

JUSTICE NEWS

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Two Real Estate Investors Plead Guilty To Bid Rigging In Northern California

Investigations Have Yielded 62 Guilty Pleas to Date

Two real estate investors pleaded guilty for their role in conspiracies to rig bids at public real estate foreclosure auctions in Northern California, the Department of Justice announced.

Joseph J. Giraudo pleaded guilty to two counts of bid rigging, and Kevin B. Cullinane pleaded guilty to one count of bid rigging. Both were charged in an indictment returned by a federal grand jury in the U.S. District Court for the Northern District of California on October 22, 2014.

According to court documents, Giraudo and Cullinane participated in conspiracies to rig bids by agreeing to refrain from bidding against other co-conspirators at public real estate foreclosure auctions. Giraudo participated in conspiracies in San Mateo and San Francisco counties, and Cullinane participated in a conspiracy in San Mateo County. The conspiracies began as early as August 2008 and continued until January 2011.

The primary purpose of the conspiracies was to suppress competition in order to obtain selected properties offered at San Mateo County and San Francisco County public foreclosure auctions at noncompetitive prices.

Today's guilty pleas are the result of the Department's ongoing investigation into bid rigging at public real estate foreclosure auctions in San Francisco, San Mateo, Contra Costa, and Alameda counties, California. To date, 62 individuals have agreed to plead or have pleaded guilty.

These investigations are being conducted by the Antitrust Division's San Francisco Office and the FBI's San Francisco Office. Anyone with information concerning bid rigging or fraud related to real estate foreclosure auctions should contact the Antitrust Division's San Francisco Office at 415-934-5300 or call the FBI tip line at 415-553-7400.

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