

Lewis: Woman lost resort to Allen Stanford

By Al Lewis

Dow Jones Newswires

Posted: 08/12/2009 01:00:00 AM MDT

Updated: 08/12/2009 01:56:15 AM MDT



Natalia Querard claims the Antiguan government kept her from rebuilding her hurricane-ravaged resort hotel. (Courtesy of Natalia Querard)

First came two hurricanes. Then came a force of nature known as Sir R. Allen Stanford, the Antiguan knight, international financier, and alleged multibillion-dollar Ponzi schemer.

Stanford loaned Antigua tens of millions of dollars. The Caribbean island nation returned the favor by bestowing knighthood upon the Texas banker, and condemning an American-owned beach resort for him to develop.

So goes the story of Natalia Querard. In 2001, Antigua expropriated the resort that her family and a group of American investors ran at Half Moon Bay.

At 71, the mother of four and grandmother of 11 is living in Denver, New York and Antigua as she battles unimaginable bureaucratic forces.

Stanford, who maintains his innocence, has been in prison since June. He is awaiting a federal trial in Houston on a litany of fraud charges related to about \$7 billion in certificates of deposit sold through Stanford International Bank Ltd.

"They found a Ponzi scheme to latch onto, but that's not the worst of what he's done," Querard said.

Bernie Madoff went down in history for running the world's biggest Ponzi scheme, but not even Madoff was clever enough to use his ill-gotten gains to take over a country.

Querard alleges that Stanford accessed the power of the state to snap up her hotel like a tiny, green piece on a Monopoly board.

Querard's parents were among a group investors that acquired the Half Moon Bay Resort in 1971. They also assembled 110 acres of adjacent land, put in a golf course, swimming pool, tennis courts and impeccable service.

Each of hotel's 100 rooms offered a sweeping view of the ocean - all just steps away from a crescent-shaped, white-sand beach that TV's Travel Channel once called one of the best in the world.

Celebrities sometimes came to be left alone.

"Elton John showed up for a number of years," Querard said. "He was so left alone that he couldn't stand it. He got up one evening, sat at this out-of-tune, upright (piano), and sang for anyone who would listen."

The luxurious hotel would later prove a "candle in the wind."

In 1995, consecutive hurricanes Luis and Marilyn ripped off its roof. Querard said she spent the next few years battling insurance and finance companies to line up \$12 million needed for repairs.

Then-Prime Minister Lester Bird offered to take the damaged property off her hands and sell it to Stanford, Querard said, though no price was ever mentioned.

Antigua first moved to condemn the property in 2000, complaining that its owners hadn't repaired it and hadn't paid workers' severance.

Querard claims Bird's administration derailed her every effort to rebuild the hotel, including cutting off its utilities and blocking needed financing.

Several members of the U.S. Congress complained to Antigua and the U.S. State Department, delaying the seizure. But by December 2001, Antigua's government moved forward, saying the idled property had been responsible for 3 percent of the island's vital tourism industry.

In public tirades, a member of Bird's administration, Ascot Michael, branded Querard an "enemy of the state" and declared, "No white woman can be allowed to own such a property."

Stanford, meanwhile, had already hired Jack Nicklaus to redesign the golf course.

In a 2002 interview with The Wall Street Journal, Stanford denied having a deal with Bird to take over the hotel.

"There's a misconception that I'm in bed with Lester Bird," he said. "I don't always get my way as people think I do."

In 2004, Baldwin Spencer unseated Bird as Prime Minister.

"Basically, Lester wants to sell someone else's property for a huge profit to pay off a deficit created by his mismanagement," Spencer had said while campaigning. "That is unconscionable and a new low even for a government as controversial as the Bird's."

Yet little has changed after Spencer's victory. Half Moon Bay's investors won a ruling by the United Kingdom's Privy Council in June 2007, ordering fair compensation within a reasonable time. But Antigua has yet to pay.

The entire paradise that was Half Moon Bay - valued at \$60 million - continues rotting in the wind.

As part of an apparent public relations offensive, Antigua renamed its highest peak "Mount Obama" as a 48th birthday present to the president this month.

Half Moon Bay is among the least of its controversies. One of its top banking regulators was indicted for aiding Stanford. Its offshore banking industry is under unprecedented scrutiny. And the tourism upon which it relies is down with the global economy.

Former U.S. Congressman Tom Tancredo, who ran for the Republican nomination for president, wrote letters to the State Department and stood up in Congress to complain about Antigua's blatant breach of international treaties in expropriating Half Moon Bay, without success.

One of the problems he's faced is the sheer incredibility of the story. Can anyone seriously believe that a rogue financier can take over a nation that is still part of the British Commonwealth?

"This is right out of a James Bond script," Tancredo said. "All it needs is a huge complex that's hidden under a mountain."

Just don't look under Mount Obama.

Al Lewis: 212-416-2617 or al.lewis@dowjones.com. Read Al's blog at tellittoo.com.