Paul Manafort's former son-in-law gets 9 years for real estate scams

Paul Manafort's former son-in-law, Jeffrey Yohai, was sentenced to nine years and two months in prison for a series of fraud schemes involving high-end Los Angeles real estate.

As first reported by Politico, Yohai, 37, pleaded guilty to a variety of frauds, including leading investors to believe that he was building spec houses in wealthy parts of Los Angeles while using the money for personal expenses, giving fraudulent information to obtain loans for investments and renting out luxury homes without the owners' permission. Other scams included selling nonexistent backstage passes for the Coachella music festival and pawning band equipment that did not belong to him.

District Judge André Birotte Jr. estimated that Yohai's "sophisticated" schemes cost victims more than $6 million, while describing him as an individual with "an evil mind."

Some of the scams first came to light after Yohai defaulted on loans for four L.A. properties.

Yohai acquired one of the properties, a $8.5 million mansion located at 779 Stradella Road in Bel Air, in 2016 with a $2.7 million loan given to him by his then-wife — Manafort's daughter, Jessica Anne Bond — and father-in-law back, in addition to bank loans and funds from other investors. A court later issued Yohai an injunction against renting out the property as a party house after he pled guilty to conspiracy to commit bank fraud in 2018.

The same property has also caused some serious problems for Manafort himself. After he filed for bankruptcy, a court-appointed trustee asked a judge to determine whether the $2.7 million was really a loan, according to the Real Deal. The trustee claimed that the money was not a loan, but equity that would be paid back to Manafort after other investors.

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Dustin Hoffman and his son invested $3 million with Yohai to redevelop a home at 1550 Blue Jay Way, pictured here. | Photo via Zillow

Some of Yohai’s other scams involved big names such as Dustin Hoffman and photographer Guy Aroch. Hoffman and his son, Jacob Hoffman, reportedly invested $3 million into a Bird Streets property in 2015 with the intention of seeing it redeveloped as a spec mansion and sold for $30 million. Yohai spent the money on other things, asked for bankruptcy protection for the property and, according to the L.A. Times, never paid back the Hoffmans.

“Defendant has done tremendous damage to a huge number of victims,” assistant U.S. attorney Andrew Brown wrote in a September court filing. “[He] has shown an almost unbelievable compulsion to defraud others, to the point that he could not stop even while awaiting this court’s judgment on him in the first case, which strongly suggests that he will continue on his criminal path despite having been blessed with so many advantages.

“Worse, [Yohai] seems to enjoy committing fraud and revels in cheating others out of their hard-earned money, as though he thought real work was only for patsies,” Brown wrote.

Former campaign manager to President Donald Trump, Paul Manafort is currently serving a prison sentence for tax fraud, bank fraud and other charges stemming from Special Counsel Robert Mueller's investigation into Russian interference in the 2016 U.S. presidential election. Yohai and Manafort's daughter divorced in 2017.

Along with the prison term, Yohai has been ordered to pay $6.7 million in restitution and serve three years of supervised release after getting released.

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