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12 UNITED STATES DISTRICT COURT  
13 NORTHERN DISTRICT OF CALIFORNIA  
14 OAKLAND DIVISION

15 UNITED STATES OF AMERICA,	) No.
16 v.	)
17 ALVIN FLORIDA, JR.;	) VIOLATIONS: 15 U.S.C. § 1 –
18 ROBERT ALHASHASH RASHEED;	) Bid Rigging (Count One);
19 JOHN LEE BERRY, III, a/k/a “JB”;	) 18 U.S.C. § 1341 – Mail Fraud (Counts
20 REFUGIO DIAZ, a/k/a “Cuco”;	) Two through Nine); 18 U.S.C. §
21 STEPHAN ALEXANDER FLORIDA;	) 981(a)(1)(C); 28 U.S.C. § 2461(c) –
22 Defendants.	) Forfeiture
	)
	)
	)
	)

23 INDICTMENT

24 The Grand Jury charges that:

25 BACKGROUND

26 1. At all times relevant to this Indictment, when California homeowners defaulted on  
27 their mortgages, mortgage holders could institute foreclosure proceedings and sell the properties  
28 through non-judicial public real estate foreclosure auctions (“public auctions”). These public  
auctions were governed by California Civil Code, Section 2924, *et seq.* Typically, a trustee was

1 appointed to oversee the public auctions. These public auctions usually took place at or near the  
2 courthouse of the county in which the properties were located. The auctioneer, acting on behalf  
3 of the trustee, sold the property to the bidder offering the highest purchase price. Proceeds from  
4 the sale were then used to pay the mortgage holders, other holders of debt secured by the  
5 property, and, in some cases, the defaulting homeowner (collectively "beneficiaries").

6 2. During the period covered by this Indictment, defendant ALVIN FLORIDA, JR.,  
7 was a bidder at and purchased real estate at public auctions in Alameda County, California, and  
8 directed employee defendants JOHN LEE BERRY, III, REFUGIO DIAZ, and STEPHAN  
9 ALEXANDER FLORIDA, and others to bid on and purchase real estate at public auctions in  
10 Alameda County, California.

11 3. During the period covered by this Indictment, defendant ROBERT ALHASHASH  
12 RASHEED was a bidder at and purchased real estate at public auctions in Alameda County,  
13 California.

14 4. During the period covered by this Indictment, defendants JOHN LEE BERRY,  
15 III, REFUGIO DIAZ, and STEPHAN ALEXANDER FLORIDA were bidders at and purchased  
16 real estate at public auctions in Alameda County, California, on behalf of defendant ALVIN  
17 FLORIDA, JR., and others.

18 **COUNT ONE: 15 U.S.C. § 1 – Bid Rigging**

19 5. The following individuals are hereby indicted and made defendants on the charge  
20 contained in Count One below:

- 21 a. ALVIN FLORIDA, JR.;
- 22 b. ROBERT ALHASHASH RASHEED;
- 23 c. REFUGIO DIAZ;
- 24 d. JOHN LEE BERRY, III; and
- 25 e. STEPHAN ALEXANDER FLORIDA.

26 **THE COMBINATION AND CONSPIRACY**

27 6. Paragraphs 1 through 4 of this Indictment are re-alleged and incorporated herein  
28 as if fully set forth in this Count.

1           7.       Beginning as early as May 2008 and continuing until in or about December 2010,  
2 the exact dates being unknown to the Grand Jury, the defendants, ALVIN FLORIDA, JR.,  
3 ROBERT ALHASHASH RASHEED, REFUGIO DIAZ, JOHN LEE BERRY, III, and  
4 STEPHAN ALEXANDER FLORIDA, and others known and unknown to the Grand Jury,  
5 entered into and engaged in a combination and conspiracy to suppress and restrain competition  
6 by rigging bids to obtain hundreds of selected properties offered at public auctions in Alameda  
7 County in the Northern District of California, in unreasonable restraint of interstate trade and  
8 commerce, in violation of Section 1 of the Sherman Act, Title 15, United States Code.

9           8.       The charged combination and conspiracy consisted of a continuing agreement,  
10 understanding, and concert of action among the defendants and co-conspirators to suppress  
11 competition by refraining from and stopping bidding against each other to purchase hundreds of  
12 selected properties at public auctions in Alameda County at non-competitive prices.

#### 13   MEANS AND METHODS

14           9.       For the purpose of forming and carrying out the charged combination and  
15 conspiracy, the defendants and co-conspirators did those things that they combined and  
16 conspired to do, including, among other things:

- 17           a.       agreeing not to compete to purchase selected properties at public auctions;
- 18           b.       designating which conspirators would win selected properties at public  
19                    auctions;
- 20           c.       refraining from and stopping bidding for selected properties at public  
21                    auctions;
- 22           d.       purchasing selected properties at public auctions at artificially suppressed  
23                    prices;
- 24           e.       negotiating, making, and receiving payoffs for agreeing not to compete  
25                    with co-conspirators; and
- 26           f.       holding second, private auctions, known as "rounds," to determine the  
27                    payoff amounts and the conspirators who would be awarded the selected  
28                    properties.

1 10. Various entities and individuals, not made defendants in this Count, participated  
2 as co-conspirators in the offense charged and performed acts and made statements in furtherance  
3 thereof.

4 TRADE AND COMMERCE

5 11. The public auctions and the business activities of the defendants and co-  
6 conspirators that are the subject of this Count were within the continuous and uninterrupted flow  
7 of, and substantially affected, interstate trade and commerce. For example, during the period  
8 covered by this Count:

- 9 a. substantial proceeds from the sale of properties purchased by the  
10 conspirators pursuant to the bid-rigging conspiracy were transmitted from  
11 locations in one state to certain beneficiaries located in other states;
- 12 b. instructions regarding the terms of sale of properties that would be  
13 purchased by the conspirators pursuant to the bid-rigging conspiracy were  
14 transmitted and communicated by certain beneficiaries located in one state  
15 to trustees located in other states;
- 16 c. paperwork related to the sale of properties purchased by the conspirators  
17 pursuant to the bid-rigging conspiracy was sent by trustees located in one  
18 state to certain beneficiaries located in other states, notifying them of the  
19 sale of properties in which the beneficiaries held an interest; and
- 20 d. beneficiaries included companies that operated in interstate commerce.

21 JURISDICTION AND VENUE

22 12. The combination and conspiracy charged in this Count was carried out, in part, in  
23 the Northern District of California, within the five years preceding the return of this Indictment.

24 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

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1 COUNTS TWO THROUGH NINE: 18 U.S.C. § 1341 – Mail Fraud

2 The Grand Jury further charges that:

3 SCHEME TO DEFRAUD

4 13. Paragraphs 1 through 4 of this Indictment are re-alleged and incorporated herein  
5 as if fully set forth in these Counts.

6 14. Beginning as early as May 2008 and continuing until in or about December 2010,  
7 the exact dates being unknown to the Grand Jury, in Alameda County in the Northern District of  
8 California, the defendants, ALVIN FLORIDA, JR., ROBERT ALHASHASH RASHEED,  
9 REFUGIO DIAZ, JOHN LEE BERRY, III, and STEPHAN ALEXANDER FLORIDA, and  
10 others known and unknown to the Grand Jury, did knowingly and with intent to defraud, devise  
11 and participate in a scheme and artifice to defraud beneficiaries and to obtain money and  
12 property from beneficiaries by means of materially false and fraudulent pretenses,  
13 representations, and promises, and for purposes of executing such scheme, did use and  
14 knowingly cause to be used the United States mail and private or commercial interstate carriers.

15 15. The purpose of the scheme was to fraudulently acquire title to hundreds of  
16 selected properties sold at public auctions in Alameda County and to divert money to co-  
17 schemers that would have gone to beneficiaries.

18 MEANS AND METHODS OF THE SCHEME TO DEFRAUD

19 16. For the purpose of forming and carrying out the charged scheme to defraud, the  
20 defendants and co-schemers did those things that they schemed to do, including, among other  
21 things:

- 22 a. holding second, private auctions, known as “rounds,” to determine payoff  
23 amounts and the schemers who would be awarded the selected properties;  
24 b. making and causing to be made materially false and misleading statements  
25 that trustees relied upon to distribute proceeds to beneficiaries and to  
26 convey title to selected properties;  
27 c. paying co-schemers monies that otherwise would have gone to  
28 beneficiaries;

- 1 d. concealing rounds and payoffs from trustees and beneficiaries; and  
2 e. causing the suppressed purchase prices to be reported and paid to  
3 beneficiaries.

4 USE OF THE MAILS

5 17. In order to execute the scheme and artifice to defraud, the defendants and co-  
6 schemers knowingly used and caused to be used the United States Postal Service and private or  
7 commercial interstate carriers.

8 18. On or about the dates and with respect to the individual defendants specified as to  
9 each count set forth below, the defendants and co-schemers did knowingly cause to be delivered  
10 by United States mail and private or commercial carriers, including the United States Postal  
11 Service, United Parcel Service, and FedEx, the items identified in each Count below:

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Count	Defendants	Approx. Date	To	From	Description
2	Alvin Florida, Jr.; Refugio Diaz	12/11/2009	22538 Mission Blvd., Hayward, California	California Reconveyance Company	Trustee's Deed Upon Sale for 2335 94th Ave., Oakland, California
3	Alvin Florida, Jr.; Refugio Diaz	1/22/2010	437 Delvin Rd., Ste. 102, Napa, California	Priority Posting and Publishing	Purchase Money and Auction Paperwork for 5830 E. 17th Ave., Oakland, California
4	Alvin Florida, Jr.; Robert Alhashash Rasheed; John Lee Berry, III; Stephan Alexander Florida	3/4/2010	268 Saint Henry Dr., Fremont, California	CR Title Services, Inc.	Trustee's Deed Upon Sale for 5985 Corte Arboles, Pleasanton, California
5	Alvin Florida Jr.; John Lee Berry, III	3/31/2010	41111 Mission Blvd., Fremont, California	ReconTrust Company, N.A.	Trustee's Deed Upon Sale for 554 Andrews St., Livermore, California
6	Alvin Florida, Jr.	8/4/2010	585 Mandana Blvd. #9, Oakland, California	California Reconveyance Company	Trustee's Deed Upon Sale for 3058 Berlin Way, Oakland, California
7	Alvin Florida, Jr.; Robert Alhashash Rasheed; John Lee Berry, III	8/17/2010	2141 5th Ave., San Diego, California	ASAP Sales, Lender Processing Services, Inc.	Purchase Money and Auction Paperwork for 11830 Kilcullin Ct., Dublin, California
8	Alvin Florida, Jr.; Robert Alhashash Rasheed; Stephan Alexander Florida	9/9/2010	2100 Lakeshore Ave. Suite D, Oakland, California	Cal-Western Reconveyance Corporation	Trustee's Deed Upon Sale for 2100 66th Ave., Oakland, California
9	Alvin Florida, Jr.; Robert Alhashash Rasheed; John Lee Berry, III; Stephan Alexander Florida	11/23/2010	22538 Mission Blvd., Hayward, California	Cal-Western Reconveyance Corporation	Trustee's Deed Upon Sale for 2326 Maywood Ave., Oakland, California

JURISDICTION AND VENUE

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2       19.     The scheme and artifice to defraud charged in Counts Two through Nine was  
3 carried out, in part, in the Northern District of California, within the five years preceding the  
4 return of this Indictment.

5             ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 1341.

6 **FORFEITURE ALLEGATION: 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)**

7       20.     Paragraphs 1 through 4 and Paragraphs 13 through 19 of this Indictment are  
8 hereby re-alleged as if fully set forth herein for the purpose of alleging forfeiture pursuant to the  
9 provisions of Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States  
10 Code, Section 2461(c).

11       21.     Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28,  
12 United States Code, Section 2461(c), upon conviction of the offenses alleged in Counts Two  
13 through Nine of this Indictment, each defendant so convicted shall be jointly and severally liable  
14 to forfeit to the United States any property constituting, or derived from, proceeds obtained  
15 directly or indirectly from the scheme and artifice to defraud alleged in said Counts.

16       22.     If, as a result of any act or omission of the defendants, any of said property:

- 17             a.       cannot be located upon the exercise of due diligence;
- 18             b.       has been transferred or sold to, or deposited with,  
19                 a third party;
- 20             c.       has been placed beyond the jurisdiction of the Court;
- 21             d.       has been substantially diminished in value; or
- 22             e.       has been commingled with other property that cannot be divided  
23                 without difficulty,

24 any and all interest that the defendants have in any other property, up to the value of the property  
25 described in Paragraph 21, above, shall be forfeited to the United States pursuant to Title 21,

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1 United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section  
2 2461(c).

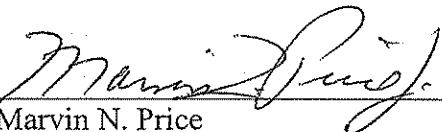
3  
4 Dated: 11-18-2014

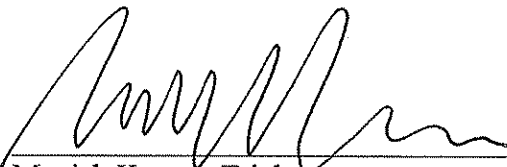
A TRUE BILL.

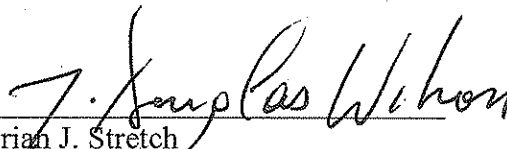
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11 FORERERSON

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16 Brent Snyder  
17 Deputy Assistant Attorney General

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20 \_\_\_\_\_  
21 Marc Siegel  
22 Chief, San Francisco Office

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42 Northern District of California  
43 Acting Under Authority Conferred  
44 by 28 U.S.C. § 515