

## PRESS RELEASE

# Real Estate Executive Sentenced for Conspiracy to Falsify Financial Statements

Thursday, September 19, 2024

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Office of Public Affairs

A California real estate executive was sentenced today to one year and one day in prison, followed by two years of supervised release, and ordered to pay a fine of \$200,000 for engaging in an extensive multi-year conspiracy to falsify financial statements.

According to court documents and evidence presented at sentencing, Tyler Ross, 38, of San Francisco, and formerly of Michigan, served as co-chief executive officer of ROCO Real Estate LLC and ROCO Management LLC, both of which were based in Bloomfield Hills, Michigan. The ROCO companies operated as a commercial real estate investment firm engaged in the business of purchasing, managing, and selling multi-family residential properties, such as apartment complexes, located in Michigan and elsewhere.

Between 2015 and 2019, Ross and his co-conspirators caused false financial documents, including historical operating statements that deleted or reduced actual expenses, to be submitted to mortgage lending businesses for underperforming ROCO properties, making the properties appear to be more profitable than they were in order to obtain refinancing or to avoid the exercise of certain contractual provisions by the lenders to protect themselves. Ross, who was a licensed attorney, acknowledged that he personally falsified historical operating statements during the conspiracy and directed other members of the conspiracy to assist with the creation and submission of falsified financial statements to mortgage lending businesses.

The court also found that Ross falsified financial documents in connection with the 2019 sale of 43 ROCO properties to a privately held real estate investment company. Ross supplied the false financial information to the buyer of the properties and ultimately to the financial institution that issued a \$481 million loan for the transaction. Ross himself received over \$2 million in proceeds from the 2019 sale.

Ross [pleaded guilty](#) in September 2023 to one count of conspiring to commit an offense against the United States.

Principal Deputy Assistant Attorney General Nicole M. Argentieri, head of the Justice Department's Criminal Division; U.S. Attorney Dawn N. Ison for the Eastern District of Michigan; Special Agent in Charge Korey Brinkman of the Federal Housing Finance Agency Office of Inspector General (FHFA-OIG) Central Region; Special Agent in Charge Shawn Rice of the Department of Housing and Urban Development Office of Inspector General (HUD-OIG); and Acting Assistant Director James C. Barnacle Jr. of the FBI's Criminal Investigative Division made the announcement.

The FHFA-OIG, HUD-OIG, and FBI investigated the case.

Trial Attorneys Andrew Tyler and Philip Trout of the Criminal Division's Fraud Section and Assistant U.S. Attorney Andrew J. Yahkind for the Eastern District of Michigan prosecuted the case.

Anyone with information concerning similar fraud can report it by contacting the FHFA-OIG Hotline at 800-793-7724 or via the web at [www.fhfaoig.gov/ReportFraud#hotlineform](http://www.fhfaoig.gov/ReportFraud#hotlineform).

*Updated September 19, 2024*