

1 BENJAMIN B. WAGNER
United States Attorney
2 RUSSELL L. CARLBERG
Assistant U.S. Attorney
3 501 I Street, Suite 10-100
Sacramento, California 95814
4 Telephone: (916) 554-2748

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CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

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6
7 IN THE UNITED STATES DISTRICT COURT
8 FOR THE EASTERN DISTRICT OF CALIFORNIA

9 **211-CR-0070 JAM**

10 UNITED STATES OF AMERICA,)
11 Plaintiff,)
12 v.)
13 COLLINS MAX CHRISTENSEN,)
14 aka Collie Christensen,)
15 Defendant.)
16 _____)

CR. NO.
PLEA AGREEMENT

17 I.

18 **INTRODUCTION**

19 **A. Scope of Agreement:** The United States Attorney charged
20 defendant Collins Max Christensen in an Information with one count
21 of wire fraud, in violation of 18 U.S.C. § 1343. This document
22 contains the complete Plea Agreement ("Plea Agreement") between the
23 United States Attorney's Office for the Eastern District of
24 California (the "government") and the defendant. This Plea
25 Agreement is limited to the United States Attorney's Office for the
26 Eastern District of California and cannot bind any other federal,
27 state, or local prosecuting, administrative, or regulatory
28 authorities.

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1 Defendant agrees to pay restitution on a schedule to be recommended
2 by the United States Probation Office. Defendant further agrees
3 that he will not seek to discharge any restitution obligation or any
4 part of such obligation in any bankruptcy proceeding.

5 **C. Fine:** In light of the need to put substantial resources
6 toward restitution of victims of his offense, the government will
7 not recommend the defendant also pay a criminal fine.

8 **D. Special Assessment:** The defendant agrees to pay a special
9 assessment of \$100 at the time of sentencing by delivering a check
10 or money order payable to the United States District Court to the
11 United States Probation Office immediately before the sentencing
12 hearing. The defendant understands that this Plea Agreement is
13 voidable by the government if he fails to pay the assessment prior
14 to that hearing. If the defendant is unable to pay the special
15 assessment at the time of sentencing, he agrees to earn the money to
16 pay the assessment, if necessary by participating in the Inmate
17 Financial Responsibility Program.

18 **III.**

19 **THE GOVERNMENT'S OBLIGATIONS**

20 **A. Recommendations:**

21 **1. Incarceration Range:** The government will recommend
22 that the defendant be sentenced to the low end of the applicable
23 guideline range for his offense consistent with the stipulations of
24 this Plea Agreement.

25 **2. Acceptance of Responsibility:** If the United States
26 Probation Office determines that a three-level reduction in
27 defendant's offense level for his full and clear demonstration of
28 acceptance of responsibility is appropriate under U.S.S.G. § 3E1.1,

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1 the government will not oppose such a reduction and will so move
2 under §3E1.1(b), so long as the defendant pleads guilty, meets with
3 and assists the probation officer in the preparation of the pre-
4 sentence report, is truthful and candid with the probation officer,
5 and does not otherwise engage in conduct that constitutes
6 obstruction of justice within the meaning of U.S.S.G § 3C1.1, either
7 in the preparation of the pre-sentence report or during the
8 sentencing proceeding.

9 **B. Limitation on Use of Information For Sentencing:** Other
10 than as set forth above, the government agrees that any
11 incriminating information provided by the defendant during his
12 cooperation will not be used in determining the applicable guideline
13 range, pursuant to U.S.S.G. § 1B1.8.

14 **IV.**

15 **ELEMENTS OF THE OFFENSE**

16 **A. Elements of the Offense:** At a trial, the government would
17 have to prove beyond a reasonable doubt the following elements of
18 **wire fraud**, to which the defendant is pleading guilty:

19 First, the defendant knowingly participated in:

20 (A) a scheme and artifice to defraud, or (B) in a plan for
21 obtaining money or property by making false promises or statements;

22 Second, the defendant knew that the scheme was misleading or
23 that the promises or statements were false;

24 Third, the scheme, and/or the promises or statements, were
25 material; that is, they had a natural tendency to influence, or were
26 capable of influencing, a person to part with money or property;

27 Fourth, the defendant acted with the intent to defraud; and

28 Fifth, the defendant used, or caused to be used, the interstate

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1 wires in furtherance of the scheme.

2 V.

3 **MAXIMUM SENTENCE**

4 **A. Maximum Penalty:** For wire fraud, the maximum sentence that
5 the Court can impose is twenty years imprisonment, a \$250,000 fine,
6 a three year period of supervised release, and a special assessment
7 of \$100. By signing this Plea Agreement, the defendant also agrees
8 that the Court can order the payment of restitution for the full
9 loss caused by the defendant's wrongful conduct. The defendant
10 agrees that the restitution order is not restricted to the amounts
11 alleged in the specific counts to which the defendant is pleading
12 guilty. The defendant further agrees that he will not attempt to
13 discharge in any present or future bankruptcy proceeding any
14 restitution imposed by the Court.

15 **B. Violations of Supervised Release:** The defendant understands
16 and agrees that if he violates a condition of supervised release at
17 any time during the term of supervised release, the Court may revoke
18 the term of supervised release and require the defendant to serve up
19 to two additional years imprisonment. 18 U.S.C. § 3583(e) (2).

20 VI.

21 **SENTENCING DETERMINATION**

22 **A. Statutory Authority:** The defendant understands that the
23 Court must consult the Federal Sentencing Guidelines (as promulgated
24 by the Sentencing Commission pursuant to the Sentencing Reform Act
25 of 1984, 18 U.S.C. §§ 3551-3742 and 28 U.S.C. §§ 991-998, and as
26 modified by United States v. Booker and United States v. Fanfan,
27 543 U.S. 220, 125 S.Ct. 738 (2005), Rita v. United States, 127 S.Ct.
28 2456 (2007), Gall v. United States, 128 S.Ct. 586 (2007), Kimbrough

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1 v. United States, 128 S.Ct. 558 (2007)) and must take them into
2 account when determining a final sentence. The defendant
3 understands that the Court will determine a non-binding and advisory
4 guideline sentencing range for this case pursuant to the Sentencing
5 Guidelines. The defendant further understands that the Court will
6 consider whether there is a basis for departure from the guideline
7 sentencing range (either above or below the guideline sentencing
8 range) because there exists an aggravating or mitigating
9 circumstance of a kind, or to a degree, not adequately taken into
10 consideration by the Sentencing Commission in formulating the
11 Guidelines. The defendant further understands that the Court, after
12 consultation and consideration of the Sentencing Guidelines, must
13 impose a sentence that is reasonable in light of the factors set
14 forth in 18 U.S.C. § 3553(a).

15 **B. Stipulations Affecting Guidelines Calculation:** The
16 government and the defendant agree that there is no material dispute
17 as to the following sentencing guidelines variables and therefore
18 stipulate to the following:

19 1. **Base Offense Level:** The base offense level is 7, under
20 U.S.S.G. § 2B1.1(a)(1).

21 2. **Loss:** The loss figure foreseeable to defendant
22 Christensen is approximately \$985,994, which adds 14 points
23 under §§2B1.1(b)(1)(J), 1B1.3.

24 3. **Number of Victims:** The parties stipulate and agree
25 that the offense involved ten or more victims, so a two-level
26 adjustment applies under U.S.S.G. § 2B1.1(b)(2)(A).

27 4. **Adjusted Offense Level:** 23.

28 5. **Acceptance of Responsibility:** After acceptance of

1 responsibility (subject to paragraph III(A)(2), above), the
2 offense level is 20.

3 **6. Criminal History:** The parties agree that the
4 defendant's criminal history will be determined by the
5 Probation Officer's score of the defendant's criminal history
6 under Chapter Four of the United States Sentencing Guidelines.

7 **7. Departures:** The parties stipulate and agree that they
8 will not seek or argue in support of any other specific offense
9 characteristics, Chapter Three adjustments (other than the
10 decrease for "Acceptance of Responsibility"), departures, or
11 cross-references, except for those specifically agreed in
12 Paragraphs VI (B)(1)-(6), above.

13 **8. Variances or Deviations:** Both parties stipulate and
14 agree not to move for, or argue in support of, any variance or
15 deviance from the Sentencing Guidelines under 18 U.S.C. §
16 3553(a). In the event the defendant or his attorney makes any
17 argument to the United States Probation Office or to the Court
18 for a deviation or variance from the Sentencing Guidelines, or
19 for any other reduction of sentence, the defendant will have
20 materially breached this Plea Agreement. United States v.
21 Salerno, 81 F.3d 1453, 1462 (9th Cir. 1996). "Where a
22 defendant has breached a plea agreement, courts have found the
23 government to be free from its obligations." United States v.
24 Sandoval-Lopez, 122 F.3d 797, 800 (9th Cir.1997)

25 **VII.**

26 **WAIVERS**

27 **A. Waiver of Constitutional Rights:** The defendant understands
28 that by pleading guilty he is waiving the following constitutional

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1 rights:

2 **1. Public and Speedy Trial:** If defendant were to
3 continue with his plea of not guilty to the charges in the
4 indictment, he would be entitled to a public and speedy trial.

5 **2. Jury Trial, Presumption of Innocence, Unanimous**
6 **Verdict:** The defendant has an absolute right to a jury trial. At
7 that trial, the jury would be instructed that the defendant is
8 presumed innocent and that he carries that presumption throughout
9 the trial until such time as the government overcomes the
10 presumption by evidence adduced at the trial. The jury would be
11 further instructed that it could not convict the defendant unless
12 all twelve jurors agreed that the government had proved guilt beyond
13 a reasonable doubt.

14 **3. Confrontation of Witnesses:** At the trial, the
15 defendant would be entitled to see, hear and confront the witnesses
16 and the evidence against him. These witnesses would be testifying
17 under the penalty of perjury and would be subject to
18 cross-examination by the defendant's attorney.

19 **4. Compulsory Process:** At the trial, the defendant would
20 be entitled to present witnesses and other evidence in his own
21 behalf and, if the witnesses refused to appear voluntarily, the
22 defendant would be entitled to use the court's process to compel
23 their attendance.

24 **5. Privilege Against Self Incrimination:** At a trial, the
25 defendant would have a privilege against self-incrimination so that
26 he could not be compelled to testify and the jury could be
27 instructed that no inference of guilt could be drawn from the
28 defendant's failure to testify.

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1 **6. Right to Appeal:** If, after a trial, the defendant
2 were convicted, he would have a right to appeal the conviction.

3 **7. Representation of Counsel:** The defendant is entitled
4 to be represented by competent counsel through all stages of the
5 case, including appeal, and if the defendant could not afford an
6 attorney one would be appointed for him by the court.

7 Defendant understands that by pleading guilty he is waiving all
8 of the rights set forth above. Defendant's attorney has explained
9 those rights to him and the consequences of his waiver of those
10 rights and defendant freely and voluntarily consents to said waiver.

11 **B. Waiver of Appeal and Collateral Attack:** The defendant
12 understands that the law gives him a right to appeal his conviction
13 and sentence. He agrees as part of his plea, however, to give up the
14 right to appeal the conviction. So long as his sentence is no
15 longer than the top of the Sentencing Guidelines range determined by
16 the Court consistent with the stipulations set forth above about the
17 Sentencing Guidelines variables, the defendant also agrees as part
18 of his plea to give up the right to appeal all aspects of the
19 sentence imposed. Defendant specifically gives up his right to
20 appeal any order of restitution the Court may impose.

21 Regardless of the sentence he receives, the defendant also
22 gives up any right he may have to bring a post-appeal attack on his
23 conviction or his sentence. He specifically agrees not to file a
24 motion under 28 U.S.C. § 2255 or § 2241 attacking his conviction or
25 sentence.

26 If the defendant ever attempts to vacate his plea, dismiss the
27 underlying charges, or reduce or set aside his sentence on any of
28 the counts to which he is pleading guilty, the government shall have

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1 the right (1) to prosecute the defendant on any of the counts to
2 which he pleaded guilty; (2) to reinstate any counts that may be
3 dismissed pursuant to this Plea Agreement; and (3) to file any new
4 charges that would otherwise be barred by this Plea Agreement. The
5 decision to pursue any or all of these options is solely in the
6 discretion of the United States Attorney's Office.

7 By signing this Plea Agreement, the defendant agrees to waive
8 any objections, motions, and defenses he might have to the
9 government's decision. In particular, he agrees not to raise any
10 objections based on the passage of time with respect to such counts
11 including, but not limited to, any statutes of limitation or any
12 objections based on the Speedy Trial Act or Speedy Trial Clause of
13 the Sixth Amendment.

14 **C. Waiver of Attorneys' Fees and Costs:** The defendant agrees
15 to waive all rights under the "Hyde Amendment," Section 617, P.L.
16 105-119 (Nov. 26, 1997), to recover attorneys' fees or other
17 litigation expenses in connection with the investigation and
18 prosecution of all charges in the above-captioned matter and of any
19 related allegations (including without limitation any charges to be
20 dismissed or previously dismissed).

21 **VIII.**

22 **ENTIRE PLEA AGREEMENT**

23 Other than this Plea Agreement, no agreement, understanding,
24 promise, or condition between the government and the defendant
25 exists, nor will such agreement, understanding, promise, or
26 condition exist unless it is committed to writing and signed by the
27 defendant, counsel for the defendant, and counsel for the United
28 States.

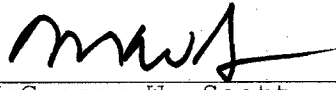
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IX.

APPROVALS AND SIGNATURES


A. Defense Counsel: I have read this Plea Agreement and have discussed it fully with my client. The Plea Agreement accurately and completely sets forth the entirety of the agreement. I concur in my client's decision to plead guilty as set forth in this Plea Agreement.

DATED: Feb 9, 2011


McGregor W. Scott,
Attorney for Defendant

B. Defendant: I have read this Plea Agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Further, I have consulted with my attorney and fully understand my rights with respect to the provisions of the Sentencing Guidelines that may apply to my case. No other promises or inducements have been made to me, other than those contained in this Plea Agreement. In addition, no one has threatened or forced me in any way to enter into this Plea Agreement. Finally, I am satisfied with the representation of my attorney in this case.


DATED: 2-9-11


Collins Max Christensen,
Defendant

C. Attorney for United States: I accept and agree to this Plea Agreement on behalf of the government.

DATED: Feb. 10, 2011

BENJAMIN B. WAGNER
United States Attorney

By: 
RUSSELL L. CARLBERG
Assistant U.S. Attorney

1 **EXHIBIT "A"**

2 **Factual Basis for Plea**

3 **I. BACKGROUND**

4 At all relevant times, defendant COLLINS MAX CHRISTENSEN
5 ("CHRISTENSEN"), a/k/a "COLLIE CHRISTENSEN," managed the operations
6 of land-development companies called Equus 11, Inc., Liquid Blue
7 Assets LLC, Modesto Emerald City LLC, CFG LLC, Eagle's View
8 Development LLC, Reed's Creek LLC, and others. CHRISTENSEN operated
9 these entities out of a business location on Fulton Avenue in
10 Sacramento. CHRISTENSEN controlled bank accounts located in the
11 State and Eastern District of California associated with these
12 entities.

13 Specifically, CFG LLC was the entity CHRISTENSEN used to manage
14 a multi-purpose land development project in Wiggins, Mississippi
15 (colloquially referred to as "the Wiggins Project" or simply
16 "Wiggins"). Liquid Blue Assets LLC was the entity CHRISTENSEN used
17 to manage a multi-unit condominium time-share venture in Cabo San
18 Lucas (colloquially referred to as "the Cabo Project" or simply
19 "Cabo"). Equus 11 LLC was an entity used also for the Wiggins
20 Project. Modesto Emerald City LLC was the entity CHRISTENSEN used
21 to manage the refurbishing and resale of preexisting residential
22 units in Modesto, California. Reeds Creek LLC, also known as Alfaro
23 Ranch, involved the development of farm land near Yuba City into a
24 mixed-use commercial and residential development project.

25 From approximately 2006 though 2008, CHRISTENSEN received
26 approximately \$2,385,959 from 14 investors for these projects. Over
27 time. CHRISTENSEN began to divert money for purposes other than for
28 the stated or intended purposes of each project. Of these investor

PLEA AGREEMENT

1 funds, CHRISTENSEN misappropriated approximately \$985,994.

2 CHRISTENSEN used the interstate wires in furtherance of the scheme.

3 **II. THE WIGGINS PROJECT**

4 The Wiggins Project was a 121 acre mixed commercial and
5 residential development in a rural area on Highway 49, near Wiggins,
6 Mississippi. CHRISTENSEN represented to investors that the project
7 was located in a "go zone" with favorable tax incentives as part of
8 the rebuilding efforts after Hurricane Katrina. CHRISTENSEN told
9 investors that the project was located in an area where people
10 needed housing after Hurricane Katrina. He also claimed he had
11 commitments from a national retailer in the commercial portion of
12 the project, to be known as "Dizzy Dean Plaza."

13 From approximately 2006 through 2008, CHRISTENSEN received
14 hundreds of thousands of dollars from investors specifically for the
15 Wiggins Project. He used substantial portions of the funds for
16 purposes unrelated to the Wiggins Project.

17 On or about May 7, 2008, an investor in the Wiggins Project,
18 identified here as W.K., wired \$240,000 from his Washington Mutual
19 Bank to the account of Eagle's Nest Partners at Wells Fargo Bank in
20 the Eastern District of California. (Eagle's Nest Partners was an
21 entity CHRISTENSEN used to manage personal investments.) This wire
22 transfer was routed through the Fedwire system in East Rutherford,
23 New Jersey. CHRISTENSEN used \$159,556 of these investor funds on
24 personal expenses and other projects (such as the Cabo Project) and
25 not for the intended purpose of investing in Wiggins. Had
26 CHRISTENSEN disclosed to W.K. that these funds were being used for
27 purposes unrelated to the Wiggins Project, W.K. would not have
28 invested the funds.

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1 **III. ALFARO RANCH**

2 CHRISTENSEN solicited an investor for a planned multi-use
3 commercial and residential development on a 1,150 acre plot of farm
4 land known as Alfaro Ranch, near Yuba City, California. CHRISTENSEN
5 falsely told the investor he would use the money for future
6 development of the farm land.

7 From July 13, 2007 to July 19, 2007, an investor identified
8 here as T.K., a resident of North Dakota, wired \$125,000 from Anchor
9 Bank, located in Wayzata, Minnesota, to the Reeds Creek LLC bank
10 account at Wells Fargo, in Sacramento, State and Eastern District of
11 California. This wire transfer was routed through the Fedwire
12 system in East Rutherford, New Jersey. Rather than applying the
13 funds toward the intended purpose of developing the Alfaro Ranch
14 farm land, CHRISTENSEN immediately diverted the entire sum. Shortly
15 after receiving the funds CHRISTENSEN diverted them to repay debts
16 owed to other entities or for purposes other than investing in the
17 Alfaro Ranch as had been represented to the investor. Within one
18 day of receipt of T.K.'s funds, CHRISTENSEN transferred \$46,900 to
19 pay bills associated with the Cabo Project. The same day, he
20 transferred \$75,000 of T.K.'s money to Eagle's Nest Partners. Had
21 CHRISTENSEN disclosed to T.K. that he would use T.K.'s funds for
22 purposes unrelated to Alfaro Ranch, T.K. would not have invested the
23 funds.

24 **IV. MODESTO EMERALD CITY**

25 CHRISTENSEN originally promoted the Modesto and Cabo
26 developments to investors in Sacramento in or around April 2006. As
27 the project developed, CHRISTENSEN ran into financial difficulties
28 with Modesto and other projects. He did not adequately disclose to

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1 latter investors material facts concerning the scope of the
2 financial difficulties the Modesto project was developing.

3 In 2008, CHRISTENSEN received \$267,000 from four investors for
4 the Modesto Project. Of this \$267,000, CHRISTENSEN misapplied
5 \$68,706 toward bills associated with unrelated investments, such as
6 Wiggins, Cabo, and his own personal real estate investments.

7 **V. DIVERSIFIED WEALTH MANAGEMENT**

8 CHRISTENSEN represented to W.K. that he was in negotiations to
9 become marketing arm for USAREIT through an entity he controlled
10 known as "Diversified Wealth Management." USAREIT is a known
11 entity, separate from CHRISTENSEN, that is involved in substantial
12 private lending. According to CHRISTENSEN, W.K.'s money would be
13 used to staff an office and to pay for start-up costs. On or about
14 March 6, 2007, W.K. gave CHRISTENSEN a Washington Mutual Bank
15 cashier's check in the amount of \$200,000, for the use of
16 Diversified Wealth Management. CHRISTENSEN deposited the check into
17 a Wells Fargo bank account in the name of Diversified Wealth
18 Management. Thereafter, CHRISTENSEN wired \$150,000 of W.K.'s money
19 to Spearhead Group LLC, another project unrelated to Diversified
20 Wealth Management or USA REIT. Had CHRISTENSEN disclosed to W.K.
21 that he would use the funds for purposes unrelated to Diversified
22 Wealth Management and USA REIT, W.K. would not have parted with the
23 money.