

State of California Department of Justice

Xavier Becerra ~ Attorney General

NEWS RELEASE

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Attorney General Becerra Announces Sentencing in \$4 Million Southern California Mortgage Fraud Scheme

SAN DIEGO – California Attorney General Xavier Becerra today announced the sentencing of Prakashumar ("Kash") Bhakta for operating a mortgage fraud scheme throughout Southern California and the Inland Empire that preyed on homeowners facing foreclosure. Today, Mr. Bhakta was sentenced to seven years and eight months in state prison. Restitution will be ordered in the amount of \$256,000. Codefendants Jacob Orona, Aide Orona, John Contreras, Marcus Robinson, and David Boyd previously pled guilty. They were sentenced to state prison terms ranging from four years to seven years and four months.

"We have zero tolerance for scam artists who cheat vulnerable families by stealing their life savings and shattering their dreams of owning a home," **said Attorney General Becerra**. "Today's sentence should serve as a reminder: if you prey on hardworking Americans and betray their trust, my office will hold you accountable to the fullest extent of the law."

The fraud scheme stretched through San Diego, Riverside, San Bernardino, and Los Angeles counties. Defendants convinced distressed homeowners that they could provide legal assistance to help save their home. They persuaded victims to pay them \$3,500 to start; then \$1,000 monthly; and separate fees for filing legal documents. Defendants filed and recorded numerous fraudulent documents, including false bankruptcies and false court filings. The scam defrauded lenders and other owners of their rightful possession of the residential properties. Meanwhile, the defendants took thousands of dollars from homeowner victims to perform fraudulent services. Bhakta, who was an integral part of the scheme, falsely notarized numerous fractional interest grant deeds without the presence of the person whose signature was being notarized. Bhakta, the last defendant to admit fault, pled guilty on November 28, 2018, to 113 felony charges, including conspiracy, grand theft, and filing false or forged documents.

The guilty pleas and sentences result from a joint investigation by the California Department of Justice, Fraud and Special Prosecutions Section; the Federal Housing Finance Agency, Office of the Inspector General; and the Stanislaus County District Attorney's Office.

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