

## Markets

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### Former Homestore Exec Settles With SEC

By ALEX VEIGA AP Business Writer  
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LOS ANGELES — A former Homestore Inc. executive will pay \$2.6 million to settle charges of shareholder fraud in connection with a scheme to inflate online ad revenue at the online real estate listings company, the Securities and Exchange Commission said Tuesday.

Peter B. Tafeen, of Parkland, Fla., was executive vice president for business development at the Westlake Village-based company. Homestore has since changed its name to Move Inc.

Under the terms of the settlement, Tafeen also has been permanently barred from serving as an officer or director of a public company.

A federal judge must still sign off on the settlement agreement.

Tafeen's settlement comes a day after a federal judge sentenced him to 30 months in prison and ordered he pay \$240,000 in restitution. Tafeen, 37, pleaded guilty in March to one count of securities fraud.

The SEC has settled charges with 15 defendants in connection to the scheme, which involved Homestore paying some vendors extra for their products or services and the vendors would then use the money to buy advertising from two media companies.

The media companies, in turn, would buy advertising from Homestore, whose officials would improperly list the revenue on the company's financial statements in order to exceed Wall Street analysts' expectations.

By some estimates, shareholders lost more than \$100 million when the company's stock price fell in 2001 on news of the federal investigation into the company's irregular accounting practices.

The SEC plans to put the fines paid by Tafeen toward paying back Homestore shareholders.

A call to Tafeen's attorney in Los Angeles, Brian Hennigan, was not immediately returned.

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