



NEWS RELEASE

Office of the United States Attorney
Eastern District of Texas

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FRISCO MAN SENTENCED FOR REAL ESTATE SCHEME

(Sherman, TX) A 50-year-old Frisco man was sentenced to 18 months in federal prison for his role in a scheme to defraud a number of home buyers in the Dallas area. ROCKY DEVURLE SHAW was also ordered by U.S. District Judge Richard Schell to pay a \$20,000 fine and restitution of \$351,103.17 to the government and the home buyers.

According to information presented by prosecutors, as part of the scheme, Shaw ran advertisements offering to purchase homes. In order to induce the homeowners to vacate their homes and/or execute documents that conveyed their homes to him, Shaw represented to them that he would make the payments called for on the outstanding mortgage obligation on the home. After the homeowner conveyed their home to Shaw, Shaw would locate a buyer for the house. Generally, Shaw represented to the buyer that he owned the home free and clear of any debt obligation. If he disclosed the mortgage obligation to the buyer, he promised to make the payments on that obligation.

After the sale of the homes to the buyers, Shaw began collecting monthly purchase payments from the buyers. However, Shaw knowingly failed to keep the payments on the existing mortgage current. This placed the buyer in the

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position of being dispossessed of the house by the mortgage holder, and placed the original seller in the position of being foreclosed. In addition to the losses suffered by home purchasers, the government also suffered losses in that a number of the mortgage loans were insured by the Veterans Administration or the FHA.

Matthew D. Orwig, United States Attorney for the Eastern District of Texas praised the work of the investigative agencies on this case, "This type of fraud is very elaborate and difficult to investigate. The agents on this case are to be commended for their diligence in the pursuit of justice."

The case was investigated jointly by the Housing and Urban Development Office of Inspector General, the Veteran's Administration Office of Inspector General, and the Federal Bureau of Investigation. The case was prosecuted by Assistant U.S. Attorney, Andy Williams.

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