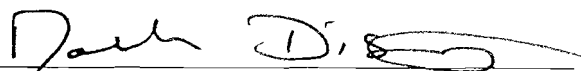
2. Upon conviction of any of the offenses charged in Counts 1 through 3 of the Indictment, **JULIO DIAZ** and **ANGEL BARROSO**, shall forfeit to the United States any property constituting, or derived from, any proceeds which the defendant obtained, directly or indirectly, as the result of such violation, pursuant to Title 18, United States Code, Section 982(a)(2) and 982(b). All pursuant to Title 18, United States Code, Sections 982(a)(2) and 982(b) and Title 21, United States Code, Section 853.

A TRUE BILL

FOREPERSON



R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY



MARK DISPOTO
ASSISTANT UNITED STATES ATTORNEY