



# Department of Justice

United States Attorney A. Lee Bentley, III  
Middle District of Florida

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## **FORMER HILLSBOROUGH COUNTY RESIDENT PLEADS GUILTY TO CONSPIRACY TO COMMIT BANK, WIRE AND MAIL FRAUD**

Tampa, Florida – United States Attorney A. Lee Bentley, III announces that Brandon Bolger (40, Chicago, IL) today pleaded guilty to conspiracy to commit wire, mail and bank fraud. Bolger faces a maximum penalty of 30 years in federal prison.

According to the plea agreement, in 2005, entities controlled by co-conspirators entered into a contract to purchase The Arbors, an apartment complex in Hillsborough County, Florida. The new owners of The Arbors then engaged in a plan to convert the complex from rental apartment units to condominium units.

The developers financed their purchase of The Arbors with a loan from Corus Bank, a financial institution whose deposits were then insured by the FDIC. The loan agreement imposed strict conditions upon the timing of the conversion process. It required that the developers could not file a Declaration of Condominium or close on any condominium unit unless they had sales on 80 units and closed on all of them within 45 days of the closing on the sale of the first condominium unit. The Corus loan agreement also specified that Corus was to receive 100% of the net proceeds of the sale of the first 80 units and that all of these events had to occur within one year of the loan agreement. The Corus loan agreement also set forth substantial financial penalties for the developers if they failed to satisfy these requirements.

Bolger aided the developers in the sale of numerous condominium units at The Arbors through his company, Capital Management Guarantee, LLC. In order to induce buyers to purchase units at The Arbors, Bolger created an addendum to the purchase contract that offered buyers various incentives such as rental supplements, money to defray maintenance costs and a design credit to upgrade the unit's amenities. When the buyers cancelled the design credit within 10 days of signing the addendum, Bolger paid a kickback for the amount of the design credit to the buyer from Capital Management's bank account. In this manner, Bolger and other co-conspirators failed to disclose to both Corus Bank and to the purchasers' mortgage lenders material facts about the financing of the sale of The Arbors condominium units.

Bolger has agreed to forfeit specific property, including but not limited to, a combined forfeiture money judgment of \$18,394,134.00 which represents \$4,322,264 associated with the fraud perpetrated on Corus Bank and \$14,071.870 associated with the fraud perpetrated on the mortgage lenders.

This case was investigated by the Federal Bureau of Investigation and the Federal Housing Finance Agency Office of Inspector General. It is being prosecuted by Assistant United States Attorney Jay Hoffer and Special Assistant United States Attorney Chris Poor.