



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 SENTENCED TO FEDERAL PRISON

WASHINGTON, DC – Mark S. Farhood, 49, formerly of San Diego, Calif., and Jason S. Sant, 38, of Lecanto, Fla., were sentenced today for their roles in operating 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.

Farhood was sentenced to 11 years in prison, followed by 3 years of supervised release. Sant was sentenced to 6 years in prison, followed by 2 years of supervised release. Each was also ordered to forfeit approximately \$2 million in fraud proceeds to the government, along with various bank accounts and other assets.

Christy Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP); Neil H. MacBride, United States Attorney for the Eastern District of Virginia; and Valerie Parlave, Assistant Director in Charge of the FBI's Washington Field Office, made the announcement today after sentencing by United States District Judge Anthony J. Trenga. Farhood and Sant each pleaded guilty to conspiracy charges on May 10, 2013.

"Farhood should spend the next 11 years in prison thinking about how he preyed on and cheated 389 distressed homeowners out of their homes by 'buying' their homes in fake sales for \$10 per property and then renting out the homes for \$4 million, which he used to fund construction on his \$1 million home in Costa Rica," said Christy Romero, Special Inspector General for TARP (SIGTARP). "Farhood and his co-conspirator Sant, who was sentenced to six years in prison, hid their identities, stole identities of people whose pictures they found on the Internet, and exploited TARP's housing program by submitting phony applications to stall foreclosures while they rented out the properties. When caught by SIGTARP and our law enforcement partners, Farhood tried to hide the proceeds of his crime, including the Costa Rica house and bags of silver coins, and tried have computer evidence of his crime deleted. SIGTARP will bring to justice all those who commit crimes exploiting the TARP bailout."

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 Treasury Department's Making Home Affordable Program 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.

This case was investigated by SIGTARP and the FBI's Washington Field Office. Assistant United States Attorney Paul J. Nathanson prosecuted the case on behalf of the United States.

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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