

U.S. Department of Justice

*United States Attorney
District of Connecticut*

www.justice.gov/usao/ct

**FOR IMMEDIATE RELEASE
February 26, 2015**

CONTACT:
Tom Carson
Public Information Office
(203) 821-3722
(203) 996-1393 (cell)

**STAMFORD MAN SENTENCED TO THREE YEARS IN PRISON
FOR ROLE IN FAIRFIELD COUNTY MORTGAGE FRAUD SCHEME**

The United States Attorney for the District of Connecticut announced that ASM AFSARY, 42, of Stamford, was sentenced today by Chief U.S. District Judge Janet C. Hall in New Haven to 36 months of imprisonment, followed by five years of supervised release, for conspiring to defraud financial institutions through an extensive mortgage fraud scheme that involved more than 20 properties in Fairfield County.

According to court documents and statements made in court, between 2005 and 2013, AFSARY, a real estate agent and former mortgage broker, participated in a mortgage fraud conspiracy that involved the purchase of numerous single and multi-family properties, primarily in Stamford, Norwalk and Bridgeport. During the scheme, AFSARY and his co-conspirators provided materially false information to mortgage lenders. The fraudulent information included false verifications of mortgage applicants' income, false verifications of down payments for real estate transactions and false HUD-1 Forms.

As part of the scheme, AFSARY recruited and directed the actions of several "straw buyers," or individuals who fraudulently applied for and obtained mortgage loans but did not have an actual financial investment or stake in the mortgage loan transactions. In fact, AFSARY was the intended owner of the property, managed the property and collected all of the rents from the property.

Through this scheme, lenders suffered losses of more than \$7 million. Many of the properties involved in this mortgage fraud scheme ended up in foreclosure, or in short sale transactions.

AFSARY was ordered to pay restitution in the amount of \$3,327,949.20.

On June 16, 2014, AFSARY pleaded guilty to one count of conspiracy to commit wire fraud and bank fraud. He was ordered to report to prison on July 31, 2015.

Three other individuals involved in this scheme have also pleaded guilty and await sentencing.

This investigation is being conducted by the Federal Bureau of Investigation and the Federal Housing Finance Agency – Office of Inspector General, which identified multiple Fannie Mae and Freddie Mac loans that went into foreclosure.

The criminal case is being prosecuted by Assistant U.S. Attorney Ann M. Nevins and Special Assistant U.S. Attorney John McReynolds, and the parallel civil forfeiture cases are being handled by Assistant U.S. Attorney Julie G. Turbert.

###