NEWS RELEASE

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SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California

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For Immediate Release

SIX CHARGED IN MORTGAGE FRAUD SCHEME

NEWS RELEASE SUMMARY - June 19, 2008

United States Attorney Karen P. Hewitt announced today the unsealing of a felony complaint in federal court in San Diego charging six individuals with wire fraud. The complaint alleges that Rafael Santiago, Abner Betech, Said Betech, Aviva Betech, Angel Armendariz, and Lucette Montane devised a plan to defraud and to obtain money and property by false and fraudulent means, related to mortgage fraud. This case is part of a Department of Justice and Federal Bureau of Investigation nationwide operation entitled "Malicious Mortgage" to identify, arrest, and prosecute mortgage fraud violations throughout the United States.

According to the complaint, in 2005, Abner Betech, Said Betech and others started Creative Financial Solutions, Inc. ("CFS"), a mortgage brokering company located at 707 Broadway Avenue, Suite 1720, San Diego. CFS was in the business of sending loan application packages and other documents to lenders for review and funding. The complaint alleges that CFS did not fund loans, but instead received commissions

from the lenders when the loans closed. The defendants were loan officers at CFS and in addition to the commissions, they received payments from lenders, sellers, and buyers when loans closed.

The complaint further alleges that CFS obtained mortgage loans for unqualified or unknowing borrowers by, among other things, concealing the true purchase price of the homes by submitting false purchase contracts; submitting false loan applications; intentionally concealing the fair market value of the home; using misleading appraisals; and submitting false bank statements and income documentation. In total, the lenders have lost nearly $3.9 million, with potential losses in excess of $5.1 million, due to foreclosures.

"Mortgage fraud and related securities fraud pose a significant threat to our economy, to the stability of our nation's housing market and to the peace of mind of millions of American homeowners," said Deputy Attorney General Mark R. Filip. "Operation Malicious Mortgage and our other mortgage-related enforcement actions demonstrate the Justice Department's commitment and determination to combat these criminal schemes, hold their perpetrators accountable and help restore stability and confidence in our housing and credit markets."

"Operation Malicious Mortgage is a concerted, joint law enforcement and prosecutorial effort aimed at disrupting individuals and groups engaged in mortgage fraud," said FBI Director Robert S. Mueller, III. "This operation is an example of our unified commitment to address this significant crime problem. The FBI will continue to direct investigative and analytic resources towards mortgage fraud and corporate securities fraud that threaten our nation's economy."

Abner Betech, Said Betech, and Aviva Betech were arraigned on the complaint on June 17, 2008. Rafael Santiago, Angel Armendariz, and Lucette Montane remain at large.

This case is the product of an investigation by the Federal Bureau of Investigation and Internal Revenue Service, Criminal Investigation Division.

DEFENDANTS   **Magistrate Case No. 08 MJ 1855**

Rafael Santiago
Abner Betech
Said Betech
Aviva Betech
Angel Armendariz
Lucette Montane

SUMMARY OF CHARGES

Title 18, United States Code, Section 1343 (Wire Fraud); Title 18, United States Code, Section 2 (Aiding and Abetting)

       Maximum Penalties: 20 years incarceration, a fine of $250,000, three years of supervised release

AGENCIES

Federal Bureau of Investigation
Internal Revenue Service - Criminal Investigation

A complaint itself is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.