



Department of Justice

United States Attorney Melinda Haag
Northern District of California

FOR IMMEDIATE RELEASE

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FORMER CARMEL REAL ESTATE DEVELOPER PLEADS GUILTY TO \$16 MILLION GOLF COURSE INVESTMENT FRAUD SCHEME

***Defendant Defrauded Investors in Unsuccessful Attempt to Complete
Jack Nicklaus Designed Golf Course that was Scheduled to Host PGA Tour Event***

SAN JOSE, Calif. – A former Carmel, Calif., real estate developer pleaded guilty today to wire fraud and money laundering arising out of his golf course investment fraud scheme in which he defrauded more than 50 victims, U.S. Attorney Melinda Haag announced.

Thomas Joseph O'Meara, III, 65, formerly a Carmel resident now living in Palm Desert, Calif., admitted in his plea agreement that he carried out an investment fraud scheme from 2004 to 2007. O'Meara recruited individuals to invest more than \$16 million in an 18-hole golf course and gated housing development in Fresno, Calif., that he named the Running Horse Golf and Country Club.

According to the indictment, O'Meara retained professional golfer Jack Nicklaus's firm Nicklaus Design to design the Running Horse golf course, and convinced the PGA Tour to publically schedule a PGA Tour event at the golf course. O'Meara admitted in the plea agreement that in an effort to recruit investors and secure money for the planned golf course, he lied about Nicklaus Design's and the PGA Tour's confidence in the development. O'Meara also admitted that he lied to investors about the progress and financial condition of the development. The Running Horse Development ultimately failed, investors lost their money, no PGA Tour golf event took place and the 450 Fresno-area acres on which the golf course and gated community was to have been located remain largely undeveloped.

O'Meara has been on home detention and electronic monitoring, secured by a bond, since his Aug. 3, 2010, arrest in Palm Desert.

O'Meara's sentencing is scheduled for Nov. 14, 2012, before United States District Judge Lucy H. Koh in San Jose.

In pleading guilty, O'Meara admitted to Wire Fraud, in violation of 18 U.S.C. § 1343 (Count Fifteen) and Money Laundering, in violation of 18 U.S.C. § 1957 (Count Thirty). The maximum statutory penalty for wire fraud in violation of 18 U.S.C. § 1343 is 20 years in prison and a fine of \$250,000, plus restitution. The maximum statutory penalty for money laundering in violation of 18 U.S.C. § 1957 is 10 years in prison and a fine of \$250,000, plus restitution. O'Meara agreed in his plea agreement to pay at least \$7 million in restitution to victims. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal status governing the imposition of a sentence, 18 U.S.C. § 3553.

Joseph Fazioli is the Assistant U.S. Attorney who is prosecuting the case with the assistance of Legal Assistant Kamille Singh. The prosecution is the result of a multi-year investigation by the Federal Bureau of Investigation and the Internal Revenue Service. The United States Attorney's Office recognizes the substantial and valuable assistance of the Monterey County District Attorney's Office in this matter.

Further Information:

Case #: CR 10-0562 JF

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Jack Gillund at (415) 436-6599 or by e-mail at Jack.Gillund@usdoj.gov.

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