

The Virgin Islands Consortium

DOJ To Announce Arrests Tied To Government-Owned Property Auctions This Afternoon

VIC News / **Published On November 20, 2015 03:02 PM /**

Ernice Gilbert **November 20, 2015**



ST. CROIX -- The Virgin Islands Department of Justice will announce arrests that it carried out, in conjunction with the Inspector General's Office, in connection with [fraudulent transfer of government-owned property](#) via auction, conducted by the Office of the Lieutenant Governor in 2012-2013, under the former Governor John P. de Jongh administration.

That's according to a press release Government House issued this morning, which also revealed that the press conference, to be held at the Department Of Justice's Castle Coakley location, will commence at 12:30 p.m. today.

In May, the lieutenant governor advised residents who purchased property at government-sanctioned auctions conducted by the VI Collector's Office during the de Jongh years, to make no repairs, nor attempt to transfer ownership of the real property until "further notice."

According to the [May 11 press release](#), the Office of the Lieutenant Governor, after conducting a review, determined that the "properties may not have complied with the requirements of Title 33 of the Virgin Islands Code."

The dates included in the press release are as follows:

- January 25, 2012
- January 18, 2012
- May 23, 2012
- June 5, 2012
- August 30, 2012
- August 29, 2012
- November 20, 2012
- November 15, 2012
- February 27, 2013
- March 6, 2013
- June 20, 2013
- June 26, 2013

And in September of 2014, the Office of the Inspector General released a [damning report](#) that laid bare its findings on inspections of government-sanctioned real estate auctions. The report confirmed there was "validity to the allegations of questionable bidding practices and a lack of compliance with statutory regulations governing real property auctions conducted by the Lt. Governor's Office."

The categories of unscrupulous practices were many, specifically that "as a result of procedural changes made in real property auctions by officials at the Lieutenant Governor's Office:

- (a) individuals were allowed to manipulate the bidding process, to fraudulently restrict other potential individuals from making legitimate bids on properties offered for auction,
- (b) questionable and inaccurate bid recording and record keeping brought into question several of the reported highest bids for several properties that were sold,
- (c) properties were not properly researched to ensure that they were eligible for sale,
- (d) payment time frames established by the Code were not properly adhered to,
- (e) adequate documentation of the Notice of Attachment process, as required by the Code, was not always maintained to ensure that taxpayers' constitutional right of due process was followed, and
- (f) auction costs and fees were not assessed and collected once properties were sold or redeemed."

Feature Image: From left, Attorney General Claude Walker, and Inspector General Steven van Beverhoudt.

© Viconsortium 2026