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US DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED STATES OF AMERICA

v. CASE NO. 6:12-cr-220-Orl-18-DAB

18 U.S.C. § 1343
18 U.S.C. § 982 -forfeiture

GUERARD WALLACE HOWARD

INFORMATION

The United States Attorney charges:

COUNT ONE

A. Introduction

At all times material to this Information:

1. Guerard Wallace Howard, who resided in Brevard County, was the president of Provincial Real Estate Administrative Services, Inc. ("Provincial").

2. Provincial, incorporated by Guerard Wallace Howard in Florida on August 17, 2007, conducted its business in Brevard County, Florida.

3. Provincial and Howard engaged in the business of buying and selling short sale properties. To accomplish that, Provincial and Howard sought out sellers in pre-foreclosure status and entered into agreements with those sellers which required the property to be deeded to Provincial. Provincial then negotiated short sale agreements with the lenders and immediately re-sold the properties to third parties for a profit.

4. "Reverse staging" is a process wherein the short sale price is

manipulated by intentionally downgrading a property's appearance, and falsely representing the condition of a property in advance of bank appraisals, in an effort to acquire the property at below market price. Reverse staging includes exposing wiring, disconnecting the breaker box, pulling receptacles out of walls, falsely indicating that the house needed repairs, and spraying the property with a product replicating the smell of mold, pet odor, and other biohazard issues.

5. Wire transfers were routed through the Federal Reserve Banking System and cleared through the Federal Reserve operations center in New Jersey.

B. The Scheme

6. Between on about November 10, 2007 through in or about August, 2011, in the Middle District of Florida, and elsewhere, the defendant,

GUERARD WALLACE HOWARD

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, and did transmit and cause to be transmitted by means of wire and radio communications in interstate and foreign commerce, writings, signs, signals, pictures and sounds for the purpose of executing said scheme and artifice.

C. Manner and Means of the Scheme

7. It was part of the scheme that the defendant would and did induce

the short sale lender to sell a property at below market value using false pretenses.

8. It was further a part of the scheme that the defendant would and did manipulate the short sale process by reverse staging a property causing the property to be appraised at a value lower than the true fair market value.

9. It was further a part of the scheme that the defendant would and did create fraudulent repair estimates that adversely impacted an accurate appraisal value.

10. It was further a part of the scheme that the defendant would and did submit HUD-1 statements to the title company that falsely manipulated closing costs and commissions of the short sale and end sale to the short sale lender.

11. It was a further part of the scheme that the defendant would and did fraudulently obtain approximately $219,414.52 to which he was not entitled.

12. It was a further part of the scheme and artifice that the defendant would and did conduct these activities in a manner calculated to conceal and cover up the fraudulent nature of this scheme and to deceive financial institutions.

D. Execution of the Scheme

13. On or about the date set forth below, in the Middle District of Florida and elsewhere, for the purpose of executing and attempting to execute

the aforesaid scheme and artifice, the defendant did cause the following interstate commerce wire transfer to occur via the Federal Reserve's secure financial transmission system, Fedwire, which maintained its only transmission hub in New Jersey in interstate commerce:

Count	Date	Nature of Wire
1	June 19, 2009	$17,324.42 wire transfer from Seacoast National Bank, c/o South Florida Title Services, Inc. to RBC Bank, Provincial RE Admin Serv, Inc., account number xxxxxx2343 representing the net sales proceeds of 2938 Matthew Dr., Rockledge, FL 32955

FORFEITURE

1. The allegations contained in Count One of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeitures, pursuant to the provisions of Title 18, United States Code, Section 982(a)(2).

2. The defendant, **GUERARD WALLACE HOWARD**, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(2), any and all right, title, and interest he may have in any property constituting, or derived from, proceeds the person obtained directly or indirectly, as a result of such violations of Title 18, United States Code, Section 1343, including, but not limited to, a forfeiture money judgment in the amount of proceeds obtained as a result of such violations, which amount shall not be less than **$219,414.52** in United States currency.

3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred, sold to or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

ROBERT E. O'NEILL
United States Attorney

By: _____
David L. Haas
Assistant United States Attorney

By: _____
Carlos A. Perez-Irizarry
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