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UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
FORT MYERS DIVISION

UNITED STATES OF AMERICA

v.

Case No. 2:18-cr-87 -FtM- 99 m2m

HOLLIE D. DUSTIN

**PLEA AGREEMENT**

Pursuant to Fed. R. Crim. P. 11(c), the United States of America, by Maria Chapa Lopez, United States Attorney for the Middle District of Florida, and the defendant, Hollie D. Dustin, and the attorney for the defendant, Robert B. Siddall, mutually agree as follows:

**A. Particularized Terms**

1. Counts Pleading To

The defendant shall enter a plea of guilty to Counts One through Three of the Information. Counts One through Three each charge the defendant with Wire Fraud, in violation of 18 U.S.C. § 1343 and § 2.

2. Maximum Penalties

Counts One through Three each carry a maximum sentence of imprisonment of 20 years, a fine of \$250,000, or twice the gross gain caused by the offense, or twice the gross loss caused by the offense, whichever is greater, a term of supervised release of not more than 3 years, and a special assessment of 100.00.

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With respect to certain offenses, the Court shall order the defendant to make restitution to any victim of the offense(s), and with respect to other offenses, the Court may order the defendant to make restitution to any victim of the offense(s), or to the community, as set forth below.

3. Elements of the Offenses

The defendant acknowledges understanding the nature and elements of the offenses with which defendant has been charged and to which defendant is pleading guilty. The elements of Counts One through Three are:

- First: the defendant knowingly devised or participated in a scheme to defraud, or to obtain money or property by using false pretenses, representations, or promises;
- Second: the false pretenses, representations, or promises were about a material fact;
- Third: the defendant acted with the intent to defraud; and
- Fourth: the defendant transmitted or caused to be transmitted by wire some communication in interstate commerce to help carry out the scheme to defraud.

4. Indictment Waiver

Defendant will waive the right to be charged by way of indictment before a federal grand jury.

5. No Further Charges

If the Court accepts this plea agreement, the United States Attorney's Office for the Middle District of Florida agrees not to charge defendant with

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committing any other federal criminal offenses known to the United States Attorney's Office at the time of the execution of this agreement, related to the conduct giving rise to this plea agreement.

6. Mandatory Restitution to Victim of Offenses of Conviction

Pursuant to 18 U.S.C. § 3663A(a) and (b), defendant agrees to make full restitution to the Federal National Mortgage Association (Fannie Mae).

7. Guidelines Sentence

Pursuant to Fed. R. Crim. P. 11(c)(1)(B), the United States will recommend to the Court that the defendant be sentenced within the defendant's applicable guidelines range as determined by the Court pursuant to the United States Sentencing Guidelines, as adjusted by any departure the United States has agreed to recommend in this plea agreement. The parties understand that such a recommendation is not binding on the Court and that, if it is not accepted by this Court, neither the United States nor the defendant will be allowed to withdraw from the plea agreement, and the defendant will not be allowed to withdraw from the plea of guilty.

8. Acceptance of Responsibility - Three Levels

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted, the United States will not oppose the defendant's request to the Court that the

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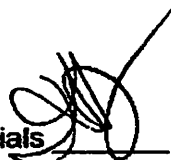
defendant receive a two-level downward adjustment for acceptance of responsibility, pursuant to USSG § 3E1.1(a). The defendant understands that this recommendation or request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

Further, at the time of sentencing, if the defendant's offense level prior to operation of subsection (a) is level 16 or greater, and if the defendant complies with the provisions of USSG § 3E1.1(b) and all terms of this Plea Agreement, including but not limited to, the timely submission of the financial affidavit referenced in Paragraph B.4., the United States agrees to make a motion pursuant to USSG § 3E1.1(b) for a downward adjustment of one additional level. The defendant understands that the determination as to whether the defendant has qualified for a downward adjustment of a third level for acceptance of responsibility rests solely with the United States Attorney for the Middle District of Florida, and the defendant agrees that the defendant cannot and will not challenge that determination, whether by appeal, collateral attack, or otherwise.

9. Low End

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted, the United States will not oppose the defendant's request to the Court that the defendant receive a sentence at the low end of the applicable guideline range, as calculated by the Court. The defendant understands that this recommendation or

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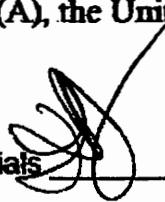
request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

10. Forfeiture of Assets

The defendant agrees to forfeit to the United States immediately and voluntarily any and all assets and property, or portions thereof, subject to forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), whether in the possession or control of the United States or in the possession or control of the defendant or defendant's nominees. The assets to be forfeited specifically include, but are not limited to, a money judgment in the amount of at least \$146,280.46, representing the amount of proceeds obtained as a result of the wire fraud scheme charged in Counts One through Three. The defendant also hereby agrees to waive all constitutional, statutory and procedural challenges in any manner (including direct appeal, habeas corpus, or any other means) to any forfeiture carried out in accordance with this Plea Agreement on any grounds, including that the forfeiture described herein constitutes an excessive fine, was not properly noticed in the charging instrument, addressed by the Court at the time of the guilty plea, announced at sentencing, or incorporated into the judgment.

The defendant admits and agrees that the conduct described in the Factual Basis below provides a sufficient factual and statutory basis for the forfeiture of the property sought by the government. Pursuant to the provisions of Rule 32.2(b)(1)(A), the United States and the defendant request that promptly

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after accepting this Plea Agreement, the Court make a determination that the government has established the amount of the proceeds of the offense(s) to which defendant is pleading guilty is at least \$146,280.46 and enter an order of forfeiture. Pursuant to Rule 32.2(b)(4), the defendant agrees that the preliminary order of forfeiture will satisfy the notice requirement and will be final as to the defendant at the time it is entered. In the event the forfeiture is omitted from the judgment, the defendant agrees that the forfeiture order may be incorporated into the written judgment at any time pursuant to Rule 36.

The defendant agrees that the United States shall, at its option, be entitled to the forfeiture of any property (substitute assets) of the defendant up to the value of the money judgment. The Court shall retain jurisdiction to settle any disputes arising from application of this clause. The defendant agrees that forfeiture of substitute assets as authorized herein shall not be deemed an alteration of the defendant's sentence.

The defendant agrees to take all steps necessary to identify and locate all substitute assets and to transfer custody of such assets to the United States before the defendant's sentencing. The defendant agrees to be interviewed by the government, prior to and after sentencing, regarding such assets. The defendant further agrees to be polygraphed on the issue of assets, if it is deemed necessary by the United States. The defendant agrees that Federal Rule of Criminal Procedure 11 and USSG §1B1.8 will not protect from forfeiture assets disclosed by the

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defendant as part of her cooperation.

The defendant agrees to take all steps necessary to assist the government in obtaining clear title to any substitute assets before the defendant's sentencing. In addition to providing full and complete information about substitute assets, these steps include, but are not limited to, the surrender of title, the signing of a consent decree of forfeiture, and signing of any other documents necessary to effectuate such transfers.

Forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon the defendant in addition to forfeiture.

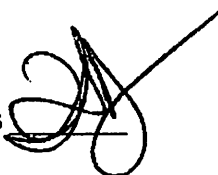
The defendant agrees that, in the event the Court determines that the defendant has breached this section of the Plea Agreement, the defendant may be found ineligible for a reduction in the Guidelines calculation for acceptance of responsibility and substantial assistance, and may be eligible for an obstruction of justice enhancement.

**B. Standard Terms and Conditions**

**1. Restitution, Special Assessment and Fine**

The defendant understands and agrees that the Court, in addition to or in lieu of any other penalty, shall order the defendant to make restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663A, for all offenses described in 18 U.S.C. § 3663A(c)(1); and the Court may order the defendant to make

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restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663, including restitution as to all counts charged, whether or not the defendant enters a plea of guilty to such counts, and whether or not such counts are dismissed pursuant to this agreement. The defendant further understands that compliance with any restitution payment plan imposed by the Court in no way precludes the United States from simultaneously pursuing other statutory remedies for collecting restitution (18 U.S.C. § 3003(b)(2)), including, but not limited to, garnishment and execution, pursuant to the Mandatory Victims Restitution Act, in order to ensure that the defendant's restitution obligation is satisfied.

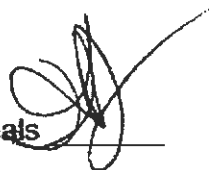
On each count to which a plea of guilty is entered, the Court shall impose a special assessment pursuant to 18 U.S.C. § 3013. To ensure that this obligation is satisfied, the Defendant agrees to deliver a check or money order to the Clerk of the Court in the amount of \$<sup>300</sup>500, payable to "Clerk, U.S. District Court" within ten days of the change of plea hearing.

The defendant understands that this agreement imposes no limitation as to fine.

2. Supervised Release

The defendant understands that the offense(s) to which the defendant is pleading provide(s) for imposition of a term of supervised release upon release from imprisonment, and that, if the defendant should violate the conditions of release, the defendant would be subject to a further term of imprisonment.

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3. Immigration Consequences of Pleading Guilty

The defendant has been advised and understands that, upon conviction, a defendant who is not a United States citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

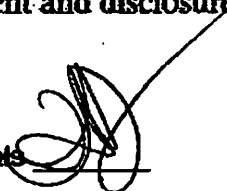
4. Sentencing Information

The United States reserves its right and obligation to report to the Court and the United States Probation Office all information concerning the background, character, and conduct of the defendant, to provide relevant factual information, including the totality of the defendant's criminal activities, if any, not limited to the count(s) to which defendant pleads, to respond to comments made by the defendant or defendant's counsel, and to correct any misstatements or inaccuracies. The United States further reserves its right to make any recommendations it deems appropriate regarding the disposition of this case, subject to any limitations set forth herein, if any.

5. Financial Disclosures

Pursuant to 18 U.S.C. § 3664(d)(3) and Fed. R. Crim. P. 32(d)(2)(A)(ii), the defendant agrees to complete and submit to the United States Attorney's Office within 30 days of execution of this agreement an affidavit reflecting the defendant's financial condition. The defendant promises that her financial statement and disclosures will be complete, accurate and truthful and

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will include all assets in which she has any interest or over which the defendant exercises control, directly or indirectly, including those held by a spouse, dependent, nominee or other third party. The defendant further agrees to execute any documents requested by the United States needed to obtain from any third parties any records of assets owned by the defendant, directly or through a nominee, and, by the execution of this Plea Agreement, consents to the release of the defendant's tax returns for the previous five years. The defendant similarly agrees and authorizes the United States Attorney's Office to provide to, and obtain from, the United States Probation Office, the financial affidavit, any of the defendant's federal, state, and local tax returns, bank records and any other financial information concerning the defendant, for the purpose of making any recommendations to the Court and for collecting any assessments, fines, restitution, or forfeiture ordered by the Court. The defendant expressly authorizes the United States Attorney's Office to obtain current credit reports in order to evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.

6. Sentencing Recommendations

It is understood by the parties that the Court is neither a party to nor bound by this agreement. The Court may accept or reject the agreement, or defer a decision until it has had an opportunity to consider the presentence report prepared by the United States Probation Office. The defendant understands and

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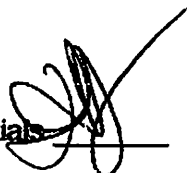


acknowledges that, although the parties are permitted to make recommendations and present arguments to the Court, the sentence will be determined solely by the Court, with the assistance of the United States Probation Office. Defendant further understands and acknowledges that any discussions between defendant or defendant's attorney and the attorney or other agents for the government regarding any recommendations by the government are not binding on the Court and that, should any recommendations be rejected, defendant will not be permitted to withdraw defendant's plea pursuant to this plea agreement. The government expressly reserves the right to support and defend any decision that the Court may make with regard to the defendant's sentence, whether or not such decision is consistent with the government's recommendations contained herein.

7. Defendant's Waiver of Right to Appeal the Sentence

The defendant agrees that this Court has jurisdiction and authority to impose any sentence up to the statutory maximum and expressly waives the right to appeal defendant's sentence on any ground, including the ground that the Court erred in determining the applicable guidelines range pursuant to the United States Sentencing Guidelines, except (a) the ground that the sentence exceeds the defendant's applicable guidelines range *as determined by the Court* pursuant to the United States Sentencing Guidelines; (b) the ground that the sentence exceeds the statutory maximum penalty; or (c) the ground that the sentence violates the Eighth Amendment to the Constitution; provided, however, that if the government

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exercises its right to appeal the sentence imposed, as authorized by 18 U.S.C. § 3742(b), then the defendant is released from his waiver and may appeal the sentence as authorized by 18 U.S.C. § 3742(a).

8. Middle District of Florida Agreement

It is further understood that this agreement is limited to the Office of the United States Attorney for the Middle District of Florida and cannot bind other federal, state, or local prosecuting authorities, although this office will bring defendant's cooperation, if any, to the attention of other prosecuting officers or others, if requested.

9. Filing of Agreement

This agreement shall be presented to the Court, in open court or *in camera*, in whole or in part, upon a showing of good cause, and filed in this cause, at the time of defendant's entry of a plea of guilty pursuant hereto.

10. Voluntariness

The defendant acknowledges that defendant is entering into this agreement and is pleading guilty freely and voluntarily without reliance upon any discussions between the attorney for the government and the defendant and defendant's attorney and without promise of benefit of any kind (other than the concessions contained herein), and without threats, force, intimidation, or coercion of any kind. The defendant further acknowledges defendant's understanding of the nature of the offense(s) to which defendant is pleading guilty

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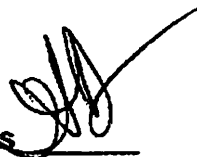


and the elements thereof, including the penalties provided by law, and defendant's complete satisfaction with the representation and advice received from defendant's undersigned counsel (if any). The defendant also understands that defendant has the right to plead not guilty or to persist in that plea if it has already been made, and that defendant has the right to be tried by a jury with the assistance of counsel, the right to confront and cross-examine the witnesses against defendant, the right against compulsory self-incrimination, and the right to compulsory process for the attendance of witnesses to testify in defendant's defense; but, by pleading guilty, defendant waives or gives up those rights and there will be no trial. The defendant further understands that if defendant pleads guilty, the Court may ask defendant questions about the offense(s) to which defendant pleaded, and if defendant answers those questions under oath, on the record, and in the presence of counsel (if any), defendant's answers may later be used against defendant in a prosecution for perjury or false statement. The defendant also understands that defendant will be adjudicated guilty of the offense(s) to which defendant has pleaded and, if any of such offenses are felonies, may thereby be deprived of certain rights, such as the right to vote, to hold public office, to serve on a jury, or to have possession of firearms.

11. Factual Basis

Defendant is pleading guilty because defendant is in fact guilty. The defendant certifies that defendant does hereby admit that the facts set forth below

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are true, and were this case to go to trial, the United States would be able to prove those specific facts and others beyond a reasonable doubt.

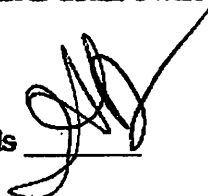
**FACTS**

During the time period charged in the Information, the Federal National Mortgage Association (Fannie Mae) was a government-sponsored enterprise chartered by Congress. Fannie Mae purchased loans from lenders and then guaranteed the principal and interest of the mortgage loans for investors in its securitizations. When a Fannie Mae-owned home loan went into default, Fannie Mae often acquired title to the home through foreclosure or mortgage release. Such properties were referred to as real-estate owned ("REO"). Fannie Mae typically attempted to sell its REO properties through third-party real estate brokers who contracted directly with Fannie Mae. Fannie Mae's contracts with the brokers took the form of a Master Listing Agreement (MLA) with general terms and conditions.

After a broker entered into a MLA, Fannie Mae usually assigned or listed one or more of Fannie Mae's REO properties with the broker. The broker was responsible for managing and preserving the property. These preservation services included pool servicing, landscaping, and rekeying locks among other services.

Defendant Hollie D. Dustin (Dustin) was a licensed real estate broker. Defendant Dustin owned and operated a real estate company named

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Home Choice Real Estate (HCRE). HCRE applied for and was accepted as a Fannie Mae broker in 2013. Defendant Dustin, as owner of HCRE, signed a Fannie Mae MLA in which HCRE agreed to manage and perform preservation services on various Fannie Mae properties and potentially list those properties for sale.


Section 10, subsection E, of the Fannie Mae MLA, signed by Defendant Dustin on behalf of HCRE, contained the following conflict of interest provisions:

Broker represents and warrants to Fannie Mae that:

- (i) it will not permit any entities or individuals that are affiliated with it or any Broker Personnel through familial relationships, equity ownership, debt or credit arrangements, partnership, or any other means that may present a conflict of interest to perform Services or receive compensation of any kind in connection with this Agreement without Fannie Mae's express, prior, written consent; and,
- (ii) it will not permit any entities or individuals that are affiliated with it or any Broker Personnel through familial relationships, equity ownership, debt or credit arrangements, partnership, or any other means that may present a conflict of interest to purchase a Property that is listed with Broker pursuant to this Agreement without Fannie Mae's express, prior, written consent.

Defendant Dustin selected vendors to perform the services that were needed—often pool services and lawn services. After the work was completed, these vendors submitted invoices to HCRE for the services they rendered on the REO properties. HCRE paid the vendors for their services. Once a vendor was paid by HCRE, Defendant Dustin sought reimbursement from Fannie Mae. In

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order to obtain reimbursement, Defendant Dustin submitted or caused to be submitted electronically to Fannie Mae via Equator, a network Fannie Mae utilized to manage REO assets, vendor invoices and proof of payment of same. After a request for reimbursement was submitted, Fannie Mae reviewed the request and sent payment to HCRE in the form of a check.

Defendant Dustin controlled a company called ProPreserve, which performed property maintenance services on REO properties. Once Defendant Dustin and HCRE became a listing agent for Fannie Mae REO properties, Defendant Dustin disclosed her ownership of ProPreserve to Fannie Mae. Fannie Mae informed Defendant Dustin that she was not allowed to own ProPreserve. Defendant Dustin then falsely claimed to Fannie Mae that she no longer had any interest in ProPreserve and had sold the company to V.B., her accountant. In truth and in fact, Defendant Dustin maintained full control and ownership of ProPreserve for the entire time of HCRE's involvement as a Fannie Mae REO broker. She ran the activities of ProPreserve and was its 100% shareholder. Defendant Dustin maintained control of ProPreserve's bank account which included authorizing checks written out of the account. Defendant Dustin directed her employees to prepare and submit ProPreserve invoices through HCRE to Fannie Mae utilizing the Equator network. She falsely led Fannie Mae to believe that HCRE and ProPreserve were not related parties and that there was no collusion between HCRE and ProPreserve. These false pretenses and

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representations were material because Fannie Mae would not have permitted HCRE to use ProPreserve as a vendor had it been aware that Defendant Dustin owned and controlled ProPreserve.

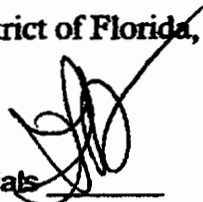
Defendant Dustin submitted or caused to be submitted to Fannie Mae, through the Equator system, more than 550 fraudulent invoices requesting at least \$146,280.46 in reimbursement for preservation services the defendant claimed that ProPreserve had performed on Fannie Mae REO properties.

On multiple occasions, Defendant Dustin also used ProPreserve to create invoices that fraudulently inflated the cost of work performed by vendors hired by Defendant Dustin through HCRE. These vendors submitted invoices to HCRE for the services they completed on the REO properties. HCRE paid the vendors for their services. Defendant Dustin then caused ProPreserve to provide HCRE with inflated invoices for the work performed by the vendors. Through HCRE, Defendant Dustin submitted to Fannie Mae, through the Equator network, the falsely inflated ProPreserve invoices for the same work performed by the vendors.

As part of the scheme, Defendant Dustin destroyed or caused to be destroyed the invoices from ProPreserve after they were uploaded into the Equator network.

From in or about January 2013, through in or about October 2015, in the Middle District of Florida, Defendant Dustin defrauded Fannie Mae by

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causing fraudulent ProPreserve invoices to be submitted by HCRE to Fannie Mae, via wire through the Equator system, which was located in Grapevine, Texas. A Fannie Mae employee located in Texas retrieved and reviewed the invoices submitted by HCRE. After the employee reviewed and approved each invoice, a payment, in the form of a check, was issued to HCRE.

On the dates set forth below, Defendant Dustin transmitted or caused to be transmitted in interstate commerce from Florida to Grapevine, Texas, the electronic invoices set forth below for the purpose of executing the scheme and artifice to defraud and to obtain money and property from Fannie Mae by means of materially false and fraudulent pretenses, representations and promises.

<b>Count</b>	<b>Date</b>	<b>Amount</b>	<b>Transaction</b>
ONE	7/30/2015	\$250.00	Online electronic transfer of ProPreserve invoice from HCRE in Punta Gorda, Florida, to Equator network server in Grapevine, Texas, for work performed on property at 24460 Rio Togas, Punta Gorda, FL 33955.
TWO	8/31/2015	\$250.00	Online electronic transfer of ProPreserve invoice from HCRE in Punta Gorda, Florida, to Equator network server in Grapevine, Texas, for work performed on property at 7237 Allamanda Lane, Punta Gorda, FL 33955.
THREE	9/29/2015	\$250.00	Online electronic transfer of ProPreserve invoice from HCRE in Punta Gorda, Florida, to Equator network server in Grapevine, Texas, for work performed on property at 3365 Sandpiper Drive, Punta Gorda, FL 33950.

12. Entire Agreement

This plea agreement constitutes the entire agreement between the government and the defendant with respect to the aforementioned guilty plea and no other promises, agreements, or representations exist or have been made to the

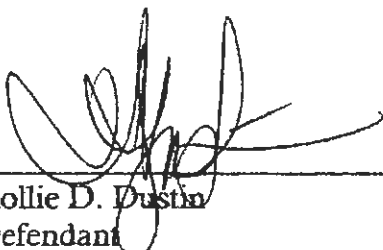
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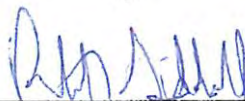
defendant or defendant's attorney with regard to such guilty plea.

13. Certification

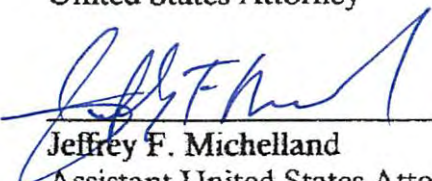
The defendant and defendant's counsel certify that this plea agreement has been read in its entirety by (or has been read to) the defendant and that defendant fully understands its terms.

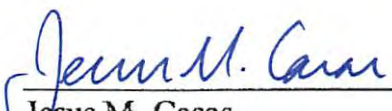
DATED this 5<sup>th</sup> day of June, 2018.

  
\_\_\_\_\_  
Hollie D. Dustin  
Defendant

  
\_\_\_\_\_  
Robert B. Siddall  
Attorney for Defendant

MARIA CHAPA LOPEZ  
United States Attorney

  
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Jeffrey F. Michelland  
Assistant United States Attorney

  
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Jesus M. Casas  
Assistant United States Attorney  
Chief, Fort Myers Division

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