



STATE OF CALIFORNIA

Department of Business Oversight

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For Immediate Release

October 1, 2019

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Department of Business Oversight Sues to Stop \$30 million Silver Saddle Ranch Investment Fraud

SACRAMENTO – The Department of Business Oversight (DBO) announced today that a state judge has granted its request to shut down an alleged investment fraud that collected more than \$30 million from illegal land sales and other charges associated with the Silver Saddle Ranch & Club in California City, California.

Acting on a civil [complaint](#) filed under seal, San Diego Superior Court Judge Joel R. Wohlfeil granted the DBO’s request for a temporary restraining order barring further land sales, a freeze of all related assets and the appointment of a receiver to take possession of Silver Saddle Ranch and two affiliated entities, Silver Saddle Commercial Development and the Galileo Commercial Property Owners Association. The judge’s order can be found [here](#).

The complaint names Thomas M. Maney of Lancaster, California as the central figure in a scheme that violated state securities laws and targeted Filipino, Chinese and Spanish-speaking communities with high-pressure sales tactics and false promises. More than 2,000 investors were persuaded to pay up to \$30,000 each for part of an undeveloped, 1,000-acre patch of desert in remote Kern County, the DBO complaint alleges.

In addition to Maney, Silver Saddle Ranch & Club, Inc.; Silver Saddle Commercial Development, LP; and the Galileo Commercial Property Owners Association, Inc. are named as defendants. Clifford J. Reynolds of Pasco, Washington; Marian G. Ducreux of Corona, California; and Wayne A. Pedersen of Sequim, Washington are identified as relief defendants who allegedly received ill-gotten gains from the scheme.

“Thousands of hard-working Californians invested their life savings in this scam,” said Commissioner of Business Oversight Manuel P. Alvarez. “We want to make sure no one else is harmed and to recapture as much of the investors’ money as possible.”

Starting in 2011, Maney and the other defendants allegedly targeted unsophisticated investors in ethnic communities through supermarket raffles and social media. Most of the investors speak English as a second language. The investments were not qualified or approved by the state as required and were sold with “blatant misrepresentations” and “deliberate omission” of material information, the complaint alleges.

The DBO previously issued a Desist and Refrain Order on June 18, 2019, that directed Maney, Silver Saddle and the other business entities to stop offering or selling investments in the desert property. Administrative actions filed simultaneously requested penalties and an order that Maney, Silver Saddle Ranch and the other entities offer to repurchase the investments. The administrative action is currently pending.

The civil action unsealed today seeks an injunction, penalties, and restitution for all investors. A receiver was appointed to take over the company assets for the benefit of the investors. The asset freeze and preliminary injunction will prohibit Maney from soliciting further investments, spending any more investor money and destroying any records related to the investment scheme.

According to the DBO's complaint:

- The investment was called "LandBanking Plus" or "The Galileo Project" and offered interests in a roughly 1,000-acre parcel of raw desert land in Kern County. The property was split into 4,000 fractionalized interests to sell to investors.
- Investors were required to contribute up to \$2,000 to a pooled development fund that the defendants promised eventually would exceed \$8 million.
- Investors also were required to make recurring payments for membership in the Silver Saddle "travel club" and received an option to purchase the Silver Saddle Ranch & Club for \$500,000.
- Accounting records indicate the defendants deliberately comingled investor funds to make them difficult to trace.
- The defendants used high-pressure sales tactics and false information to sell the investments. They threatened investors who later complained with lawsuits and financial harm.

The allegations echo a previous scheme Maney was involved in more than 40 years ago. In that case, the U.S. Attorney's Office in 1977 secured a final judgment against Maney's previous employer, Great Western Cities, to enforce an order to pay nearly \$4 million to purchasers following illegal land sales, also in California City.

The DBO licenses and regulates more than 360,000 individuals and entities that provide financial services in California. The DBO's regulatory jurisdiction extends over state-chartered banks and credit unions, money transmitters, securities broker-dealers, investment advisers, non-bank installment lenders, payday lenders, mortgage lenders and servicers, escrow companies, franchisors and more.

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