



***United States Attorney
Southern District of New York***

FOR IMMEDIATE RELEASE

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**MANHATTAN U.S. ATTORNEY CHARGES PROPERTY OWNER WITH
FRAUDULENTLY SELLING BRONX BUILDING FOR \$5.9 MILLION**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced today the filing of an Indictment yesterday charging MARK M. BENUN with four counts of interstate transportation of the proceeds from the fraudulent sale through mortgage fraud, for more than \$5 million, of a building at 161st Street in the Bronx.

According to the criminal Complaint and the Indictment filed yesterday in Manhattan federal court:

BENUN represented himself to be the owner of MBM1 Owners LLC and was involved with several real estate transactions in the New York metropolitan area. In June 2006, BENUN and a real estate company operator ("co-purchaser") purchased the commercial property located at 67-79 E. 161st Street, near Yankee Stadium, for approximately \$9.5 million. BENUN bought the property with \$4.5 million in cash, contributed by BENUN's co-purchaser, and a \$5 million mortgage to be paid by BENUN and his co-purchaser. BENUN and his co-purchaser later obtained an additional \$700,000 mortgage from the seller; BENUN additionally obtained a \$2 million line of credit from a bank, guaranteed by his co-purchaser and secured by a further mortgage on the property. BENUN had a 25% interest in the property, and his co-purchaser held the remaining 75% interest.

In 2009, BENUN, purporting to be the sole owner of the property, sold it for approximately \$5.96 million to another buyer, who paid \$4 million in cash and gave BENUN a note for the remaining \$1.96 million. Shortly after the sale, BENUN sold the note for \$1.46 million. To establish his apparent sole ownership of the building, BENUN created false satisfactions of the three mortgages on the property, and a fraudulent transfer of ownership of his co-purchaser's 75% interest in the property to BENUN. BENUN persuaded a notary who worked across the hall from his office to notarize the forgeries, claiming that the individuals

whose signatures were on the documents were stuck in traffic. Funds from the sale were traced to an account in the name of BENUN's company, MBM1 Owners LLC. Approximately \$450,000 of those funds were wired from MBM1's New York account through interstate wire transfers. In addition, BENUN withdrew approximately \$1.4 million of the proceeds from accounts he controlled and purchased gold bars in New York, New York.

BENUN is charged with four counts of interstate transportation of stolen property. If found guilty, BENUN faces a maximum sentence of ten years in prison and a fine of the greater of \$250,000 or twice the gross gain or loss resulting from the crime on each count, as well as the forfeiture of the proceeds of his crimes.

BENUN, 35, of New York, New York, was arrested on April 20, 2009, and was presented before United States Magistrate Judge KEVIN NATHANIEL FOX at that time. This case has been assigned to United States District Judge VICTOR MARRERO.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation.

Assistant United States Attorney CHRISTOPHER D. FREY is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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