

Charleston Regional Business Journal

## Economy slowing sale of Parish's assets

By Ashley Fletcher Frampton

[aframpton@scbiznews.com](mailto:aframpton@scbiznews.com)

*Published Feb. 13, 2009*

The slow economy is making it difficult to sell some of Al Parish's assets, the receiver said, and that could change the way investors receive payments.

In a Jan. 20 letter to investors, receiver Greg Hays said investors could get a payment in the second quarter of this year and another later, when the assets sell. The original plan was for investors to receive one payment when the case is closed.

### [Parish to be featured on CNBC television show \*American Greed\*.](#)

In particular, three of Parish's real estate properties are not generating much interest. Those include two properties in Highlands, N.C., which Hays described as resort properties, and a time share at Disney World.

"Nobody's buying luxury items right now," Hays said in an interview.

In the letter, Hays wrote that "we want to make a concerted effort to realize their value, rather than selling them in a down market simply to close this receivership."

The court appointed Hays, an Atlanta-based financial consultant, to handle the recovery of assets and distribution of money to investors.

About 600 people lost nearly \$70 million through Parish's Ponzi scheme. The former Charleston Southern University economics professor pleaded guilty in October 2007 to investment fraud. He was sentenced to 24 years in prison in June.

Hays has about \$8 million in cash on hand from the sale of Parish's recovered assets, less expenses, he said. That amount includes nearly \$4 million received recently from a settlement with Charleston Southern.

Under the revised distribution plan, which would have to be approved by the court, investors would get an initial payout based on money already recovered, Hays said. The later payment would come from the sale of remaining assets.

Auctions of Parish's fine art collection, rare books and various other hard assets are scheduled to take place by June, the letter said. Hays said he hopes the items will generate \$400,000 to \$500,000.

All but one or two of the pens Parish had bought were sold at auctions in October and December and through a third-party broker, Hays said in the letter. Those sales netted an additional \$493,000 to the estate.

"While this recovery is smaller than we had hoped, as Parish paid in excess of \$1.2 million for the pens sold, the current economic environment has significantly impacted the price that can be attained from purchasers at auctions," Hays wrote.

Hays said he expected to yet recover a 24-acre tract of raw land, which would be put up for sale immediately.

He said his primary focus now is completing the review of claims to determine loss amounts, a step required before he can propose a distribution plan to the court.

Investors should talk to their tax advisers about deductions for their losses, Hays said.