



SIGTARP

OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM

ADVANCING ECONOMIC STABILITY THROUGH TRANSPARENCY, COORDINATED OVERSIGHT AND ROBUST ENFORCEMENT

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PERPETRATORS OF NATIONWIDE FORECLOSURE RESCUE SCAM PLEAD GUILTY TO FRAUD

Perpetrators Submitted Fraudulent HAMP Applications to Advance Their Scheme

WASHINGTON, DC – The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP) today announced that Mark S. Farhood, 49, formerly of San Diego, Calif., and Jason S. Sant, 37, of Lecanto, Fla., pleaded guilty on Friday to conspiracy charges in connection with their operation of a nationwide online foreclosure rescue scam that went by various names, including Home Advocate Trustees and Walk Away Today, and used various websites, including walkawaytoday.org and sellfastusa.com, to deceive hundreds of vulnerable, distressed homeowners into surrendering their properties to the company. The pleas were accepted by United States District Judge Anthony J. Trenga.

“For nearly five years, in a nationwide scheme, Farhood and Sant personally profited from desperate homeowners and exploited TARP’s housing program, HAMP,” said Christy Romero, Special Inspector General for TARP (SIGTARP). “After swindling vulnerable homeowners out of their homes with false promises of taking over ownership, Farhood and Sant rented the properties to tenants unaware of the scheme. As the properties eventually fell into foreclosure, Farhood and Sant filed fraudulent HAMP mortgage modification applications without the true owners’ knowledge, temporarily halting foreclosure proceedings, in order to continue receiving rent payments on the properties. Taking advantage of those struggling most in the midst of our nation’s financial crisis and exploiting the federal government’s response to the crisis will not be tolerated. SIGTARP and our law enforcement partners will hold perpetrators of fraud schemes related to TARP accountable for their actions.”

According to court records, Farhood and Sant co-owned Home Advocate Trustees, which also went by the names Walk Away Today, First Equity Trustees, Home Security Consultants, Sell Fast USA, Short Sale Buyer, USA Sell House Fast, and USA Rental Housing. They marketed the businesses nationwide as purchasers of distressed real estate and a means by which vulnerable homeowners could avoid foreclosure and the accompanying negative effects on their credit. The companies told homeowners they were in the business of negotiating with lenders to purchase mortgage notes at a discount and falsely claimed to have been in business for seventeen years, to have experienced a 90% success rate in purchasing such notes, and to be the nation’s largest volume buyer of short sale and over-leveraged real estate.

As Sant and Farhood admitted in connection with their pleas, the businesses were a fraud, no such negotiations with lenders ever took place, and the scheme was merely a way for them to take possession of hundreds of residential properties, including homes within the Eastern District of Virginia,

at virtually no cost and then reap millions of dollars in profits by renting the homes to unsuspecting tenants.

Farhood and Sant further admitted that as part of the scheme, they submitted fraudulent loan modification applications to mortgage lenders under the U.S. Department of the Treasury's Home Affordable Modification Program ("HAMP") in the name of homeowners, without the homeowners' knowledge or consent. Farhood and Sant used the fraudulent applications to stall foreclosures on the properties under their control and for which no mortgage payments were being made and to maximize the time period during which they could collect rental income.

The homes purportedly sold to Home Advocate Trustees and its related entities ended in foreclosure, harming the participating homeowners and commonly resulting in eviction of the tenants.

Farhood and Sant each face a maximum penalty of 30 years in prison when they are sentenced on August 2, 2013, and August 9, 2013, respectively.

This ongoing investigation is being conducted by SIGTARP and the Federal Bureau of Investigation's Washington Field Office. Assistant United States Attorney Paul J. Nathanson is prosecuting the case on behalf of the United States in the Eastern District of Virginia.

This prosecution was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force, which was established to wage an aggressive and coordinated effort to investigate and prosecute financial crimes. SIGTARP is a member of the task force. To learn more about the President's Financial Fraud Enforcement Task Force, please visit www.StopFraud.gov.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program investigates fraud, waste, and abuse in connection with TARP.

To report suspected illicit activity involving TARP, dial the **SIGTARP Hotline**: 1-877-SIG-2009 (1-877-744-2009).

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