



**U.S. Department of Justice**

***United States Attorney  
Eastern District of Arkansas***

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FOR IMMEDIATE RELEASE  
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**CENTRAL ARKANSAS BUSINESSMAN SENTENCED TO  
71 MONTHS IN PRISON FOR REAL ESTATE SCAM  
AND FOR FIREARMS POSSESSION**

**Little Rock, AR** - Jane W. Duke, United States Attorney for the Eastern District of Arkansas, announced today that Kristian Nelson was sentenced to 71 months imprisonment for his execution of a real estate investment scheme and for being a felon in possession of multiple firearms. Nelson, who has remained in federal custody since his firearms-related arrest in April of 2008, was immediately remanded to the custody of the United States Marshals following sentencing.

On the eve of his scheduled trial in June of 2008, Nelson, age 36 of Bigelow, Arkansas, pleaded guilty to 10 counts of wire fraud and one count of being a felon in possession of firearms. According to investigation and evidence presented during the court proceedings, Nelson, doing business as Pinnacle Valley Consulting and as Pinnacle Valley Youth Sports Center, defrauded approximately 20 out of state investors in a collective amount exceeding \$1 million. Nelson operated his scheme by falsely claiming he was developing a sub-division, owned vacant parcels of land in the Pulaski County, area and promising investors that he would construct homes on these lots for them. He told some investors he would buy, rehabilitate, and "flip" existing properties for large profits. In actuality, Nelson owned very little, if any, of the land he represented to investors. The amount of investments ranged from \$7,000 to \$125,000 per individual. The vast majority of investors received nothing in exchange for the monies they paid to Nelson.

After being indicted on the wire fraud scheme, Nelson was released on his own recognizance. While on pretrial release, authorities received information in April 2008 that Nelson, who had already been convicted of past financial felonies, had numerous firearms at his residence. A subsequent search warrant obtained for Nelson's house yielded the discovery of seven guns.

In sentencing Nelson, United States District Judge Susan Webber Wright recognized the advisory Guideline range of 57-71 months imprisonment. Judge Wright noted Nelson's previous

criminal history and his possession of firearms while on pretrial release as reasons for imposing a sentence at the upper-most end of that range.

As a further part of his sentence, Judge Wright ordered Nelson to pay restitution to the victims of his offense in the unrecovered collective amount of \$760,275. Nelson's prison term will be followed by 3 years of supervised release.

Duke stated, "This case unfortunately illustrates the need to thoroughly investigate those individuals with whom you might entrust your money. On the surface it certainly appeared to the victims that Nelson owned these properties and could deliver on his promises. In today's world, however, you must do all you can to independently verify the legitimacy of the person with whom you are dealing."

This case was investigated by the Little Rock Field Office of the Federal Bureau of Investigation, the Little Rock Field Office of the Bureau of Alcohol, Tobacco, Firearms and Explosives, and the Perry County Sheriff's Office.

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