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**SACRAMENTO-AREA DEFENDANTS SENTENCED  
IN REAL ESTATE AND TAX SCAM**

SACRAMENTO--United States Attorney John K. Vincent announced today that defendants Raymond Hall, 69, of Citrus Heights and Sandra Weaver, 50, of Davis, were sentenced today by U.S. District Court Judge Frank C. Damrell, Jr. The sentencing follows their February 12, 2001, conviction for mail fraud (11 counts) and equity skimming (1 count). The sentencing of the third defendant, Richard Buschman, 62, also of Davis, was postponed until July 23, 2001, due to an attorney conflict. Weaver received 10 months in prison and was ordered to make restitution in the amount of approximately \$21,990 to the victim homeowners. Hall received a 30-month prison sentence and was ordered to pay approximately \$90,358 in restitution to his victims. Hall's sentence followed his conviction for mail fraud and equity skimming, and his March 26, 2001, guilty plea to the separate charge of attempting to defraud the Internal Revenue Service out of more than \$3 million.

According to Assistant United States Attorneys Robin R. Taylor and Norman Y. Wong who prosecuted the real estate fraud case, the government proved that the defendants defrauded at least eleven homeowners about to lose their homes to foreclosure. The defendants followed the foreclosure sales and solicited homeowners in severe financial distress who were in default or behind on their mortgage payments. At least two of the homeowners had loans insured by the Department of Veteran's Affairs or FHA.

In a scheme characterized by the U.S. District Court Judge Frank C. Damrell, Jr. as "appealing, yet ridiculous," Hall, Weaver and Buschman, and others working with them, met with these homeowners. Taking advantage of the victims' desperate financial situation, the defendants falsely promised the homeowners that they could stop foreclosure; save their home; and save their credit, if they transferred ownership of their homes to the defendants through a trust -- and paid the defendants money characterized as rent. Some homeowners were led to believe that they would no longer be obligated on their mortgages. Through this ruse, the defendants gained ownership of the homes and collected "rent" from the (former) homeowners and renters throughout the foreclosure process, and even after the foreclosure sale. These defendants collected "rent" even though the homeowners could have legally remained in their homes through foreclosure without paying anything. The defendants did not use the money collected to pay the mortgages. Instead, they used the money for personal expenses. All of the homeowners that dealt with the defendants lost their homes through foreclosure. Some were evicted with little or no warning and suffered great harm to their credit.

In addition to being sentenced on the real estate fraud charges, Hall's was sentenced for attempting to defraud the Internal Revenue Service. According to Assistant United States Attorney Michael Malecek who prosecuted the case, Hall admitted to sending a bogus "Comptroller Warrant" that appeared to be worth \$3 million. The comptroller warrant was actually a worthless document that Hall had created on his computer. Hall owed the IRS approximately \$600,000, when he submitted the fictitious financial document. According to AUSA Malecek, although not a Montana Freeman, Hall's use of comptroller warrants was similar to the Montana Freeman's use of worthless checks to pay off federal tax liens.

The cases were investigated by the Federal Bureau of Investigation ("FBI"); Internal Revenue Service - Criminal Investigations ("IRS-CI"); and the Department of Veteran's Affairs - Office of Inspector General.