



# Department of Justice

Acting United States Attorney Lawrence G. Brown  
Eastern District of California

FOR IMMEDIATE RELEASE

Thursday, May 7, 2009  
[www.usdoj.gov/usao/cae](http://www.usdoj.gov/usao/cae)  
Docket #: 2:09-mj-EFB

CONTACT: Lauren Horwood  
PHONE: 916-554-2706  
[usacae.edcpress@usdoj.gov](mailto:usacae.edcpress@usdoj.gov)

## **FORMER REALTOR AND LOAN BROKER INDICTED FOR MORTGAGE FRAUD PERTAINING TO PROPERTIES IN ELK GROVE**

SACRAMENTO, Calif.—The United States Attorney's Office announced today that a federal grand jury returned a nine-count indictment charging DAMEENE DEDRICK, 35, of Denver, and ROY RICE, 42, of San Francisco, both formerly of Elk Grove, Calif., with four counts of bank fraud, and four counts of false loan statements as part of a mortgage fraud scheme. DEDRICK also was charged with one count of mail fraud.

This case is the product of a joint investigation by the Federal Bureau of Investigation and the Internal Revenue Service- Criminal Investigations.

According to Acting United States Attorney Lawrence Brown, who is prosecuting the case, the indictment alleges that in February 2006, DEDRICK purchased three homes in Elk Grove for a total of approximately \$1.1 million. At the time, DEDRICK was a licensed real estate agent. In two of the purchases, ROY RICE, then a loan broker, processed the loan applications. In all three transactions, DEDRICK fraudulently inflated his earnings and represented that each home was to be his primary residence. He further created fictitious W-2 Wage and Tax Statements and earning statements for 2003–2005. RICE was aware of the false statements but nevertheless processed the applications, thereby receiving his commission. All three homes were later foreclosed on, resulting in losses in excess of \$500,000.

DEDRICK and RICE are out on bail. They will be arraigned before United States Magistrate Judge Gregory G. Hollows at 2:00 p.m. on Monday, May 11, 2009.

The maximum statutory penalty for bank fraud and false loan statements is 30 years in prison, a fine of up to \$1 million, and a five-year term of supervised release on completion of the prison sentence. The maximum penalty for mail fraud is 20 years in prison, a fine not to exceed \$250,000, and a five-year term of supervised release. However, the actual sentence will be dictated by the Federal Sentencing Guidelines, which take into account a number of factors, and will be imposed at the discretion of the court.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

###