

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

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For Immediate Release

TWO FORMER REAL ESTATE BROKERS PLEAD GUILTY TO CONSPIRING TO FRAUDULENTLY OBTAIN THE SALES PROCEEDS OF MILLION DOLLAR HOMES IN SAN DIEGO AND DEL MAR BY FILING FICTITIOUS TITLE DOCUMENTS

NEWS RELEASE SUMMARY - September 23, 2013

United States Attorney Laura E. Duffy announced that Adel Afkarian and Atef Afkarian each entered a guilty plea in federal court in San Diego today to count one of an information charging them with conspiracy to commit mail fraud and wire fraud, in connection with a fraud scheme involving sales of million-dollar homes in San Diego and Del Mar, California.

In connection with the entry of their guilty pleas, both defendants, who worked through entities known as The Better Mortgage Company and Elite Coast Realty, admitted that they fraudulently obtained the entire proceeds of the sales of homes in Del Mar, La Jolla, and San Diego from innocent purchasers who were unaware that the defendants had hidden the existence of outstanding liens on the properties held by institutional lenders. The defendants also acknowledged that they used sham entities to execute and

record documents falsely purporting to affect the legal title to the properties, including fraudulent deeds of trust and reconveyances that falsely purported to totally eliminate the existing debt to institutional lenders secured by the properties. During the course of the scheme the defendants sold their own property and properties of others with a combined sales price of more than \$4,000,000.

Defendants Adel Afkarian and Atef Afkarian will appear before United States District Judge John A. Houston for sentencing on March 17, 2014, at 8:30 a.m.

DEFENDANTS

Criminal Case No. 13CR1469-JAH

Adel Afkarian

Atef Afkarian

SUMMARY OF CHARGES

Count 1: Title 18, United States Code, Section 371 - Conspiracy

Maximum penalties: 5 years' imprisonment, \$250,000 fine or twice the gross pecuniary gain or twice the gross pecuniary loss (whichever is greatest), \$100 special assessment, 3 years of supervised release

INVESTIGATING AGENCY

Federal Bureau of Investigation