



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(212) 637-2600

FBI
JIM MARGOLIN, RICHARD KOLKO
PUBLIC INFORMATION OFFICE
(212) 384-2720, 2715

USPIS
THOMAS BOYLE
(212) 330-3049

**MANHATTAN U.S. ATTORNEY CHARGES PRESIDENT OF HOME FREE
REALTY INC. WITH STEALING \$1.5 MILLION IN
REAL ESTATE INVESTMENT SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, JOSEPH M. DEMAREST, JR., the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and RONALD J. VERROCHIO, the Inspector-in-Charge of the New York Office of the United States Postal Inspection Service ("USPIS"), announced that Home Free Realty, Inc. President ELVISTON RAMASIR was arrested today on a Complaint charging him with orchestrating a scheme involving purported investments in foreclosed real estate properties. RAMASIR, 26, of Manorville, New York, was arrested this morning in Coram, New York, by agents of the FBI and USPIS. RAMASIR is expected to be presented before a Magistrate Judge in Manhattan federal court later today.

According to the Complaint unsealed today in Manhattan federal court:

Home Free Realty, Inc. is a New York State corporation with an office in East Meadow, New York, which provides foreclosure-related real estate services. While serving as its president, RAMASIR obtained investments from a victim investor on the pretense that he would use the money to purchase foreclosed real estate properties, and subsequently resell them at a profit. RAMASIR falsely represented that these sales would yield a 40

percent profit on the initial investment, typically within 90 days. From June 2008 through December 2009, the investor gave RAMASIR approximately \$2,048,850 for purported investments for himself and several other victims who had given the investor money to invest with RAMASIR.

Though the defendant did pay some of the investor's money back as purported returns, RAMASIR did not purchase any properties. Instead, he stole over \$1.5 million for his personal use, using the proceeds of the fraud for, among other things: transfers of over \$600,000 to an E*Trade bank account; payments of nearly \$200,000 in credit card debt; student loan payments in excess of \$40,000; financing of approximately \$29,852 for at least one Mercedes-Benz; air travel; and luxury hotels in locations such as Paris, France, Las Vegas, Nevada, and Atlantic City, New Jersey.

As part of the scheme to defraud, RAMASIR falsely represented over time that he had obtained ownership of approximately 38 properties in Brooklyn and Queens for the investor's benefit. All but one of these 38 properties either did not exist or were owned by individuals or entities who had no apparent affiliation with the investments he solicited from the investor.

Additionally, RAMASIR continually made misrepresentations to lull the investor into believing that his and the other victims' funds were in fact being invested in real estate. In addition to providing the investor with purported returns, he supported his misrepresentations with false documentation -- including a forged check, fake deeds of sale, and a document fraudulently purported to be a freeze order issued by the Federal Bureau of Investigation.

RAMASIR is charged with one count of wire fraud. If convicted, he faces a maximum potential penalty of 20 years in prison and a fine of the greater of \$250,000 or twice the gross gain or loss derived from the offense.

U.S. Attorney BHARARA stated: "RAMASIR allegedly orchestrated an involved investment scam, living large on \$1.5 million stolen from others. Schemes that prey on the investing public are particularly deplorable in difficult economic times. This Office, along with our law enforcement partners at the FBI and the U.S. Postal Service, will continue to pursue and prosecute those who would cheat others out of their hard-earned savings."

FBI Assistant Director-in-Charge DEMAREST stated: "Any investment opportunity entails an element of risk. But the risks should pertain to market factors, not dishonest financial fraudsters. Investors have to assess market risks on their own or in consultation with advisers. Policing outright criminal conduct is where the FBI comes in."

Inspector-in-Charge VERROCHIO stated: "Americans invest money every day for their children's college and retirement. Postal Inspectors are committed to ensuring the criminals who defraud these investments are brought to the attention of the criminal justice system and the American public."

Mr. BHARARA praised the work of the FBI and the USPIS in the investigation of this case. He also thanked the Suffolk County Probation Department for its assistance, and Charles Schwab and Bank of America for their cooperation. He added that the investigation is continuing.

The case is being handled by the Complex Frauds Unit of the United States Attorney's Office. Assistant United States Attorney ZACHARY FEINGOLD is in charge of the prosecution.

The charge contained in the Complaint is merely an allegation and the defendant is considered innocent unless and until proven guilty.

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