



Department of Justice

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

FOR IMMEDIATE RELEASE

August 6, 2015

WWW.USDOJ.GOV/USAO/FLM

CONTACT: WILLIAM DANIELS

(813) 274-6388

**ST. PETERSBURG REAL ESTATE AGENT INDICTED ON CONSPIRACY
AND BANK FRAUD CHARGES**

Tampa, Florida - United States Attorney A. Lee Bentley, III announces the unsealing of an indictment charging Gary Blankenship (44, St. Petersburg, Florida) with conspiracy, wire fraud, and bank fraud. He faces a maximum penalty of 30 years' imprisonment for each charge. The indictment also notifies him that the United States is seeking a money judgment for the proceeds of the charged criminal conduct.

According to the indictment and court proceedings, 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 then engaged in a plan to convert the complex from rental apartment units to condominium units.

Blankenship's co-conspirator, Brenden Bolger, aided the developers in the sale of numerous condominium units through his company, Capital Management Guarantee, LLC. In order to induce buyers to purchase The Arbors units, Bolger created an addendum to the purchase contract offering buyers various incentives such as rental supplements, money to defray maintenance costs, and a design credit to upgrade the units' amenities. When the buyers cancelled the design credit within 10 days of signing

the addendum, Bolger paid them a kickback from his company's bank account for the amount of the design credit. Blankenship's role in the conspiracy as a realtor consisted of marketing The Arbors units by promising buyers that they would not be required to provide any money at closing, actually providing cash for borrowers to close on the units, facilitating the payment of kickbacks to his clients via Capital Management Guarantee, and facilitating the submission of false loan applications to FDIC-insured financial institutions, or their subsidiaries. In this manner, Bolger, Blankenship, and other co-conspirators failed to disclose material facts to the buyers' mortgage lenders about the financing of the condominium sales.

Bolger previously pleaded guilty his role in the conspiracy. His sentencing is scheduled for September 18, 2015.

An indictment is merely a formal charge that a defendant has violated one or more federal criminal laws, and every defendant is presumed innocent unless, and until, proven guilty.

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 Special Assistant United States Attorney Chris Poor and Assistant United States Attorney Jay Hoffer.

###