

JUSTICE NEWS

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Two Additional Mississippi Real Estate Investors Plead Guilty to Conspiracy to Rig Bids at Public Foreclosure Auctions

Mississippi real estate investors Christopher Vaughan and Jon Gregg Goodhart Jr. pleaded guilty today for their roles in a conspiracy to rig bids at public real estate foreclosure auctions in Mississippi, the Department of Justice announced.

Including Vaughan and Goodhart, nine real estate investors have entered guilty pleas in this conspiracy. Separate felony charges were filed against Vaughan on November 9, 2018, and Goodhart on November 19, 2018, in the U.S. District Court for the Southern District of Mississippi.

“The conspirators worked together to cheat the system and thereby increased the financial losses on these foreclosed homes,” said Assistant Attorney General Makan Delrahim of the Department of Justice’s Antitrust Division. “The Justice

Department will continue to work with our partners to hold violators of the antitrust laws accountable.”

“These types of crimes affect all Americans, because when individuals rig bids at auctions, it ultimately damages our economy and hurts individuals,” said Christopher Freeze, Special Agent in Charge of the FBI in Mississippi. “We want to send a clear message to those participating in this type of corruption: the FBI and Department of Justice will investigate and prosecute anyone betraying the trust of our country’s economic foundation.”

According to court documents, from at least as early as June 9, 2011, through at least as late as February 8, 2017, Vaughan conspired with others not to bid against one another for selected public real estate foreclosure auctions in the Southern District of Mississippi. Goodhart participated in the conspiracy from as early as August 20, 2009, through at least as late as December 11, 2014. Co-conspirators made and received payoffs in exchange for their agreement not to bid.

A violation of the Sherman Act carries a maximum penalty of 10 years in prison and a \$1 million fine for individuals. The maximum fine for a Sherman Act charge may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime if either amount is greater than the statutory maximum fine.

The investigation is being conducted by Antitrust Division attorneys in the Washington Criminal II Section and the FBI’s Gulfport Resident Agency, with the assistance of the U.S. Attorney’s Office for the Southern District of Mississippi. Anyone with information concerning bid rigging or fraud related to public

real estate foreclosure auctions should contact Antitrust Division prosecutors in the Washington Criminal II Section at 202-598-4000, or visit <https://www.justice.gov/atr/report-violations>.

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