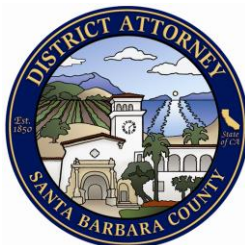


OFFICE OF THE
DISTRICT ATTORNEY
COUNTY OF SANTA BARBARA

JOYCE E. DUDLEY
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DA 09-502

RELEASE NUMBER

September 28, 2018

RELEASE DATE

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******* PRESS RELEASE *******

SANTA BARBARA RESIDENT, MICHAEL S. DAVENPORT, PLEADS GUILTY TO DEFRAUDING THOUSANDS IN NATIONWIDE TELEMARKETING REAL ESTATE SCAM

Santa Barbara County District Attorney Joyce E. Dudley announced today that she was contacted by the Department of Justice indicating that the former bass player for the rock band, The Ataris pleaded guilty earlier today to a charge of conspiracy to commit mail and wire fraud. Michael S. Davenport, 50, of Santa Barbara, California, appeared at the federal district courthouse in East St. Louis, Illinois, and admitted to owning and operating a telemarketing business that defrauded thousands of would-be renters and home-buyers throughout the United States from 2009 to 2016. Davenport's Santa Barbara-based business changed names several times but was known variously as MDSQ Productions LLC, Housing Standard LLC, Anchor House Financial, American Standard, American Standard Online, and Your American Standard. Court documents simply refer to the business as "American Standard."

As part of his guilty plea, Davenport admitted that American Standard posted ads on Craigslist listing certain houses for sale or rent at very favorable prices, when, in fact, the houses described in the ads didn't exist. Consumers who responded to the ads were told they would have to purchase American Standard's list of houses before they could see any additional information. Consumers were also told that the houses on American Standard's list were in "pre-foreclosure", that they could purchase the properties by simply taking over the homeowners' mortgage payments, and that the deeds to the homes would then be transferred into the customers' names. The \$199 fee that American Standard charged to access the list was purportedly to cover the cost of title searches and deed transfers. No matter what area of the country the consumer lived in, American Standard salespersons told them that the list contained numerous pre-foreclosure properties available in their area.

After consumers paid the \$199 fee, they learned that the houses on American Standard's list were not actually available for purchase.

Davenport acknowledged that the scheme operated from approximately January 2009 through at least October 5, 2016, over which time more than 100,000 victims were defrauded in all 50 states and the District of Columbia. All told, the scheme took in more than \$25 million.

Earlier this year, three of Davenport's former employees also pleaded guilty in the Southern District of Illinois to participating in the American Standard fraud conspiracy. Mark A. Phillips (50) and Semjase E. Santana (37) were salespersons at American Standard's headquarters in Santa Barbara, California. Carlyne L. Davis (33) was a salesperson in the company's Lompoc, California branch office. All three are currently awaiting sentencing.

Criminal charges are still pending against Cynthia L. Rawlinson, 51, of Santa Barbara, who is named as a co-defendant in Davenport's indictment. Rawlinson's trial is set to begin on November 5, 2018, at the federal courthouse in East St. Louis, Illinois.

Davenport's sentencing is set for December 28, 2018, at 10:00 am, in East St. Louis. Under the federal SCAMS Act, because the crimes involved telemarketing and victimized ten or more people over the age of 55, Davenport could receive as much as 30 years imprisonment and a fine of up to \$250,000. He may also be ordered to pay restitution to his victims. Davenport's plea agreement requires him to forfeit \$853,210.11 taken from his merchant processing accounts, as well as \$79,000 in cash that was seized from him last July as he was boarding a plane in Little Rock, Arkansas.

This case is part of an ongoing investigation by the St. Louis Field Office of the Chicago Division of the United States Postal Inspection Service. The case is being prosecuted by Assistant United States Attorney Scott A. Verseman. Both the FBI and Santa Barbara County District Attorney's office contributed to the investigation.

Santa Barbara County District Attorney Joyce E. Dudley stated, "Through the collaborative efforts of the various agencies noted above, there is now the beginning of justice for the thousands of victims, nationwide, of this predatory conspiracy. Special thanks to Santa Barbara County District Attorney Investigator, Patrick Adams, for his excellent work authoring and executing significant search warrants in this historic case."

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