



SIGTARP

Office of the Special Inspector General
for the Troubled Asset Relief Program

CALAVERAS COUNTY MAN SENTENCED FOR EMBEZZLING HOUSING ASSISTANCE PROGRAM FUNDS

Raymond Cawthorne, 57, of Valley Springs, was sentenced today to five years' probation for embezzlement of public funds, U.S. Attorney McGregor W. Scott announced.

Cawthorne previously paid \$14,000 in restitution and forfeited another \$14,000 as part of his sentence.

“Raymond Cawthorne was sentenced today for embezzling funds from a federal rescue program that is still in use today to help homeowners stay in their homes,” said Special Inspector General Christy Goldsmith Romero of SIGTARP. “He is one of 384 defendants convicted of crimes that SIGTARP investigated. We commend the Office of the U.S. Attorney for the Eastern District of California for prosecuting rescue fraud crime investigated by SIGTARP.”

According to court documents, between May 2015 and October 2016, Cawthorne embezzled over \$14,000 belonging to the Keep Your Home California (KYHC) Program. The federally funded program was launched in response to the 2008 financial crisis and provided homeowners, who became unemployed, with temporary mortgage assistance so that they could avoid foreclosure and stay in their homes. Participating homeowners became ineligible after they found new employment. The program was part of a broader effort by the federal government to stabilize the nation's housing market where states with the most distressed markets received federal monies to develop locally tailored foreclosure prevention solutions.

This case was the product of an investigation by the Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP), a federal law enforcement agency that targets crime at financial institutions and federally funded housing programs. Assistant U.S. Attorney Joseph Barton prosecuted the case.