

Special Report: Sold Out
Unit 5 Investigates Real Estate Business

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Warner Saunders: It's the offer of a real estate dream come true -- the chance to become a property owner and a landlord without spending a dime of your own money, with profits a few short years away. That's the way it's pitched, but some customers have been left holding the bag when the banks come looking for their money. Here's NBC5's Phil Rogers.

Phil Rogers: It's touted as an exciting opportunity to build your future. A chance to own real estate with no money of your own. SK Gemini, and its president, Yaseen Ahmed, offer property ownership with no down payment. Distressed properties which the company says can be flipped for profits in as little as five years.

Malty Earving: I was approached by a coworker and he asked me if I was interested in making extra income owning property, and of course I said yes.

Rogers: Malty Earving heard Yaseen Ahmed's pitch three years ago. He says he was told he was buying this property at 4403 S. Prairie Ave. Earving says he signed closing papers on a loan of \$300,000 with promises that Ahmed's company -- at the time, RECO development -- would find him tenants, and that the rent would pay the mortgage.

Earving: I was promised a property rehabbed and filled with tenants, and out of the loan, \$5,000. Rogers: But Earving says he never received any money. Not even keys to the house, and after six months ...

Earving: ... ,mortgage payments ... you know, the bank started calling, wondering what was going on.

Rogers: Worst of all, he says his purported management company disappeared.

Earving: You know, I'd call Yaseen ... I couldn't get an answer. I couldn't get a hold of anybody.

Rogers: Earving's credit was ruined when the bank foreclosed on the loan. And he wasn't alone. This woman, who asked us not to reveal her identity, says all she had to show for her experience with Ahmed was a personal bankruptcy. That was, she says, after Ahmed and his business associate, Eugene Smart, offered her a similar deal.

Unidentified woman: I was only making, like, \$12,000 a year, so how I even qualified, I really don't know.

Rogers: A good question. But like the others, she says was promised she'd never have to worry about making any payments.

Unidentified woman: I didn't bring any money, and I was told that their company was going to take care of everything.

Rogers: But her real estate adventure took a bizarre turn when Eugene Smart, Ahmed's partner, was found murdered, along with his 9-month-old son in this condo development on the South Side. The murders have never been solved. At about that time, the payments on her loan stopped, Smart was dead, and she says she couldn't find Yaseen Ahmed.

Unidentified woman: I had phone numbers to where I could probably find out where it was, but the phone was disconnected and no longer in service.

Rogers: Actually, Ahmed is still very much in business today as the president of SK Gemini -- although, like that woman, we can't find him. He bought this building at 45th and Michigan for \$600,000 and immediately sold its eight units for nearly \$2.5 million. And that's just one building.

Ahmed bought this house on South Carpenter for \$30,000. He sold it five months later for eight times that price. And property records show several other examples, where SK Gemini had sold eager customers multiple units.

A local artist purchased four units for over \$1 million in just four months. And, another buyer, who had a bankruptcy on her record and claimed just \$36,000 in income, took out loans on two different SK Gemini properties, for over \$500,000 -- even though she says she has never received keys and has never been inside either building.

Should she be concerned that she has no documents and she's getting no statements from these people? Definitely!

Rachel Dollar is a mortgage fraud attorney who works with banks around the country from her office in California.

Rachel Dollar: Just the fact that it sounds so easy and sounds so good is something you should be concerned about. You don't very much in life for free.

Rogers: Maybe not -- but look at this. All of the buyers here at 45th and Michigan closed last fall. The ones we spoke to believe their payments are being made, but the building is still uninhabitable.

We made numerous attempts to find Yaseen Ahmed, to no avail. We wanted him to ask him about his realty program, and how buyers with low incomes could qualify for over \$500,000 in loans -- loans that Malty Earving told us he could not pay on his own.

Earving: My credit is ruined. I am able to buy a new house now, but because of this, nobody will do business.

Rogers: We should note that Ms. Dollar, the fraud expert, cautions that she is not branding the SK Gemini program a fraud, because she has not seen enough of their documentation. The buyers we have spoken with also haven't seen their documents. Some told us they've asked for them for months, to no avail. An attorney for Yaseen Ahmend would only say that Mr. Ahmed has no comment on our story.

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