

FILED

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
ORLANDO DIVISION

DEC 27 AM 9:38  
U.S. DISTRICT COURT  
MIDDLE DISTRICT OF FL  
ORLANDO, FLORIDA

UNITED STATES OF AMERICA

v.

CASE NO. 6:11-cr- *417-Orl-31 DAB*  
18 U.S.C. § 1343

ANDREW J. NUSBAUM  
JOSHUA R. NUSBAUM

Defendants.

**INFORMATION**

The United States of America charges:

**A. Background**

At all times material to this Information:

1. For purposes of this Information, the "relevant period" is the period beginning in or about March 2006, and continuing until in or about April 2007. During the relevant period, Defendant ANDREW J. NUSBAUM owned a construction company ("Company A") that was a registered vendor with Ocwen Loan Servicing, LLC ("Ocwen"), a property management company organized and existing under the laws of Delaware, with its headquarters in West Palm Beach, Florida. Also during the relevant period, Defendant JOSHUA R. NUSBAUM (brother of ANDREW J. NUSBAUM) was employed as a Residential Sales Manager ("RSM") (also known as a Residential Sales Consultant ("RSC")) by Ocwen. During the relevant period, Ocwen managed foreclosed properties under contract with the U.S. Department of Veterans Affairs ("the VA") in the

Middle District of Florida, and throughout the United States. Throughout and prior to the relevant period, the VA guaranteed qualifying residential mortgages for veterans. Under the contract between the VA and Ocwen, if a veteran defaulted (and after foreclosure), Ocwen completed necessary repairs and re-sold the property. After any repairs were completed, Ocwen billed VA for the cost of these repairs. This process of repairing and re-selling is colloquially called VA-REO. The Ocwen employees who handled VA-REO were called RSMs or RSCs (hereinafter referred to collectively as "RSMs"). Company A, under the direction of Defendant ANDREW J. NUSBAUM, performed work on VA-REO houses. Throughout the relevant period, for purposes of VA-REO, Ocwen's principal place of business was in Orlando, Florida.

**B. Scheme and Artifice**

2. During the relevant period, the Defendants knowingly and willfully participated in a scheme and artifice to defraud the VA, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and intending to defraud the VA, which scheme and artifice is described as follows:

**C. Manner and Means**

3. During the relevant period, the Defendants agreed to steer repair contracts for VA-REO houses to Company A. VA rules usually required multiple competitive bids for any particular repair contract. Defendant JOSHUA R.

NUSBAUM, however, would either (a) provide Defendant ANDREW J. NUSBAUM with price information from competitive bids from unrelated companies, so that Defendant ANDREW J. NUSBAUM could undercut those competitive bids by a nominal amount; or (b) fail to obtain competitive bids for work that Defendant JOSHUA R. NUSBAUM intended to steer to Defendant ANDREW J. NUSBAUM and Company A. Defendants thus subverted the competitive bidding process required under the terms of the contract between Ocwen and the VA, and gave the false appearance of competition where, in fact, there was none. Defendant ANDREW J. NUSBAUM paid Defendant JOSHUA R. NUSBAUM for steering jobs to Company A. Throughout the relevant period, Defendants implicitly and explicitly represented to Ocwen and the VA that Company A was awarded jobs by Defendant JOSHUA R. NUSBAUM based on actual competition, when in fact Defendant JOSHUA R. NUSBAUM steered contracts to Defendant ANDREW J. NUSBAUM based on a family relationship and in expectation of payments from Defendant ANDREW J. NUSBAUM. Neither Ocwen nor the VA would have awarded housing repair contracts to Company A had they known about the payments or the lack of actual competition. The scheme and artifice caused an indeterminate, though real, loss to the VA because Company A was awarded contracts without the benefit of competitive bidding. Throughout the relevant period, Defendant ANDREW J. NUSBAUM made about \$14,000 in payments to Defendant JOSHUA R.

NUSBAUM under this scheme. The portion of the scheme and artifice in which the Defendants participated affected repair contracts for forty-five properties in the Middle District of Florida and elsewhere throughout the United States.

**D. Wires**

4. Throughout the relevant period, in Orlando, in the Middle District of Florida, and elsewhere, the Defendants, for the purpose of executing the scheme and artifice described above, caused to be transmitted by means of wire communication in interstate commerce numerous writings, signals, and sounds, including emails, facsimiles, and telephone calls, all in violation of Section 1343 of Title 18 of the United States Code. Many, though not all, of these interstate wire communications were sent and made from Orlando, Florida, to various worksites in Alabama, Georgia, North Carolina, and South Carolina, where Defendant ANDREW J. NUSBAUM travelled to inspect prospective housing repair jobs, and from those various worksites to Orlando, Florida. These communications included sending competitive bid information from Defendant JOSHUA R. NUSBAUM to Defendant ANDREW J. NUSBAUM and transmitting bids from Company A to Ocwen.

ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION  
1343.

DATED: 12 DECEMBER 2011



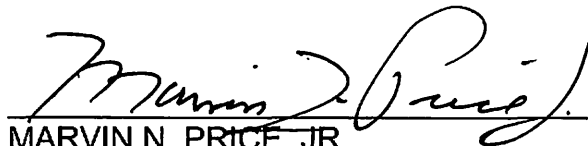
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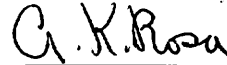
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