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Ridgecrest Tenants Victimized by Scam Face Imminent Displacement
Statewide tenant organization calls on Ridgecrest and Kern County officials to take action to protect La Mirage tenants.

Tenants at the 300-unit La Mirage condo complex in Ridgecrest, CA face imminent displacement from their homes due to a statewide real estate scam. Tenants Together, California's statewide organization for renters' rights, has received numerous calls from victims of the scam, tenants who are now facing possible eviction through no fault of their own. Tenants Together is calling on local officials to take immediate action to address this housing emergency and protect these innocent tenants.

According to media reports, James McConville, convicted in 1998 of grand theft, and his company Diamond House Development, created a scheme that used straw buyers to acquire hundreds of properties statewide, including rental units at La Mirage. These properties were then rented to unsuspecting tenants.

Rental units at La Mirage are in various stages of the foreclosure process. Mortgages are not being paid, but Diamond House Development, which manages the La Mirage condos, continues to collect rent from the tenants. Diamond House has even issued notices threatening eviction if rent is not paid in 3 days, despite the fact that the properties are in the process of being taken over by banks through foreclosure. In one recent case, Diamond House served a notice demanding rent payments on the same day the house was scheduled to be sold at a foreclosure auction. Tenants have also reported that property managers removed bank notices regarding pending foreclosure sales in an apparent effort to keep them in the dark on the status of their homes.

"We've paid our rent but we've been deceived and treated unfairly. Many of us are confused and we fear we're losing our homes," said La Mirage tenant Jimmy Patterson.

"La Mirage tenants are innocent victims of a real estate scam. Local officials need to act immediately to protect these tenants and to investigate potential criminal conduct by McConville and Diamond House," said Dean Preston, Executive Director of Tenants Together.

Tenants Together is California's only statewide organization for renters' rights. The group operates a foreclosure hotline for tenants whose landlords are in foreclosure. Tenants Together issued *Hidden Impact: California Renters in the Foreclosure Crisis*, a comprehensive report on the impact of the foreclosure crisis on renters. The report includes policy recommendations for cities that want to stop foreclosure evictions of innocent tenants. The report is available at www.tenants-together.org.

California tenants can reach the Tenant Foreclosure Hotline at 415.495.8012.