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KIDEYS SENTENCED TO 60 MONTHS AND 1.4 MILLION RESTITUTION

South Bend, Indiana —The United States Attorney's Office announced the following activity in Federal Court:

Ian T. Kideys, 49, of La Jolla, California, was sentenced by District Judge Robert L. Miller Jr. to 60 months of imprisonment, 3 years of supervised release and \$1.4 million in restitution after pleading guilty to the felony offense of wire fraud. Kideys was also sentenced in a separate matter to 60 months of imprisonment after pleading guilty to bankruptcy fraud. Both sentences will run concurrently. According to documents filed in this case, from 2009 through 2010, in the wake of the real estate market collapse, Ian Kideys operated US Mortgage Bailout and US Mortgage Bailout.com, which sought out mortgage loan modification business from internet users. US Mortgage Bailout made a variety of false representations while obtaining customers, including that it had attorneys on staff, had helped thousands of homeowners avoid foreclosures, and succeeded in obtaining loan modifications for its customers 90 percent of the time. US Mortgage Bailout obtained some mortgage relief for its customers through fraudulent representations to lenders, but otherwise simply collected money — thousands of dollars from each customer. Each customer received a money-back guarantee; few got any money back. Mr. Kideys also defrauded creditors and the U.S. Trustee in his personal bankruptcy case by leading them to believe he had deposited \$283,000 and concealing his receipt of \$228,721.28. This case was the result of an investigation by the Department of Housing and Urban Development. This case was prosecuted by Assistant United States Attorney Donald Schmid.